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Orana A/S

Rynkebyvej 243
5350 Rynkeby
CVR No. 21624306

Annual report 01.10.2023 - 30.09.2024

The Annual General Meeting adopted the annual report on 26.03.2025

Sia Oskarson
Chairwoman of the General Meeting

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Entity details

Entity

Orana A/S
Rynkebyvej 243
5350 Rynkeby

Business Registration No.: 21624306
Registered office: Kerteminde
Financial year: 01.10.2023 - 30.09.2024

Board of Directors

Helle Ringer Gudmand
Lisbeth Juhl Christensen
Cathrine Marie Westergaard Østerberg
Per Toft Valstorp
Jørgen Groth Dirksen
Frederik Westergaard Østerberg
Niels Olaf Østerberg

Executive Board

Niels Olaf Østerberg

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Tværkajen 5
P. O. Box 10
5100 Odense

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Orana A/S for the financial year 01.10.2023 - 30.09.2024.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 30.09.2024 and of the results of their operations and the consolidated cash flows for the financial year 01.10.2023 - 30.09.2024.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Rynkeby, 26.03.2025

Executive Board

Niels Olaf Østerberg

Board of Directors

Helle Ringer Gudmand	**Lisbeth Juhl Christensen**	**Cathrine Marie Westergaard Østerberg**
Per Toft Valstorp	**Jørgen Groth Dirksen**	**Frederik Westergaard Østerberg**
Niels Olaf Østerberg		

Independent auditor's report

To the shareholders of Orana A/S

Opinion

We have audited the consolidated financial statements and the parent financial statements of Orana A/S for the financial year 01.10.2023 - 30.09.2024, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 30.09.2024 and of the results of their operations and the consolidated cash flows for the financial year 01.10.2023 - 30.09.2024 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor’s responsibilities for the audit of the consolidated financial statements and the parent financial statements" section of this auditor’s 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.

Management's responsibilities for the consolidated financial statements and the parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent 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 consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent 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 consolidated financial statements and parent 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 consolidated financial statements and the parent 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 Entity’s internal control.

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

- Conclude on the appropriateness of Management’s use of the going concern basis of accounting in preparing the consolidated financial statements and the parent 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 Entity’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements and the parent 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 Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent 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 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.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the consolidated financial statements and the parent financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required by relevant law and regulations.

Based on the work we have performed, we conclude that the management commentary is in accordance with the consolidated financial statements and the parent financial statements and has been prepared in accordance with the requirements in the relevant law and regulations. We did not identify any material misstatement of the management commentary.

Odense, 26.03.2025

Deloitte
Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Bo Damgaard Hansen
State Authorised Public Accountant
Identification No (MNE) mne34543

Abdul Wahab Ashraf
State Authorised Public Accountant
Identification No (MNE) mne46664

Management commentary

Financial highlights

	2023/24 USD'000	2022/23 USD'000	2021/22 USD'000	2020/21 USD'000	2019/20 USD'000
Key figures					
Revenue	64,082	57,525	65,602	55,173	55,542
Gross profit/loss	14,589	12,017	12,592	11,485	12,286
Operating profit/loss	4,195	2,585	2,294	1,782	2,779
Net financials	(2,318)	(2,407)	(681)	(934)	(1,157)
Profit/loss for the year	1,001	74	1,422	766	1,149
Profit for the year excl. minority interests	1,074	11	1,344	711	1,133
Balance sheet total	47,403	40,004	41,319	39,329	33,362
Investments in property, plant and equipment	1,269	2,593	1,852	1,249	911
Equity	11,243	9,017	9,614	8,804	8,150
Equity excl. minority interests	10,570	8,619	9,244	8,558	7,972
Cash flows from operating activities	(780)	926	1,894	(1,237)	(1,634)
Cash flows from investing activities	(1,229)	(1,925)	(1,854)	(1,187)	(1,467)
Cash flows from financing activities	2,590	1,188	191	2,714	2,846
Average number of employees	487	474	459	417	392
Ratios					
Gross Margin (%)	22.8	20.9	19.2	20.8	23.1
Net Margin (%)	1.5	0.1	2.2	1.4	2.1
Return on equity (%)	11.2	0.1	15.1	8.6	14.7
Equity ratio (%)	22.3	21.5	22.4	21.8	23.9

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

Gross Margin (%):
<u>Gross profit/loss * 100</u>
Revenue

Net Margin (%):
<u>Profit/loss for the year * 100</u>
Revenue

Return on equity (%):
<u>Profit/loss for the year excl. minority interests * 100</u>
Average equity excl. minority interests

Equity ratio (%):
<u>Equity excl. minority interests * 100</u>
Balance sheet total

Primary activities

The Group's main activity is innovation, sales and production of fruit based semi-manufactures and Food Service products. The processing is done at the group companies and as co-packing at producers located close to the main markets. Sales are mainly at the markets in the Middle East, Asia, Africa and Europe.

