Baader Poultry A/S

c/o Baader Food Systems Denmark A/S, Vestermøllevej 9M, 8380 Trige
CVR-nr. 30 71 48 30

Annual Report 2024

1 January - 31 December

The Annual Report has been presented and adopted at the Company's Annual General Meeting on 22 July 2025

_____

Petra Baader

BDO Statsautoriseret revisionsaktieselskab
Kolding Åpark 8A, 7. sal
DK-6000 Kolding
CVR no. 20 22 26 70

Tel.: +45 76 35 56 00
kolding@bdo.dk
www.bdo.dk

Contents

Company Details

Company Details 3

Statement and Report

Management's Statement 4
Independent Auditor's Report 5-7

Management Commentary

Financial Highlights of the Group 8
Management Commentary 9-10

Consolidated and Parent Company Financial Statements 1 January - 31 December

Income Statement 11
Balance Sheet 12-14
Equity 15
Cash Flow Statement 16
Notes 17-25
Accounting Policies 26-32

BDO Statsautoriseret revisionsaktieselskab, a Danish limited liability company, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

Company Details

Company	Baader Poultry A/S c/o Baader Food Systems Denmark A/S Vestermøllevej 9M 8380 Trige	
	CVR No.:	30 71 48 30
	Established:	10 July 2007
	Municipality:	Aarhus
	Financial Year:	1 January - 31 December
Board of Directors	Petra Baader, chairman Torsten Krausen Robert Focke	
Executive Board	Norbert Igor Engberg	
Auditor	BDO Statsautoriseret revisionsaktieselskab Kolding Åpark 8A, 7. sal 6000 Kolding	

Management's Statement

Today the Board of Directors and Executive Board have discussed and approved the Annual Report of Baader Poultry A/S for the financial year 1 January - 31 December 2024.

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

In our opinion the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of Group's and the Company's assets, liabilities and financial position at 31 December 2024 and of the results of Group's and the Company's operations and cash flows for the financial year 1 January - 31 December 2024.

The Management Commentary includes in our opinion a fair presentation of the matters dealt with in the Commentary.

We recommend the Annual Report be approved at the Annual General Meeting.

Aarhus, 15 July 2025

Executive Board

_____
Norbert Igor Engberg

Board of Directors

_____	_____	_____
Petra Baader Chairman	Torsten Krausen	Robert Focke

Independent Auditor's Report

To the Shareholder of Baader Poultry A/S

Qualified Opinion

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Baader Poultry A/S for the financial year 1 January - 31 December 2024, which comprise income statement, Balance Sheet, statement of changes in equity, notes and a summary of significant accounting policies for both the Group and the Parent Company, as well as consolidated statement of cash flows for the Group. The Consolidated Financial Statements and the Parent Company Financial Statements are prepared in accordance with the Danish Financial Statements Act.

Except for the possible effects of the matter described in the "Basis for Qualified Opinion" paragraph, it is our opinion that the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the assets, liabilities and financial position of the Group or the Company at 31 December 2024 and of the results of the Group and the Parent Company's operations as well as the consolidated cash flows of the Group for the financial year 1 January - 31 December 2024 in accordance with the Danish Financial Statements Act.

Basis for Qualified Opinion

Inventories in the subsidiary Baader Food Systems Netherlands B.V. are included in the assets of the consolidated financial statements by DKK ('000) 80,390 for 2024 and DKK ('000) 89,731 for 2023. For the parent company, the inventories are included in th fixed asset investments in subsidiraries.

We have not been able to obtain sufficient and appropriate audit evidence for the existence and valuation of the inventories in the Netherlands at 31 December 2024. Additionally, we have not been able to obtain sufficient and appropriate audit evidence for the beginning balance of inventories in the Neterhlands. As a consequence, we have not been able to determine if changes to the above-mentioned figures are necessary. Any adjustment to the inventories may affect the income statement.

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 Consolidated Financial Statements and the Parent Company Financial Statements” section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. In our opinion, the evidence we have obtained is sufficient and appropriate to provide a basis for our qualified conclusion.

Management's Responsibilities for the Consolidated Financial Statements and the Parent Company Financial Statements

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

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

Independent Auditor's Report

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and the Parent Company Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements and the Parent Company 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 the Parent Company Financial Statements.

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

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

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

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

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Consolidated Financial Statements and the Parent Company Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements and the Parent Company Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Parent Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the Consolidated Financial Statements and the Parent Company Financial Statements, including the disclosures, and whether the Consolidated Financial Statements and the Parent Company 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 Group Financial Statements and the Parent Company Financial Statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Independent Auditor's Report

Statement on Management Commentary
Management is responsible for Management Commentary.

Our opinion on the Consolidated Financial Statements and the Parent Company Financial Statements does not cover 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 Company Financial Statements, our responsibility is to read Management Commentary and, in doing so, consider whether Management Commentary is materially inconsistent with the Consolidated Financial Statements and the Parent Company 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 Commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that Management Commentary is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of Management Commentary.

Kolding, 15 July 2025

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Jesper Steensbjerre
State Authorised Public Accountant
MNE no. mne31367

Financial Highlights of the Group

	2024 DKK '000	2023 DKK '000	2022 DKK '000	2021 DKK '000	2020 DKK '000
Income statement					
Net revenue	1,142,670	1,121,937	971,770	1,015,601	804,760
Gross profit/loss	288,320	288,925	270,180	233,726	196,653
Operating profit/loss of main activities	43,659	58,610	68,471	57,699	27,751
Financial income and expenses, net	-11,829	-14,964	-13,790	-10,484	-9,253
Profit/loss for the year before tax	31,830	43,646	54,681	47,215	18,498
Profit/loss for the year	23,164	33,726	39,954	34,634	11,348
Balance sheet					
Total assets	810,192	728,205	716,782	600,149	578,015
Equity	223,110	203,916	177,664	127,218	78,611
Invested capital	348,634	417,991	389,852	304,365	325,269
Cash flows					
Investment in property, plant and equipment	-24,300	-18,701	-20,870	-12,613	-5,767
Average number of full-time employees	**587**	**576**	**564**	**548**	**553**
Key ratios					
Gross margin	25.2	25.8	27.8	23.0	24.4
Operating margin	3.8	5.2	7.0	5.7	3.4
Return on invested capital	11.4	14.7	20.0	18.6	9.9
Equity ratio	27.5	28.0	24.8	21.2	13.6
Return on equity	10.8	17.7	26.2	33.7	14.0

The ratios stated in the list of key figures and ratios have been calculated as follows:

Invested capital:	Intangible fixed assets (ex goodwill) + tangible assets + inventories + receivables + other working current assets – trade payables – other provisions – other long and short term working liabilities
Gross margin:	$\frac{\text{Gross profit x 100}}{\text{Net revenue}}$
Operating margin:	$\frac{\text{Operating profit/loss x 100}}{\text{Net revenue}}$
Return on invested capital:	$\frac{\text{Profit/loss on ordinary activities x 100}}{\text{Average invested capital}}$
Equity ratio:	$\frac{\text{Equity ex. minorities, at year end x 100}}{\text{Total equity and liabilities, at year end}}$
Return on equity:	$\frac{\text{Profit/loss after tax x 100}}{\text{Average equity}}$

Management Commentary

Principal activities
The company is the parent company of the Baader Food Systems-group, which primarily develop, produce and sell spareparts, machines and complete plants for slaughtering and processing of poultry as well as weighing and grading equipment. The weighing and grading equipment can also be used in the fish as well as other food industries.

Sales, marketing and service in several important markets takes place directly through subsidiaries.

Baader Poultry A/S has no other activity then being the parent company for the group.

Development in activities and financial position
The group experienced an increase of the revenue of 1.8% compared to 2023, which is generated from improved market conditions in developed markets and a higher attention to the after sales market. For 2024 we experienced an increase in demands of the spare parts and services to optimize existing machinery, and at the same time we have experienced an increase in the demands for new machines.

The group achieved a profit of DKK 23.2m in 2024 against DKK 33.7m in 2023. The result for 2024 is lower than expected and is not considered satisfactory. The improvement of the operating profit is a result of a focused and ongoing effort of optimizing the value stream in the group.

The net result including the result of equity investments in group companies is lower than expected and is not considered satisfactory.

Profit/loss for the year compared to the expected development
The results and financial development of the group were lower than foreseen (profit of DKK 37.7 m). The main reason for the lower result is the net result from the subsidiaries, where the performance in some of the subsidiaries is below the expected level. The final audit opinion in BAADER Food Systems Netherlands B.V. has not been finalized, the figures incorporated in this report are considered valid.

The continued focus on growth in different markets and close customer relationships has given the group a strong position in the aftermarket.

The group is continuously working with optimizing the organization to ensure the earnings going forward. The organization for different support functions lead by Baader Global are in place and any double functions are identified and changed. Cost for support functions are allocated to all companies in the Baader group, in relation to size and revenue.

The group has besides new developments, invested in different updates of the existing product portfolio and production methods.

Significant events after the end of the financial year
No events of material importance for the company's financial position occurred after the end of the financial year.

Financial risks and currency risks
The group applies forward exchange transactions to secure receivables and payables in foreign currencies if it is different from EUR. In addition, continuous adjustments are made of net currency positions.

It is the aim of the group to minimize the financial risks from customers through prepayments and/or partly payments before shipping of any major deliveries.

Expansion of the acitivities within the group is financed through a group loan.

Management Commentary

Research and development activities
The group pays development expenses concurrently to secure future sales. Development projects are initiated both within the mechanical and electrical areas, this gives a portfolio with both updated standalone mechanical machines, but also a system approach, controlled by vision, data and build in intelligence. Major development projects, which meet several detailed conditions, are recognized as assets under construction, and amortized in the income statement, after the projects have been completed. Other development projects are expensed in the income statement.

Future expectations
The group expects a continued positive development on important markets compared to the 2024. It is expected that last year's focus on the aftermarket with both local presence and highly educated service technicians, will continue to drive the future service and sparepart sales. It is also expected that there will be a stronger renewed interest for investing in new equipment and to either extend production capacities in existing lines or to build new complete plants will continue in 2025.

The group's continued focus on growth, efficiency and adjustment of the organization is expected to help stabilize the earning in the years to come. It has been decided to invest in new technology to increase the level of automation in the production. In 2024 a new production site has been opened in Malaysia to enhance global presence and capabilities.

For 2025 the revenue is expected to be 10 % higher compared to 2024 (DKK 1,257 m), and profit before tax is expected to be increase to DKK 50.9 m.

The Company's foreign branches
The company's activities in the French market are handled through the company's branch in France under the name of Baader Food Systems Denmark.

Corporate social responsibility (CSR) report
It is the ambition of the group to show social responsibility in line with its basic values. This is demonstrated in internal as well as external initiatives.

The actual CSR policy is linked to the group homepage:
https://www.baader.com/our-locations/baaderfoodsystemsdk

The group is working determinedly to ensure a safe and healthy working environment, so the environmental and climatic conditions are incorporated in the group's processes.