The Group's strategy is to grow organically, and through various alliances to exploit local market knowledge and thereby increase the Group's overall growth.

The Group's business concept is to develop, produce and sell tailor made fruit based semi-manufactures and Food Service products to the global market. The company is also involved in processing of fresh fruit.

The Group aims to be among the most innovative and proactive providers of fruit based semi-manufactures and fruit based food service products by developing and produce high quality products in line with demand in individual markets

Development in activities and finances

The EBT for the year amounted to USD 1,877K, which is an improvement of USD 1,699K compared to previous year and 300K better than the expectations expressed by management in the annual report for 2022-23. The improved result is primarily due to Orana Denmark A/S (Danish subsidiary) turning around and improving its results by 800K USD. The profit is considered satisfactory.

The Group achieved a revenue increase of 11% compared to 2022-23 (-12.3% in 2022-23 compared to 2021-22), which can primarily be attributed to increase in domestic and export markets. The relatively large revenue increase in 2023-24 is also due to an extraordinary decline in revenue in 2022-23, primarily due to the market conditions prevailing in 2022-23.. The Group implemented a number of measures at the beginning of 2023, which meant that the Group in 2023 though negatively affected by the current market situation with rising energy and raw material prices , had minimal impact because of efficacies driven on the production and more robust systems and monitoring of costs.

The Group increased its sales activity in the European market in 2023-24 by nearly 35% as compared to 22-23. The result of this is seen and expected to be seen during 2024 in the form of increased net revenue and operating profit.

Cash flows from operations for the year amounted to -USD 780K compared to USD 926K in 2022-23. Though the operating profit increased significantly but the increased sales and orders at the end of the year also led to increased receivable by USD 4,110K and increased inventories USD 1,329K to manage the orders as compared to previous year. Cash flows related to investment activities amounted to USD 1,229K

Profit/loss for the year in relation to expected developments

As mentioned above, the EBT for the year was USD 1,699K better than the last year. Net revenue for continuing activities increased by a total of 11% compared to 2022-23. The reason for the higher revenue is primarily that the demand for the Group's products increased faster than expected and there were constant efforts o reduction of costs and increasing efficiencies in production.

This was despite a major devaluation of the Egyptian pound which affected the Foreign exchange adversely.

Outlook

The general economic boom in the Group's main markets does not seem to continue in 2024, and it is expected that there will be overcapacity in the market with a further intensification of competition as a result.

However, management expects an increase in both net revenue and operating profit of approximately 10% for the next year for the Group. Thus, net revenue in the range of USD 67mn to USD 71mn and an operating profit of USD 2mn to USD 2.4mn are expected. This expectation is based, among other things, on the increased sales activities in the European market mentioned above and also better market in Middle East and Far East.

As in previous years, there are uncertain factors related to exchange rate developments in the Egyptian market. The mentioned expectations for net revenue and operating profit are based on an unchanged exchange rate level compared to 2023-24.

The Group wants to remain among the leaders in its field. The Group expects that the activities within fruit based raw materials will be further enhanced and strengthened in the coming years. In addition, the Group expects growth in co-packing as well as in Food Service activities.

Knowledge resources

Derived from the Group's business concept it is essential that the company's employees maintain and develop their knowledge resources. This is both in regards to sales, development and production. It is therefore important for the company to attract and retain the most qualified employees.

Environmental performance

Through continuous optimization of processes and the fact that the production is decentralised moving it closer to market and raw materials, the carbon footprint impact is minimised. The Group ensures the least possible strain on the environment, including work on lowering energy consumption per unit produced and to reduce waste. The Group companies comply with group policies and local statutory and regulatory requirements in regards to both external environment and work environment.

Reference is further made to the Group's Annual Sustainability Report. https://orana.dk/wp-content/uploads/2025/01/Orana-Sustainability-Report-2024.pdf

Foreign branches

Orana Group has these foreign branches:
- Orana Sri Lanka

Statutory report on corporate social responsibility

The statutory statement is available on the company's website, cf.
https://orana.dk/wp-content/uploads/2025/01/Orana-Sustainability-Report-2024.pdf

Statutory report on the underrepresented gender

	2023/24
Supreme management body	
Total number of members	7
Underrepresented gender (%)	42.86
Target figures (%)	28.57

The board of Orana A/S consist of 4 men and 3 women. Women, being the underrepresented gender, have 43% of the seats in the Board. The objective is to have at least a 29%/71% split of genders in the Board.

The objective is met.