Data ethics
The actual Data ethics is linked to the group homepage:
https://www.baader.com/our-locations/baaderfoodsystemsdk

Income Statement 1 January - 31 December

	Note	Group 2024 DKK '000	Group 2023 DKK '000	Parent Company 2024 DKK '000	Parent Company 2023 DKK '000
Net revenue	1	**1,142,670**	**1,121,937**	**0**	**0**
Production costs	2, 3	-854,350	-833,012	0	0
Gross profit/loss		**288,320**	**288,925**	**0**	**0**
Distribution costs	2	-133,918	-109,843	0	0
Administrative expenses	2, 4	-110,884	-120,594	-218	-199
Operating profit		**43,518**	**58,488**	**-218**	**-199**
Other operating income		828	181	0	0
Other operating expenses		-687	-59	0	0
Income from investments in subsidiaries		0	0	28,202	39,769
Financial income		5,903	3,086	14	0
Financial expenses	5	-17,732	-18,050	-6,244	-7,548
Profit before tax		**31,830**	**43,646**	**21,754**	**32,022**
Tax on profit/loss for the year	6	-8,666	-9,920	1,410	1,704
Profit for the year	7	**23,164**	**33,726**	**23,164**	**33,726**

Balance Sheet at 31 December

Assets

	Note	Group 2024 DKK '000	Group 2023 DKK '000	Parent Company 2024 DKK '000	Parent Company 2023 DKK '000
Development projects completed		48,321	58,323	0	0
Intangible fixed assets acquired		8,107	7,696	0	0
IT		3,594	1,852	0	0
Development projects in progress		36,100	28,128	0	0
Intangible assets	8	**96,122**	**95,999**	**0**	**0**
Land and buildings		36,294	37,470	0	0
Production plants and machinery		32,264	26,058	0	0
Other plants, machinery, tools and equipment		14,118	14,234	0	0
Tangible fixed assets under construction		3,534	0	0	0
Property, plant and equipment	9	**86,210**	**77,762**	**0**	**0**
Fixed asset investments		0	0	340,592	331,359
Rent deposit and other receivables		34	551	0	0
Financial non-current assets	10	**34**	**551**	**340,592**	**331,359**
Non-current assets		**182,366**	**174,312**	**340,592**	**331,359**

Balance Sheet at 31 December

Assets (continued)

	Note	Group 2024 DKK '000	Group 2023 DKK '000	Parent Company 2024 DKK '000	Parent Company 2023 DKK '000
Raw materials and consumables		124,536	99,779	0	0
Work in progress		43,918	50,763	0	0
Finished goods and goods for resale		167,751	151,477	0	0
Prepayments for goods		3,156	798	0	0
Inventories		**339,361**	**302,817**	**0**	**0**
Trade receivables		101,583	94,818	0	0
Contract work in progress	11	38,546	36,066	0	0
Receivables from group enterprises		21,052	11,022	0	0
Deferred tax assets	12	8,539	5,654	10,444	9,695
Other receivables		51,577	17,358	0	0
Receivables corporation tax		0	685	0	0
Joint tax contribution receivable		1,271	1,299	1,271	2,424
Prepayments and accrued income	13	8,527	4,990	0	0
Receivables	14	**231,095**	**171,892**	**11,715**	**12,119**
Cash and cash equivalents		**57,370**	**79,184**	**1,505**	**548**
Current assets		**627,826**	**553,893**	**13,220**	**12,667**
Assets		**810,192**	**728,205**	**353,812**	**344,026**

Balance Sheet at 31 December

Equity and liabilities

	Note	Group 2024 DKK '000	Group 2023 DKK '000	Parent Company 2024 DKK '000	Parent Company 2023 DKK '000
Share capital	15	66,360	66,360	66,360	66,360
Reserve for net revaluation according to equity method		0	0	80,286	71,054
Retained profit		156,750	137,556	61,564	51,502
Proposed dividend		0	0	14,900	15,000
Equity		**223,110**	**203,916**	**223,110**	**203,916**
Provision for deferred tax	16	8,507	7,192	0	0
Other provisions for liabilities	17	2,827	2,274	0	0
Provisions		**11,334**	**9,466**	**0**	**0**
Mortgage debt		1,319	1,337	0	0
Bank loan		475	204	0	0
Payables to group enterprises		100,092	123,844	100,092	123,844
Other liabilities		17,597	14,003	0	0
Non-current liabilities	18	**119,483**	**139,388**	**100,092**	**123,844**
Bank debt		47,890	135,722	0	0
Mortgage debt		27	26	0	0
Bank loan		269	271	0	0
Prepayments received from customers	11	197,944	89,245	0	0
Trade payables		86,768	36,163	200	200
Payables to group enterprises		43,540	28,280	29,800	15,347
Corporation tax		2,601	2,936	610	719
Other liabilities		77,226	82,792	0	0
Current liabilities		**456,265**	**375,435**	**30,610**	**16,266**
Liabilities		**575,748**	**514,823**	**130,702**	**140,110**
Equity and liabilities		**810,192**	**728,205**	**353,812**	**344,026**

Contingencies etc.	19
Charges and securities	20
Related parties	21
Consolidated Financial Statements	22

Equity

DKK '000	Group Share capital	Retained profit	Proposed dividend	Total
Equity at 1 January 2024	66,360	122,555	15,000	203,915
Proposed profit allocation 7		23,164		23,164
Transactions with owners				
Dividend paid			-15,000	-15,000
Other legal bindings				
Foreign exchange adjustments		11,031		11,031
Equity at 31 December 2024	**66,360**	**156,750**	**0**	**223,110**

DKK '000	Parent Company Share capital	Reserve for net revaluation according to equity method	Retained profit	Proposed dividend	Total
Equity at 1 January 2024	66,360	71,053	51,502	15,000	203,915
Proposed profit allocation, jf. note 7		28,202	-19,938	14,900	23,164
Transactions with owners					
Dividend paid				-15,000	-15,000
Other legal bindings					
Foreign exchange adjustments		11,031			11,031
Transfers					
Receiv./decl. dividend		-30,000	30,000		0
Equity at 31 December 2024	**66,360**	**80,286**	**61,564**	**14,900**	**223,110**

Cash Flow Statement 1 January - 31 December

	Group	
	2024 DKK '000	2023 DKK '000
Profit/loss for the year	23,164	33,726
Depreciation and amortisation, reversed	34,639	42,056
Unrealised exchange gains, reversed	11,031	-7,474
Tax on profit/loss, reversed	8,666	9,920
Corporation tax paid	-9,858	-13,780
Change in inventories	-36,544	5,174
Change in receivables (ex tax)	-57,031	5,933
Change in other provisions	553	637
Change in current liabilities (ex bank, tax, instalments payable and overdraft facility)	168,997	-34,462
Cash flows from operating activity	**143,617**	**41,730**
Purchase of intangible assets	-23,439	-21,589
Purchase of property, plant and equipment	-24,300	-18,701
Sale of property, plant and equipment	4,529	143
Sale of financial assets	517	1,112
Cash flows from investing activity	**-42,693**	**-39,035**
Installments on loans	-19,906	-47,849
Change in bank debt	-87,832	67,765
Dividends paid in the financial year	-15,000	0
Cash flows from financing activity	**-122,738**	**19,916**
Change in cash and cash equivivalents	**-21,814**	**22,611**
Cash and cash equivalents at 1. januar	79,184	56,573
Cash and cash equivalents at 31 December	**57,370**	**79,184**
Cash and cash equivalents at 31 December comprise:		
Cash and cash equivalents	57,370	79,184
Cash and cash equivalents	**57,370**	**79,184**

Notes

	Group		Parent Company	
	2024 DKK '000	2023 DKK '000	2024 DKK '000	2023 DKK '000
1 | Net revenue				
Segment details (geography)				
Denmark	5,468	5,667	0	0
Other Europe	214,473	190,565	0	0
Asia	243,897	179,664	0	0
North America	381,627	401,131	0	0
Latin America	103,498	103,335	0	0
Africa & Middel East	150,961	188,461	0	0
Other areas	42,746	53,114	0	0
	1,142,670	**1,121,937**	**0**	**0**

Further segment details are not relevant for the company, since its operations are all within one segment.

	Group		Parent Company	
	2024 DKK '000	2023 DKK '000	2024 DKK '000	2023 DKK '000
2 | Staff costs				
Average number of full time employees	587	576	0	0
Wages and salaries	295,306	291,892	0	0
Pensions	52,224	55,634	0	0
Social security costs	1,711	1,819	0	0
	349,241	**349,345**	**0**	**0**

3 | Special items

The group has included impairment losses on the development assets with the amount of 7,704 TDKK. the amount is included in the production costs in the income statement.

Notes

	Group		Parent Company	
	2024 DKK '000	2023 DKK '000	2024 DKK '000	2023 DKK '000
4 | Fee to statutory auditor				
Total Fee				
BDO Denmark	870	843	195	189
Auditors of foreign subsidiaries	2,820	2,406	0	0
	3,690	**3,249**	**195**	**189**
Specification of fee:				
Statutory audit	2,605	2,185	130	124
Tax consultancy	779	775	56	48
Other services	306	289	9	17
	3,690	**3,249**	**195**	**189**
5 | Financial expenses				
Group enterprises	5,975	7,021	5,975	7,021
Other interest expenses	11,757	11,029	269	527
	17,732	**18,050**	**6,244**	**7,548**
6 | Tax on profit/loss for the year				
Calculated tax on taxable income of the year	9,831	12,138	-661	-1,704
Adjustment of deferred tax	-1,165	-2,218	-749	0
	8,666	**9,920**	**-1,410**	**-1,704**
7 | Proposed distribution of profit				
Proposed dividend for the year	0	0	14,900	15,000
Allocation to reserve for net revaluation according to equity method	0	0	28,202	39,769
Retained earnings	23,164	33,726	-19,938	-21,043
	23,164	**33,726**	**23,164**	**33,726**

Notes

8 | Intangible assets

DKK '000	Group Development projects completed	Group Intangible fixed assets acquired
Cost at 1 January 2024	167,688	15,825
Transfer	3,614	0
Additions	0	1,727
Cost at 31 December 2024	**171,302**	**17,552**
Amortisation at 1 January 2024	109,365	8,129
Amortisation for the year	13,616	1,316
Amortisation at 31 December 2024	**122,981**	**9,445**
Carrying amount at 31 December 2024	**48,321**	**8,107**

DKK '000	Group IT	Group Development projects in progress
Cost at 1 January 2024	27,875	28,128
Transfers to/from other items	0	-3,614
Additions	2,422	19,290
Disposals	0	-7,704
Cost at 31 December 2024	**30,297**	**36,100**
Amortisation at 1 January 2024	26,024	0
Amortisation for the year	679	0
Amortisation at 31 December 2024	**26,703**	**0**
Carrying amount at 31 December 2024	**3,594**	**36,100**

The group´s development projects relate to the development of new production machines and optimization of the interaction between the group's products in the production line. The development of the individual projects is progressing as planned and is expected to be completed over the next 1-2 years. Market research shows a demand for the new products and there are very few competitors in the market for this type of products.