	2023/24
Other management levels	
Total number of members	7
Underrepresented gender (%)	42.86
Target figures (%)	40.00

Other management levels consist of 3 men and 4 women. Men being the underrepresented gender, . The objective is to have at least a 60%/40% split of genders in the Board.

The objective is met.

Statutory report on data ethics policy

It is the Group's ethics policy that employee, customer and supplier data is collected, stored and used responsibly in all respects. The Group's Ethics and GDPR policies, have been communicated throughout the organization. It is the experience that a good knowledge of the company's Ethics and GDPR policies among the company's employees helps to support an ethically sound use of data. The group operates primarily in the B2B market, and the data that is handled as a result is primarily linked to data included in contracts with customers and business partners. In this connection, only necessary data is collected for use in the specific transaction.

Finally, the group handles data about the employees, to the extent that it is relevant for their employment in the Group. The Group continuously strives to only obtain and use data that is necessary in the specific situation. In addition, emphasis is placed on data being stored only to the extent that it is necessary or required by law.

It is aimed that data is only available to employees who need access to it as far as possible in order to ensure that as few people as possible have access to the individual data. It is estimated that this has helped to ensure that data is not used inappropriately or unintentionally.

Consolidated income statement for 2023/24

	Notes	2023/24 USD'000	2022/23 USD'000
Revenue	2	64,082	57,525
Production costs		(49,493)	(45,508)
Gross profit/loss		**14,589**	**12,017**
Research and development costs		(831)	(716)
Distribution costs		(4,192)	(3,933)
Administrative expenses		(5,113)	(4,743)
Other operating income		1,250	1,416
Other operating expenses		(1,508)	(1,456)
Operating profit/loss		**4,195**	**2,585**
Other financial income	4	794	854
Other financial expenses	5	(3,112)	(3,261)
Profit/loss before tax		**1,877**	**178**
Tax on profit/loss for the year	6	(876)	(104)
Profit/loss for the year	7	**1,001**	**74**

Consolidated balance sheet at 30.09.2024

Assets

	Notes	2023/24 USD'000	2022/23 USD'000
Land and buildings		4,430	2,938
Plant and machinery		7,025	7,095
Other fixtures and fittings, tools and equipment		505	488
Leasehold improvements		40	12
Property, plant and equipment in progress		320	538
Property, plant and equipment	8	**12,320**	**11,071**
Fixed assets		**12,320**	**11,071**
Raw materials and consumables		8,568	7,064
Work in progress		0	563
Manufactured goods and goods for resale		3,015	2,627
Inventories		**11,583**	**10,254**
Trade receivables		13,677	11,168
Receivables from group enterprises		909	653
Deferred tax	9	2,354	2,007
Other receivables		2,954	1,977
Tax receivable		396	191
Prepayments	10	1,513	1,567
Receivables		**21,803**	**17,563**
Cash		**1,697**	**1,116**
Current assets		**35,083**	**28,933**
Assets		**47,403**	**40,004**

Equity and liabilities

	Notes	2023/24 USD'000	2022/23 USD'000
Contributed capital		524	524
Revaluation reserve		1,436	0
Translation reserve		(716)	(599)
Retained earnings		8,726	8,419
Proposed dividend for the financial year		600	275
Equity belonging to Parent's shareholders		**10,570**	**8,619**
Equity belonging to minority interests		**673**	**398**
Equity		**11,243**	**9,017**
Deferred tax	9	305	203
Provisions		**305**	**203**
Bank loans		328	530
Lease liabilities		704	972
Other payables		253	85
Non-current liabilities other than provisions	11	**1,285**	**1,587**
Bank loans		6,509	6,652
Lease liabilities		159	0
Payables to other credit institutions		18,826	15,506
Trade payables		6,420	4,508
Payables to group enterprises		361	379
Payables to associates		14	0
Payables to owners and management		48	42
Tax payable		670	621
Other payables		1,302	1,308
Deferred income	12	261	181
Current liabilities other than provisions		**34,570**	**29,197**
Liabilities other than provisions		**35,855**	**30,784**
Equity and liabilities		**47,403**	**40,004**

Events after the balance sheet date	1
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Consolidated statement of changes in equity for 2023/24