Notes

9 | Property, plant and equipment

DKK '000	Group Land and buildings	Group Production plants and machinery
Cost at 1 January 2024	99,643	83,609
Additions	2,254	14,710
Disposals	-7,926	-6,113
Cost at 31 December 2024	**93,971**	**92,206**
Depreciation and impairment losses at 1 January 2024	62,173	57,550
Reversal of depreciation of assets disposed of	-7,514	-3,051
Depreciation for the year	3,018	5,443
Depreciation and impairment losses at 31 December 2024	**57,677**	**59,942**
Carrying amount at 31 December 2024	**36,294**	**32,264**

DKK '000	Group Other plants, machinery, tools and equipment	Group Tangible fixed assets under construction
Cost at 1 January 2024	30,921	0
Additions	3,802	3,534
Disposals	-3,443	0
Cost at 31 December 2024	**31,280**	**3,534**
Depreciation and impairment losses at 1 January 2024	16,687	0
Reversal of depreciation of assets disposed of	-2,388	
Depreciation for the year	2,863	
Depreciation and impairment losses at 31 December 2024	**17,162**	**0**
Carrying amount at 31 December 2024	**14,118**	**3,534**

10 | Financial non-current assets

DKK '000	Group Rent deposit and other receivables
Cost at 1 January 2024	551
Disposals	-517
Cost at 31 December 2024	**34**
Carrying amount at 31 December 2024	**34**

Notes

10 | Fixed asset investments (continued)

DKK '000	Parent Company Fixed asset investments
Cost at 1 January 2024	206,826
Cost at 31 December 2024	**206,826**
Revaluation at 1 January 2024	124,533
Dividend	-30,000
Revaluation and impairment losses for the year	29,078
Equity movements	11,031
Amortization of goodwill	-876
Revaluation at 31 December 2024	**133,766**
Carrying amount at 31 December 2024	**340,592**

Investments in subsidiaries

Name and domicil	Ownership
Baader Food Systems Denmark A/S, Denmark	100 %
Baader Food Systems USA Inc., USA	100 %
Baader Poultry Canada Ltd., Canada	100 %
Baader Food Systems Netherlands B.V.,, Netherlands	100 %
LINCO Food Systems S.A., Spain	100 %
Baader Brazil Ltda., Brazil	100 %
LINCO Food Systems Ltda., Chile	100 %
Lindholst Asia SDN., BHD., Malaysia	100 %
Baader Asia PTE Ltd., Singapore	100 %
Baader Food Processing Technology (Beijing) Co. Ltd., China	100 %
Baader Food Systems Asia SDN. BHD, Malaysia	100 %

	Group		Parent Company	
	2024 DKK '000	2023 DKK '000	2024 DKK '000	2023 DKK '000
11 | Contract work in progress				
Contract work in progress	195,221	321,199	0	0
Invoiced on account	-354,619	-374,378	0	0
Contract work in progress, net	**-159,398**	**-53,179**	**0**	**0**
Contract work in progress (assets)				
Contract work in progress (asset)	38,546	36,066	0	0
Contract work in progress (liability)	-197,944	-89,245	0	0
	-159,398	**-53,179**	**0**	**0**

Notes

12 | Deferred tax assets

Provision for deferred tax relates to differences between the carrying amount and the tax value of intangible fixed assets and tangible fixed assets, including recognised finance leases as well as accrued expenses and tax losses carried forward.

	Group		Parent Company	
	2024 DKK '000	2023 DKK '000	2024 DKK '000	2023 DKK '000
Deferred tax at 1. January	5,654	4,694	9,695	9,717
Deferred tax for the year, Income Statement	2,725	989	0	0
Deferred tax for previous years	0	0	749	-22
Exchange rate adjustments	160	-29	0	0
Deferred tax 31 December 2022	**8,539**	**5,654**	**10,444**	**9,695**

The parent company's deferred tax asset is recognised in the Balance Sheet at DKK ('000) 10,455. The tax asset relates primarily to unutilised tax losses. The tax asset is recognised on the basis of the expectations to the positive tax profits for the next couple of years within the group, and the tax losses are then expected to be fully utilised. The assessments are based on the group's budgets for the year to come and the deferred tax liability of the jointly taxed subsidiary at DKK ('000) 16,586.

The group's deferred tax asset is recognised in the Balance Sheet at DKK ('000) 8,539. The tax asset is recognised on the basis of the expectations to the positive tax profits for the next couple of years within the entities, and the deferred tax asset is expected to be fully utilised. The assessments are based on the group's budgets for the year to come.

13 | Prepayments and accrued income

Prepayments and accrued income relates to prepaid contingencies and license fees as well as prepaid expenses regarding future financial years.

	Group		Parent Company	
	2024 DKK '000	2023 DKK '000	2024 DKK '000	2023 DKK '000
14 | Receivables falling due after more than one year				
Deferred tax asset	8,539	5,654	10,455	9,695
	8,539	**5,654**	**10,455**	**9,695**

Notes

	2024 DKK '000	2023 DKK '000
15 | Share capital		
Allocation of Share capital:		
A-shares, 1,000 unit in the denomination of 66,360 DKK	66,360	66,360
	66,360	**66,360**

16 | Provision for deferred tax

The provision for deferred tax is related to differences between the carrying amount and tax value of securities, receivables, intangible and tangible fixed assets, including recognised finance lease contracts.

	Group		Parent Company	
	2024 DKK '000	2023 DKK '000	2024 DKK '000	2023 DKK '000
Deferred tax, beginning of year	7,192	8,647	0	0
Deferred tax of the year, income statement	1,307	-1,476	0	0
Deferred tax for previous years	0	22	0	0
Exchange rate adjusment	8	-1	0	0
Provision for deferred tax 31 December 2022	**8,507**	**7,192**	**0**	**0**

	Group		Parent Company	
	2024 DKK '000	2023 DKK '000	2024 DKK '000	2023 DKK '000
17 | Other provisions for liabilities				
0-1 year	2,827	2,274	0	0

Other provisions for liabilities comprise liabilities of ordinary warranty on the group's products.

Notes

18 | Long-term liabilities

	Group			
DKK '000	31/12 2024 total liabilities	Repayment next year	Debt outstanding after 5 years	31/12 2023 total liabilities
Mortgage debt	1,346	27	1,129	1,363
Bank loan	747	272	0	475
Payables to group enterprises	129,892	29,800	100,092	138,844
Other liabilities	17,817	220	2,115	16,975
	149,802	**30,319**	**103,336**	**157,657**

	Parent Company			
DKK '000	31/12 2024 total liabilities	Repayment next year	Debt outstanding after 5 years	31/12 2023 total liabilities
Payables to group enterprises	129,892	29,800	100,092	138,844
	129,892	**29,800**	**100,092**	**138,844**

19 | Contingencies etc.

Contingent liabilities
The group has provided bank guarantees totalling DKK ('000) 8,224 relating to payment guarantees and general perfomance guarantees.

Operating lease contracts on machinery and cars have been entered with a total lease commitment during the residual term of 12 to 83 months of DKK ('000) 2,499 (DKK('000) 601 within 12 months).

Joint liabilities
The Danish companies of the group is jointly and severally liable for tax on the group's jointly taxed income and for certain possible withholding taxes such as dividend tax and royalty tax, and for the joint registration of VAT.

Tax payable of the group's jointly taxed income amounts to DKK ('000) 0 at the Balance Sheet date.

Notes

20 | Charges and securities

Debt to mortgage provider, DKK ('000) 1,345 is secured by mortgages totalling DKK ('000) 1,406 comprising land, and buildings with the booked value of DKK ('000) 1,809 as of 31 December 2024. The mortgage also comprises the plant and machinery deemed part of the properties.

As security for debt to financial institutions, the group has issued mortgage deeds totalling DKK ('000) 17,632 as mortgage on land and buildings with the booked value of DKK ('000) 12,423 as of 31 December 2024.

The group has issued an all-moneys mortgage (floating charge) as security for debt to financial institutions of DKK ('000) 16,072. The security comprises property, equipment, inventories and trade receivables with at booked value totalling DKK ('000) 261,327.

Additionally, group has issued an all-moneys mortgage (floating charge) as security for debt to financial institutions of DKK ('000) 3,965. The security comprises property, equipment, inventories and trade receivables with at booked value totalling DKK ('000) 85,971.

Furthermore the group has issued an all-moneys mortgage (floating charge) of DKK ('000) 36,330 as security for debt to financial institutions. The security comprises inventories and trade receivables with at booked value totalling DKK ('000) 120,146.

21 | Related parties

The Company's related parties include:

Controlling interest
Chairman of the board, through the parent company Baader Poultry Holding GmbH.

Other related parties having performed transactions with the company
The company’s related parties having a significant influence comprise subsidiaries and associates as well as the companies’ Board of Directors, Board of Executives and executive officers and their relatives. Related parties include also companies in which the above mentioned group of persons has material interests.

Transactions with related parties
The company did not carry out any material transactions that were not concluded on market conditions. According to section 98c, subsection 7 of the Danish Financial Statements Act information is given only on transactions that were not performed on common market conditions.

22 | Consolidated Financial Statements

The company is included in the consolidated financial statements of Baader Global Holding SE, Lübeck. The consolidated financial statements can be acquired by contacting the company.

Accounting Policies

The Annual Report of Baader Poultry A/S for 2024 has been presented in accordance with the provisions of the Danish large-size Financial Statements Act for enterprises in reporting class C .

The Annual Report is prepared consistently with the accounting principles applied last year.

Consolidated Financial Statements

The consolidated financial statements include the parent company Baader Poultry A/S and its subsidiaries in which Baader Poultry A/S directly or indirectly holds more than 50% of the voting rights or in any other way has a controlling influence. Enterprises in which the group holds between 20% and 50% of the voting rights and exercises significant, but not controlling influence, are considered associates, see the group structure.

The consolidated financial statements consolidate the financial statements of the parent company and the subsidiaries by combining uniform accounts items. Intercompany income and expenses, shareholdings, internal balances and dividend, and realised and unrealised gains and losses arising from transactions between the consolidated enterprises are fully eliminated in the consolidation.

New acquired or established enterprises are recognised in the consolidated financial statements from the time of acquisition. Sold or wound up enterprises are recognised in the consolidated income statement up to the time of disposal. Comparative figures are not adjusted for new acquired, sold or wound up enterprises.

Acquired enterprises are recognised in the consolidated financial statements under the acquisition method, reassessing all identified assets and liabilities to fair value at the acquisition date. The fair value is calculated based on acquisitions made in an active market, alternatively calculated using generally accepted valuation methods. Upon calculation of the fair value of properties used in the business a discounted cash flow model is applied based on discounted cash flow of future earnings. Operating equipment is recognised at fair value based on an assessor’s opinion, built on an overall assessment of the production equipment.

Investments in subsidiary enterprises are set off by the proportional share of the subsidiaries’ market value of net assets and liabilities at the acquisition date.

Positive differences between acquisition value and market value of acquired and identified assets and liabilities are recognised in intangible fixed assets as goodwill and amortised systematically in the Income Statement under an individual assessment of the useful life. Negative differences are recognised in the Income Statement upon acquisition.

Income Statement

Net revenue

Net revenue from sale of merchandise and finished goods is recognised in the Income Statement if supply and risk transfer to purchaser has taken place before the end of the year and if the income can be measured reliably and is expected to be received. Net revenue is recognised exclusive of VAT, duties and less discounts related to the sale.

Contract work in progress is included in revenue based on the stage of completion, so that revenue corresponds to the selling price of the work performed in the financial year (the degree of completion method).

Sale of Services is recognised in the income statement if the service has been provided before the end of the year.

When the result of contract work cannot be assessed reliably, revenue is only recognised corresponding to related costs to the extent that it is likely that they will be recovered.

Net revenue is recognised exclusive of VAT and less duties and discounts related to the sale.

Accounting Policies

Production costs
Production costs comprise costs, including wages and salaries and write-off, incurred to achieve the net revenue for the year.