	Contributed capital USD'000	Revaluation reserve USD'000	Translation reserve USD'000	Retained earnings USD'000	Proposed dividend for the financial year USD'000	Equity belonging to Parent's shareholders USD'000	Equity belonging to minority interests USD'000	Total USD'000
Equity beginning of year	524	0	(599)	8,419	275	8,619	398	9,017
Effect of mergers and business combinations	0	0	0	(21)	0	(21)	21	0
Increase of capital	0	0	0	0	0	0	216	216
Ordinary dividend paid	0	0	0	0	(275)	(275)	0	(275)
Exchange rate adjustments	0	0	(117)	0	0	(117)	24	(93)
Revaluations for the year	0	1,436	0	0	0	1,436	0	1,436
Other entries on equity	0	0	0	0	0	0	(59)	(59)
Profit/loss for the year	0	0	0	328	600	928	73	1,001
Equity end of year	**524**	**1,436**	**(716)**	**8,726**	**600**	**10,570**	**673**	**11,243**

Consolidated cash flow statement for 2023/24

	Notes	2023/24 USD'000	2022/23 USD'000
Operating profit/loss		4,195	2,585
Amortisation, depreciation and impairment losses		1,103	1,030
Working capital changes	13	(3,209)	420
Cash flow from ordinary operating activities		**2,089**	**4,035**
Financial income received		794	855
Financial expenses paid		(3,112)	(3,261)
Taxes refunded/(paid)		(715)	(462)
Other cash flows from operating activities		164	(241)
Cash flows from operating activities		**(780)**	**926**
Acquision of property, plant and equipment		(1,229)	(1,925)
Cash flows from investing activities		**(1,229)**	**(1,925)**
Free cash flows generated from operations and investments before financing		**(2,009)**	**(999)**
Dividend paid		(275)	(300)
Increase /repayment of loans		3,320	710
Repayment of lease obligations		(109)	389
Increase /repayment of loans ect.		(346)	389
Cash flows from financing activities		**2,590**	**1,188**
Increase/decrease in cash and cash equivalents		**581**	**189**
Cash and cash equivalents beginning of year		1,116	927
Cash and cash equivalents end of year		**1,697**	**1,116**
Cash and cash equivalents at year-end are composed of:			
Cash		1,697	1,116
Cash and cash equivalents end of year		**1,697**	**1,116**

Notes to consolidated financial statements

1 Events after the balance sheet date

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

2 Revenue

	2023/24 USD'000	2022/23 USD'000
Food Service (FS)	11,852	10,804
Fruit based Raw Material (FBR)	42,898	40,087
Co Packing (COP)	9,332	6,634
Total revenue by activity	**64,082**	**57,525**

3 Staff costs

	2023/24 USD'000	2022/23 USD'000
Wages and salaries	9,054	8,648
Pension costs	801	880
Other social security costs	345	331
	10,200	**9,859**

Average number of full-time employees	**487**	**474**

	Remuneration of Management 2023/24 USD'000	Remuneration of Management 2022/23 USD'000
Total amount for management categories	256	247
	256	**247**

4 Other financial income

	2023/24 USD'000	2022/23 USD'000
Other interest income	24	583
Exchange rate adjustments	770	271
	794	**854**

5 Other financial expenses

	2023/24 USD'000	2022/23 USD'000
Other interest expenses	1,944	1,773
Exchange rate adjustments	1,168	1,488
	3,112	**3,261**

6 Tax on profit/loss for the year

	2023/24 USD'000	2022/23 USD'000
Current tax	842	582
Change in deferred tax	34	(478)
	876	**104**

7 Proposed distribution of profit/loss

	2023/24 USD'000	2022/23 USD'000
Ordinary dividend for the financial year	600	0
Retained earnings	474	11
Minority interests' share of profit/loss	(73)	63
	1,001	**74**

8 Property, plant and equipment

	Land and buildings USD'000	Plant and machinery USD'000	Other fixtures and fittings, tools and equipment USD'000	Leasehold improvements USD'000	Property, plant and equipment in progress USD'000
Cost beginning of year	5,249	14,384	2,668	96	538
Exchange rate adjustments	68	404	(66)	5	14
Additions	226	744	255	44	0
Disposals	0	(360)	0	0	(232)
Cost end of year	**5,543**	**15,172**	**2,857**	**145**	**320**
Revaluations for the year	1,436	0	0	0	0
Revaluations end of year	**1,436**	**0**	**0**	**0**	**0**
Depreciation and impairment losses beginning of year	(2,311)	(7,289)	(2,180)	(84)	0
Exchange rate adjustments	(48)	(143)	7	(2)	0
Depreciation for the year	(190)	(960)	(179)	(19)	0
Reversal regarding disposals	0	245	0	0	0
Depreciation and impairment losses end of year	**(2,549)**	**(8,147)**	**(2,352)**	**(105)**	**0**
Carrying amount end of year	**4,430**	**7,025**	**505**	**40**	**320**
Carrying amount if asset had not been revalued	2,994				
Recognised assets not owned by Entity	0	771	0	0	0

9 Deferred tax

Changes during the year	2023/24 USD'000	2022/23 USD'000
Beginning of year	1,804	1,358
Recognised in the income statement	34	478
Adjustment of tax concerning pervious years	211	(32)
End of year	**2,049**	**1,804**

Deferred tax has been recognised in the balance sheet as follows	2023/24 USD'000	2022/23 USD'000
Deferred tax assets	2,354	2,007
Deferred tax liabilities	(305)	(203)
	2,049	**1,804**

Deferred tax relates to intangible assets, property, plant and equipment, inventories, other provisions and loss carry-forwards.

Deferred tax assets

Deferred tax assets is recognized for all non-utilized tax losses to the extent that it is considered likely that tax profits will be realized within a foreseeable period in which the losses can be offset/used. Determination of the amount that may be recognized for Deferred tax assets shall be based on estimates of the probable date and size of future taxable profits. Further more Deferred taxes are primarily due to unutilized taxation in Denmark. The Danish operations are in growth, which is why the unutilized taxation is expected to be utilized in connection with positive earnings in the coming years.

Over the past year, extensive optimizations have been made around the management of the Danish companies. The results have improved with around 87% in 2023/24 in two of the main Danish entities which is expected to continue in the years to come. The sales and internal processes have improved in Denmark, so the company is ready for future growth, as significant inflow of new customers/projects has shown. The financial results for the Danish entities have significantly improved in the 2023/24 financial year which is expected to continue on the upcoming year with continued growth in revenue and focus on costs to ensure good profits in the years to come.

The uncertainty concerning the tax asset relates in particular to Denmark and whether the positive exploitation reaches such a high level that the entire tax asset has been exploited within a period of approximately 5 years. Management expects that the conditions for activation can be realized.

10 Prepayments

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

11 Non-current liabilities other than provisions

	Due after more than 12 months 2023/24 USD'000	Outstanding after 5 years 2023/24 USD'000
Bank loans	328	10
Lease liabilities	704	0
Other payables	253	0
	1,285	**10**

12 Deferred income

Deferred income consists of payments received in respect of income in subsequent years.

13 Changes in working capital

	2023/24 USD'000	2022/23 USD'000
Increase/decrease in inventories	(1,329)	2,036
Increase/decrease in receivables	(4,110)	750
Increase/decrease in trade payables etc.	2,230	(2,366)
	(3,209)	**420**

14 Unrecognised rental and lease commitments

	2023/24 USD'000	2022/23 USD'000
Total liabilities under rental or lease agreements until maturity	**317**	**453**

15 Assets charged and collateral

Collateral has been pledged to the company's banking partners, providing collateral in Properties, intangible- and tangible fixed assets, inventory, and simple receivables with a total accounting value of USD 21,500

As security for any outstanding balance that Osterberg Ice Cream A/S, Osterberg Service & Trading A/S, Orana Holding ApS and Orana Denmark A/S may have with Jyske Bank and Sydbank, the parent company has given suretyship.

As security for Orana Vietnam Ltd.'s balance with Vietinbank, the parent company has given suretyship for a facility of VND 45,000 million.

16 Non-arm's length related party transactions

Only non-arm's length related party transactions are disclosed in the annual report. No such transactions were conducted during the financial year.

17 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:

Name	Place of registered office
Orana Holding ApS	Kerteminde, Denmark

18 Subsidiaries

	Registered in	Corporate form	Ownership %
Orana Canada Inc.	Edmonton, Canada	Inc.	100.00
Orana Denmark A/S	Rynkeby, Denmark	A/S	100.00
Orana India Pvt. Ltd.	Dehli, India	Pvt. Ltd.	95.00
Orana DMCC	Dubai, UAE	DMCC	100.00
Orana Kenya Ltd.	Nairobi, Kenya	Ltd.	100.00
International Fruit Production Joint-Stock Company	Cairo, Egypt	Joint -Stock Company	100.00
Orana Egypt, Joint-Stock Company	Cairy, Egypt	Joint-Stock Company	100.00
Orana Vietnam LTd.	Ho Chi Minh City, Vietnam	Ltd.	95.00
Moonberg Oranic Farms Ltd.	Nairobi, Kenya	Ltd.	66.67
Orana Fresh Fruit Processing Company Ltd.	Nairobi, Kenya	Ltd.	90.00

Parent income statement for 2023/24

	Notes	2023/24 USD'000	2022/23 USD'000
Revenue		27,053	25,330
Production costs		(21,898)	(20,691)
Gross profit/loss		**5,155**	**4,639**
Research and development costs		(350)	(484)
Distribution costs		(2,306)	(2,211)
Administrative expenses		(2,503)	(2,126)
Other operating income		706	421
Other operating expenses		(129)	(465)
Operating profit/loss		**573**	**(226)**
Income from investments in group enterprises		1,264	841
Other financial income	2	331	685
Other financial expenses	3	(1,315)	(1,494)
Profit/loss before tax		**853**	**(194)**
Tax on profit/loss for the year	4	76	205
Profit/loss for the year	5	**929**	**11**