Production costs also recognise amortisation of capitalised development as well as research costs and the development costs that do not fulfil the criteria for capitalisation.

Furthermore write-down is recognised in connection with expected losses on project contracts.

Distribution costs
The costs incurred for distribution of goods sold during the year and for sales campaigns carried out during the year are recognised in distribution costs. The costs of the sales personnel, advertising and exhibition costs and amortisation are also recognised in distribution costs.

Administrative expenses
Administrative expenses recognise costs incurred during the year regarding management and administration of the group, inclusive of costs relating to the administrative staff, executives, office premises, office expenses etc and related amortisation.

Other operating income
Other operating income includes items of a secondary nature in relation to the Group's and the Company's activities. In addition, profit from sale of intangible and tangible fixed assets as well as business interruption and conflict compensations are included. Compensations are recognised when the income is deemed to be realisable.

Other operating expenses
Other operating expenses include items of a secondary nature in relation to the enterprises' principal activities, including loss from sale of intangible and tangible fixed assets.

Income from investments in subsidiaries
The income statement of the parent company recognises the proportional share of the results of each subsidiary after full elimination of intercompany profits/losses and deduction of amortisation of goodwill.

Financial income and expenses
Financial income and expenses include interest income and expenses, financial expenses of finance leases, realised and unrealised gains and losses arising from investments in financial assets, debt and transactions in foreign currencies, amortisation of financial assets and liabilities as well as charges and allowances under the tax-on-account scheme etc. Financial income and expenses are recognised in the income statement by the amounts that relate to the financial year.

Tax
The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the income statement by the portion that may be attributed to the profit for the year, and is recognised directly in the equity by the portion that may be attributed to entries directly to the equity.

Balance Sheet

Intangible fixed assets
Acquired goodwill is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over the expected useful life which is estimated to 7 to 12 years. The period of amortisation is determined based on an assessment of the acquired company's position in the market and earnings profile, and the industry-specific conditions.

Accounting Policies

Patents and licences are measured at the lower of cost less accumulated amortisation and the recoverable amount. Patents are amortised over the remaining patent period and licences are amortised over the period of the agreement.

Development costs comprise costs, including wages and salaries, and amortisation, which directly or indirectly can be related to the company's development activities and which fulfil the criteria for recognition.

Capitalised development costs are measured at the lower of cost less accumulated amortisation or recoverable amount.

Capitalised development costs are amortised on a straight-line basis over the estimated useful life after completion of the development work. The amortisation period is normally 5 years and does not exceed 20 years.

Capitalised IT-projects are measured at the lower of cost less accumulated amortisation or recoverable amount.

Capitalised IT-projects are depreciated on a straight-line basis over the estimated useful life. The useful life is normally 3-5 years.

Intangible fixed assets are generally written down to the lower of recoverable value and carrying amount.

Profit or loss from sale of intangible fixed assets is calculated at the difference between the sales price and the carrying amount at the time of the sale. Profit and loss are recognised in the Income Statement under other operating income or other operating expenses.

Property, plant and equipment

Land and buildings, production plant and machinery, other plants, fixtures and equipment are measured at cost less accumulated depreciation and write-down. Land is not depreciated.

The depreciation base is cost less estimated residual value after end of useful life.

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used.

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value:

	Useful life	Residual value
Buildings	10-25 years	0 %
Production plant and machinery	5-10 years	0-30 %
Other plants, fixtures and equipment	3-5 years	0-30 %

Profit or loss on disposal of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the time of sale. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Lease contracts

Lease contracts relating to tangible fixed assets where the company bears all material risks and benefits attached to the ownership (finance lease) are recognised as assets in the balance sheet. The assets are at the initial recognition measured at calculated cost equal to the lower of fair value and present value of the future lease payments. The internal interest rate of the lease contract is used as discounting factor or an approximate value when calculating the present value. Finance lease assets are depreciated similarly to the company's other tangible fixed assets.

Accounting Policies

The capitalised residual lease liability is recognised in the balance sheet as a liability and the interest portion of the lease payment is recognised in the income statement over the term of the contract.

All other lease contracts are considered to be operating leases. Payments related to operating leases and other rental agreements are recognised in the income statement over the term of the contract. The company's total liability relating to operating leases and rental agreements is disclosed as contingencies etc.

Financial non-current assets

Investments in Equity interests in subsidiaries are measured in the Parent Company Balance Sheet under the equity method, which is regarded as a method of consolidation.

Equity investments in subsidiaries are measured in the Balance Sheet at the proportional share of the enterprises' carrying equity value, calculated in accordance with the Parent Company's accounting policies with deduction or addition of unrealised intercompany profits or losses and with addition or deduction of the residual value of positive or negative goodwill calculated according to the acquisition method. Negative goodwill is recognised in the Income Statement when the equity interest is acquired. Where the negative goodwill is related to acquired contingent liabilities, the negative goodwill will be recognised as income when the contingent liabilities have been settled or cease.

Acquired enterprises are subject to the acquisition method, reassessing all identified assets and liabilities to fair value at the acquisition date. The fair value is calculated based on acquisitions made in an active market, alternatively calculated using generally accepted valuation models.

Consolidated goodwill is amortised over the expected useful life, which is determined on the basis of Management's experience within the individual lines of business. Consolidated goodwill is amortised on a straightline basis over the amortisation period, which is 7-12 years. The amortisation period is determined on the basis of an assessment of the acquired entity's market position and earnings profile, and the industryspecific condition.

Received dividend is deducted in the carrying amount of the equity investment.

Net revaluation of equity interests in subsidiaries is transferred under equity to reserve for net revaluation under the equity value method to the extent that the carrying amount exceeds the acquisition value.