Parent balance sheet at 30.09.2024

Assets

	Notes	2023/24 USD'000	2022/23 USD'000
Other fixtures and fittings, tools and equipment		19	40
Leasehold improvements		0	0
Property, plant and equipment	6	**19**	**40**
Investments in group enterprises		10,863	9,331
Financial assets	7	**10,863**	**9,331**
Fixed assets		**10,882**	**9,371**
Manufactured goods and goods for resale		178	332
Inventories		**178**	**332**
Trade receivables		5,193	5,017
Receivables from group enterprises		14,509	12,601
Deferred tax	8	723	647
Other receivables		1,144	925
Tax receivable		30	30
Prepayments	9	440	374
Receivables		**22,039**	**19,594**
Cash		**68**	**98**
Current assets		**22,285**	**20,024**
Assets		**33,167**	**29,395**

Equity and liabilities

	Notes	2023/24 USD'000	2022/23 USD'000
Contributed capital		524	524
Revaluation reserve		1,436	0
Translation reserve		(540)	(600)
Retained earnings		8,547	8,420
Proposed dividend for the financial year		600	275
Equity		**10,567**	**8,619**
Provisions for investments in group enterprises	10	230	873
Provisions		**230**	**873**
Bank loans		99	297
Non-current liabilities other than provisions	11	**99**	**297**
Bank loans		6,491	6,614
Payables to other credit institutions		7,258	5,036
Trade payables		1,383	1,650
Payables to group enterprises		6,881	6,082
Other payables		258	224
Current liabilities other than provisions		**22,271**	**19,606**
Liabilities other than provisions		**22,370**	**19,903**
Equity and liabilities		**33,167**	**29,395**
Staff costs	1		
Assets charged and collateral	12		
Related parties with controlling interest	13		
Non-arm’s length related party transactions	14		

Parent statement of changes in equity for 2023/24

	Contributed capital USD'000	Revaluation reserve USD'000	Translation reserve USD'000	Retained earnings USD'000	Proposed dividend for the year USD'000	Total USD'000
Equity beginning of year	524	0	(600)	8,420	275	8,619
Ordinary dividend paid	0	0	0	0	(275)	(275)
Exchange rate adjustments	0	0	60	0	0	60
Revaluations for the year	0	1,436	0	0	0	1,436
Other entries on equity	0	0	0	(202)	0	(202)
Profit/loss for the year	0	0	0	329	600	929
Equity end of year	**524**	**1,436**	**(540)**	**8,547**	**600**	**10,567**

Notes to parent financial statements

1 Staff costs

	2023/24 USD'000	2022/23 USD'000
Wages and salaries	2,618	2,394
Pension costs	177	167
Other social security costs	26	44
	2,821	**2,605**

Average number of full-time employees	**63**	**61**

	Remuneration of Management 2023/24 USD'000	Remuneration of Management 2022/23 USD'000
Total amount for management categories	256	247
	256	**247**

2 Other financial income

	2023/24 USD'000	2022/23 USD'000
Financial income from group enterprises	140	125
Exchange rate adjustments	185	553
Other financial income	6	7
	331	**685**

3 Other financial expenses

	2023/24 USD'000	2022/23 USD'000
Other interest expenses	903	827
Exchange rate adjustments	261	539
Other financial expenses	151	128
	1,315	**1,494**

4 Tax on profit/loss for the year

	2023/24 USD'000	2022/23 USD'000
Change in deferred tax	(76)	(205)
	(76)	**(205)**

5 Proposed distribution of profit and loss

	2023/24 USD'000	2022/23 USD'000
Ordinary dividend for the financial year	600	275
Retained earnings	329	(264)
	929	**11**

6 Property, plant and equipment

	Other fixtures and fittings, tools and equipment USD'000	Leasehold improvements USD'000
Cost beginning of year	728	84
Cost end of year	**728**	**84**
Depreciation and impairment losses beginning of year	(688)	(84)
Depreciation for the year	(21)	0
Depreciation and impairment losses end of year	**(709)**	**(84)**
Carrying amount end of year	**19**	**0**

7 Financial assets

	Investments in group enterprises USD'000
Cost beginning of year	10,913
Additions	1,653
Cost end of year	**12,566**
Revaluations beginning of year	(1,582)
Exchange rate adjustments	60
Share of profit/loss for the year	1,263
Dividend	(1,122)
Revaluations for the year	1,436
Investments with negative equity value transferred to provisions	230
Other adjustments	(1,988)
Revaluations end of year	**(1,703)**
Carrying amount end of year	**10,863**

A specification of investments in subsidiaries is evident from the notes to the consolidated financial statements.