Subsidiaries with a negative carrying equity value are measured to DKK 0 and any amounts due from these enterprises are written down to the extent that it is deemed to be irrecoverable. If the carrying negative equity value exceeds receivables, the residual amount is recognised under provision for liabilities to the extent that the Company has a legal or actual liability to cover the subsidiary's deficit.

Impairment of fixed assets

The carrying amount of intangible and tangible fixed assets together with investments, which are not measured at fair value, are valued on an annual basis for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the net realisable value is lower than the carrying amount, write-down is provided to the lower value.

The recoverable amount is calculated at the higher of net selling price and capital value. The capital value is determined as the fair value of the expected net cash flows from the use of the asset or group of assets and the expected net cash flows from sale of the asset or group of assets after the end of its useful life.

Inventories

Inventories are measured at cost using the the weighted average-principle. If the net realisable value is lower than cost, write-down is provided to the lower value.

Accounting Policies

The cost of merchandise as well as raw materials and consumables is calculated at acquisition price with addition of transportation and similar costs.

The cost of finished goods and work in progress includes cost of raw materials, consumables, direct payroll cost and indirect production cost. Indirect production costs include indirect materials and payroll and maintenance and depreciation of the machines, factory buildings and equipment used in the production process, cost of factory administration and management and capitalised development costs relating to the products.

The net realisable value of inventories is stated at sales price less completion costs and costs incurred to execute the sale and is determined with due regard to marketability, obsolescence and development in expected sales price.

Receivables
Receivables are measured at amortised cost which usually corresponds to nominal value. The value is reduced by write-down to meet expected losses.

Contract work in progress
Work in progress on contract is measured at the sales value of the work performed. The sales value is measured on the basis of the degree of completion on the balance sheet date and the total anticipated revenue related to the specific piece of work in progress.

Usually, the degree of completion is calculated as the ratio between actual and total budgeted consumption of resources. For projects for which the consumption of resources cannot be applied as basis, the ratio of completed to total subactivities of the individual projects has been applied.

If the sales value of a contract work in progress cannot be calculated reliably, the sales value is calculated as the lower of costs incurred and net realisable value.

The specific piece of work in progress is recognised in the balance sheet as an account receivable or payable, depending on the net value of the selling price less progress invoicing and progress payments. Costs relating to sales work and obtaining of contracts are recognised in the income statement as and when they are incurred.

Accruals, assets
Accruals recognised as assets include costs incurred relating to the subsequent financial year.

Other provisions for liabilities
Other provisions for liabilities include the expected cost of warranty commitments, loss on work in progress, restructuring etc. and deferred tax.

Warranty commitments include liabilities for improvement of work within the warranty period of 1 to 5 years. The provision for liabilities is measured and recognised on the basis of experience with warranty work.

When it is likely that the total costs will exceed the total income on the contract work in progress, a provision is made for the total loss that is anticipated for the contract. The provision is recognised as a cost under production costs.

Tax payable and deferred tax
Current tax liabilities and receivable current tax are recognised in the balance sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

Accounting Policies

The Company is subject to joint taxation with Danish group companies. The current corporation tax is distributed among the joint taxable companies in proportion to their taxable income and with full allocation and refund related to tax losses. The joint taxable companies are included in the on account tax scheme. Joint taxation contributions receivable and payable are recognised in the Balance Sheet under current assets and liabilities, respectively.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carry-forwards, are measured at the expected realisable value of the asset, either by set-off against tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the balance sheet date would be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

Liabilities

Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less borrowing costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the income statement over the term of loan.

Other liabilities are measured at amortised cost equal to nominal value.

Derivative financial instruments

The initial recognition measures derivative financial instruments in the balance sheet at cost price and subsequently at fair value. Positive and negative fair values of derivative financial instruments are included in receivables and liabilities, respectively.

Change in fair value of derivative financial instruments classified as and complying with the criteria for hedging of the fair value of a recognised asset or a recognised liability is recognised in the Income Statement together with possible changes in the fair value of the hedged asset or the hedged liability.

Change in fair value of derivative financial instruments classified as and complying with the criteria for hedging of future cash flows is recognised under receivables or payables and under equity. If the future transaction results in recognition of assets or liabilities, all amounts recognised under equity are transferred from equity and recognised under initial cost for the asset or liability, respectively. If the future transaction results in income or expenses amounts recognised under equity are transferred to the Income Statement for the period where the Income Statement was affected by the hedged amount.

As regards possible derivative financial instruments, which do not comply with the criteria for classification as hedging instruments, any changes in fair value are recognised on a current basis in the Income Statement.

Foreign currency translation

Transactions in foreign currencies are translated at the rate of exchange on the transaction date. Exchange differences arising between the rate on the transaction date and the rate on the payment date are recognised in the income statement as a financial income or expense.

Receivables, payables and other monetary items in foreign currencies that are not settled on the balance sheet date are translated at the exchange rate on the balance sheet date. The difference between the exchange rate on the balance sheet date and the exchange rate at the time of occurrence of the receivables or payables is recognised in the income statement as financial income or expenses.

Accounting Policies

Fixed assets acquired in foreign currencies are translated at the rate of exchange on the transaction date.

Cash Flow Statement

The cash flow statement shows the company's cash flows for the year for operating activities, investing activities and financing activities in the year, the change in cash and cash equivalents of the year and cash and cash equivalents at beginning and end of the year.

Cash flows from operating activities:
Cash flows from operating activities are computed as the results for the year adjusted for non-cash operating items, changes in net working capital and corporation tax paid.

Cash flows from investing activities:
Cash flows from investing activities include payments in connection with purchase and sale of intangible and tangible fixed asset and fixed asset investments.

Cash flows from financing activities:
Cash flows from financing activities include changes in the size or composition of share capital and related costs, and borrowings and repayment of interest-bearing debt and payment of dividend to shareholders.

Cash and cash equivalents:
Cash and cash equivalents include cash in hand.