8 Deferred tax

Changes during the year	2023/24 USD'000	2022/23 USD'000
Beginning of year	647	443
Recognised in the income statement	76	204
End of year	**723**	**647**

Deferred tax relates to intangible assets, property, plant and equipment, inventories, other provisions and loss carry forward.

Deferred tax assets

Deferred tax assets is recognized for all non-utilized tax losses to the extent that it is considered likely that tax profits will be realized within a foreseeable period in which the losses can be offset/used. Determination of the amount that may be recognized for Deferred tax assets shall be based on estimates of the probable date and size of future taxable profits. Further more Deferred taxes are primarily due to unutilized taxation in Denmark. The Danish operations are in growth, which is why the unutilized taxation is expected to be utilized in connection with positive earnings in the coming years.

Over the past year, extensive optimizations have been made around the management of the Danish companies. The results have improved with around 87% in 2023/24 in two of the main Danish entities which is expected to continue in the years to come. The sales and internal processes have improved in Denmark, so the company is ready for future growth, as significant inflow of new customers/projects has shown. The financial results for the Danish entities have significantly improved in the 2023/24 financial year which is expected to continue on the upcoming year with continued growth in revenue and focus on costs to ensure good profits in the years to come.

The uncertainty concerning the tax asset relates in particular to Denmark and whether the positive exploitation reaches such a high level that the entire tax asset has been exploited within a period of approximately 5 years. Management expects that the conditions for activation can be realized.

9 Prepayments

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

10 Provisions for investments in group enterprises

Group enterprises with negative equity where the company has legal or constructive obligation to cover the liabilities of the relevant enterprise, a provision is recognised that is measured at present value of the costs necessary to settle the obligations at the balance sheet date.

11 Non-current liabilities other than provisions

	Due after more than 12 months 2023/24 USD'000
Bank loans	99
	99

12 Assets charged and collateral

Assets charged and collateral - Mortgage debt is secured by way of mortgage on properties. The mortgage also comprises the plant and machinery deemed part of the property.

Collateral has been pledged to the company's banking partners, providing collateral in tangible fixed assets, inventory, and simple receivables with a total accounting value of USD 6,534
Collateral has been pledged to the company's banking partner in subsidiaries with a net assets of USD 1,998k.

As security for any outstanding balance that Osterberg Ice Cream A/S, Osterberg Service & Trading A/S, Orana Holding ApS and Orana Denmark A/S may have with Jyske Bank and Sydbank, the parent company has given suretyship.

The Parent company has given a letter of support to Orana India Pvt. Ltd. wherein it is stated that Orana A/S will support Orana India Pvt. Ltd. with the amount of funds which may be necessary in order for Orana India Pvt. Ltd. to continue its operations.

13 Related parties with controlling interest

OSTERBERG SERVICE & TRADING A/S, Rynkebyvej
243, 5350 Rynkeby, Denmark

14 Non-arm’s length related party transactions

Only non-arm's length related party transactions are disclosed in the annual report. No such transactions were conducted during the financial year.

Accounting policies

Reporting class
This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (large).

Changes in accounting policies
The Group and the Parent have changed their accounting policies with regard to Property, plant and equipment where Land and buildings are measured at cost plus revaluation, and for buildings, less accumulated depreciation and impairment losses. Revaluation is calculated on the basis of regular, independent fair value measurements. Prior years Land and buildings were not revalued.

For the Group, the change in accounting policies has led to an increase in Land and buildings and of USD 1,436K, respectively. Consequently, for the Group, the total effect of the change in accounting policies is an increase on the Equity by USD 1,436K.

For the Parent, the change in accounting policies has led to an increase in Investment in subsidaries and of USD 1,436K, respectively. Consequently, for the Group, the total effect of the change in accounting policies is an increase on the Equity by USD 1,436K.

The change has not affected the comparative figures.

Apart from the areas mentioned above, the annual report has been presented applying the accounting policies consistently with last year.

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

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

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

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

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

Consolidated financial statements
The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are

controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence. Enterprises in which the Group, directly or indirectly, holds between 20% and 50% of the voting rights and exercises significant, but not controlling, influence are regarded as associates.

Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements. Minority interests' pro rata shares of the profit/loss and the net assets are disclosed as separate items in Management's proposal for the distribution of net profit/loss and equity, respectively.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the acquisition date, with net assets having been calculated at fair value.

Income statement

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement

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

Production costs

Production costs comprise expenses incurred to earn revenue for the financial year.
Production costs comprise direct and indirect costs for raw materials and consumables, wages and salaries, rent and lease, and amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment included in the production process. In addition, the item includes ordinary writedown of inventories.

Research and development costs

Research and development costs comprise research costs, costs of development projects not qualifying for recognition in the balance sheet, and amortisation and impairment losses relating to development projects.

Distribution costs

Distribution costs comprise costs incurred for sale and distribution of the Entity's products, including wages and salaries for sales staff, advertising costs, travelling and entertainment expenses, etc., and amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment involved in the distribution process.

Administrative expenses

Administrative expenses comprise expenses incurred for the Entity's administrative functions, including wages and salaries for administrative staff and Management, stationery and office supplies, and amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment used for administration of the Entity.

Other operating income
Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities, including profit from the sale of intangible assets and property, plant and equipment, and salary refunds.

Other operating expenses
Other operating expenses comprise expenses of a secondary nature as viewed in relation to the Entity's primary activities, including loss from the sale of intangible assets and property, plant and equipment.

Income from investments in group enterprises
Income from investments in group enterprises comprises dividends etc. received from the individual group enterprises in the financial year.

Other financial income
Other financial income comprises dividends etc. received on other investments, interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables

Other financial expenses
Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year
Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Balance sheet

Property, plant and equipment
Land and buildings are measured at cost plus revaluation, and for buildings, less accumulated depreciation and impairment losses. Revaluation is calculated on the basis of regular, independent fair value measurements.

Plant and machinery, and other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation. For assets held under finance leases, cost is the lower of the asset's fair value and present value of future lease payments.

nterest expenses on loans for the financing of the manufacture of property, plant and equipment are included in cost if they relate to the manufacturing period. All other finance costs are recognised in the income statement.

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

	Useful life
Buildings	10 to 30 years
Plant and machinery	5 to 20 years
Other fixtures and fittings, tools and equipment	3 to 5 years
Leasehold improvements	5 years

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

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

Investments in group enterprises
Investments in group enterprises are recognised and measured in the parent financial statements according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus unamortised goodwill and plus or minus unrealised intra-group profits or losses. Reference is made to the above section on business combinations for more details about the accounting policies applied to acquisitions of investments in group enterprises.

Group enterprises with negative equity value are measured at DKK 0. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation will involve a loss, a provision is recognised that is measured at present value of the costs necessary to settle the obligations at the balance sheet date.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to the reserve for net revaluation according to the equity method in equity.

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

Cost consists of purchase price plus delivery costs. Cost of manufactured goods and work in progress consists of costs of raw materials, consumables, direct labour costs and indirect production costs.

Indirect production costs comprise indirect materials and labour costs, costs of maintenance of, depreciation on machinery, factory buildings and equipment used in the manufacturing process, and costs of factory administration and management. Finance costs are not included in cost.

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

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

Deferred tax
Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset. However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

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

Prepayments
Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash
Cash comprises cash in hand and bank deposits.

Dividend
Proposed dividend for the financial year is disclosed as a separate item in equity. Extraordinary dividend adopted in the financial year is recognised directly in equity when distributed and disclosed as a separate item in Management's proposal for distribution of profit/loss.

Minority interests
On initial recognition, minority interests are measured at the minority interests' share of the acquiree's net assets measured at fair value. No goodwill related to the minority interests' equity interests in the acquiree is recognised.

Other provisions
Other provisions comprise anticipated costs of non-recourse guarantee commitments, returns, loss on contract work in progress, decided and published restructuring, etc.

Other provisions are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date. Provisions that are estimated to mature more than one year after the balance sheet date are measured at their discounted value.

Non-recourse guarantee commitments comprise commitments to remedy defects and deficiencies within the guarantee period.

On acquisition of enterprises and investments in group enterprises, provisions are made for costs relating to restructuring in the acquired enterprise that were decided and published at the acquisition date at the latest.

Once it is probable that total costs will exceed total income from a contract in progress, provision is made for the total loss estimated to result from the relevant contract.

Lease liabilities

Lease liabilities relating to assets held under finance leases are recognised in the balance sheet as liabilities other than provisions, and, at the time of inception of the lease, measured at the present value of future lease payments. Subsequent to initial recognition, lease liabilities are measured at amortised cost. The difference between present value and nominal amount of the lease payments is recognised in the income statement as a financial expense over the term of the leases.

Operating leases

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

Other financial liabilities

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

Deferred income

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.

Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities, and cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes, and financial income, financial expenses and income tax paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments, and purchase, development, improvement and sale, etc. of intangible assets and property, plant and equipment.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs, and the raising of loans, repayments of interest-bearing debt, including lease liabilities, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash and short-term securities with an insignificant price risk.