

Thornico Holding A/S

Havnegade 36, DK-5000 Odense

Annual Report for 2024

CVR No 35 25 80 00

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 30. June 2025

Thor Stadil
Dirigent
Chairman

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Management's Statement on the Annual Report

The Executive and Supervisory Boards have today considered and adopted the Annual Report of Thornico Holding A/S for the financial year 1 January – 31 December 2024.

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

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

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

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

Odense, 30.06.25

Executive Board

Christian Nicholas
Rosenkrantz Stadil

Supervisory Board

Thor Stadil

Marianne Schelde

Christian Nicholas
Rosenkrantz Stadil

Independent Auditor's Report

To the Shareholders of Thornico Holding A/S

Opinion

We have audited the consolidated financial statements and the parent financial statements of Thornico Holding A/S for the financial year 1 January - 31 December 2024, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for 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 31 December 2024 and of the results of their operations and the consolidated cash flows for the financial year 1 January - 31 December 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 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 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 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 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 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 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 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 contents of the consolidated financial statements and parent financial statements, including the disclosures, and whether the consolidated financial statements and parent financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

- Plan and perform the audit of the financial statements to obtain sufficient appropriate audit evidence regarding the consolidated financial information of the entities or business units as a basis for forming an opinion on the financial statements. We are responsible for the direction, supervision and review of the audit work performed. 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, 30.06.25

Deloitte
Statsautoriseret Revisionspartnerselskab
CVR No. 33 96 35 56

Gert Rasmussen
State Authorised Public Accountant
Identification No: mne35430

Abdul Wahab Ashraf
State Authorised Public Accountant
Identification No: mne46664

Company Information

| | |
|------------------------------|--|
| The Company | Thornico Holding A/S Havnegade 36 DK-5000 Odense C |
| Telephone: | +45 65 48 02 00 |
| CVR No: | 35 25 80 00 |
| Financial period: | 1 January - 31 December |
| Financial year: | 12 th financial year |
| Municipality of reg. office: | Odense |

| | |
|-------------------|--|
| Supervisory Board | Thor Stadil Christian Nicholas Rosenkrantz Stadil Marianne Schelde |
|-------------------|--|

| | |
|-----------------|---------------------------------------|
| Executive Board | Christian Nicholas Rosenkrantz Stadil |
|-----------------|---------------------------------------|

| | |
|----------|--|
| Auditors | Deloitte Statsautoriseret Revisionspartnerselskab Tværkajen 5 5100 Odense C |
|----------|--|

Group Chart



THORNICO GROUP STRUCTURE



FOOD

CONTROLLING INTEREST

Egg and cheese processing, trading and biotech



FOOD TECHNOLOGY

CONTROLLING INTEREST

Food processing machinery and meditech



PACKAGING

CONTROLLING INTEREST

Egg and fruit packaging solutions



SPORT & FASHION

CONTROLLING INTEREST

Footwear and apparel design and manufacturing



REAL ESTATE

CONTROLLING INTEREST

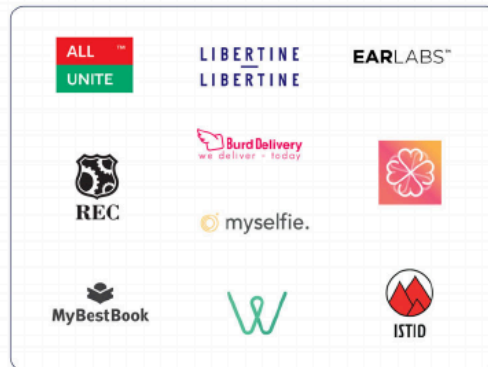
Real estate ownership and letting



VENTURE

NON-CONTROLLING INTEREST

Co-founder, seed, pre-seed and minority investor



* 50-80% ownership

Financial Highlights of the Group

| | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|------------|------------|------------|------------|-----------|
| | DKK '000 | DKK '000 | DKK '000 | DKK '000 | DKK '000 |
| Profit/loss | | | | | |
| Revenue | 10.072.148 | 9.472.895 | 12.131.316 | 10.099.657 | 8.575.274 |
| Gross profit | 3.325.514 | 2.883.132 | 2.810.575 | 2.660.609 | 2.215.605 |
| EBITDA | 1.465.860 | 1.115.235 | 1.151.699 | 1.228.922 | 931.394 |
| Profit/loss before financial income and expenses | 1.105.370 | 680.130 | 716.853 | 967.185 | 748.174 |
| Net financials | -120.519 | -172.593 | -180.169 | 49.150 | -43.126 |
| Net profit/loss for the year | 754.630 | 643.825 | 302.154 | 830.281 | 535.575 |
| Balance sheet | | | | | |
| Balance sheet total | 9.278.532 | 8.825.963 | 9.414.540 | 8.322.504 | 7.093.249 |
| Equity | 4.478.624 | 3.812.269 | 4.046.453 | 3.600.559 | 2.657.681 |
| Investment in property, plant and equipment | 590.933 | 434.273 | 462.224 | 588.839 | 403.967 |
| Cash flows | | | | | |
| Cash flows from: | | | | | |
| - operating activities | 808.006 | 961.985 | 378.996 | 645.845 | 751.717 |
| - investing activities | -644.125 | -479.373 | -510.989 | -709.185 | -718.106 |
| - financing activities | -199.129 | -1.091.109 | 319.836 | 114.179 | 175.881 |
| Changes for the year in cash and cash equivalents | -35.248 | 51.076 | 198.143 | 45.339 | 209.492 |
| Number of employees | 5.687 | 5.177 | 4.849 | 4.832 | 4.335 |

Financial Highlights of the Group

| | 2024 | 2023 | 2022 | 2021 | 2020 |
|------------------|----------|----------|----------|----------|----------|
| | DKK '000 | DKK '000 | DKK '000 | DKK '000 | DKK '000 |
| Ratios | | | | | |
| Gross margin | 33,0% | 30,4% | 23,2% | 26,3% | 23,7% |
| Profit margin | 11,0% | 7,2% | 5,9% | 9,6% | 5,7% |
| Return on assets | 11,9% | 7,7% | 7,6% | 11,6% | 7,8% |
| Solvency ratio | 48,3% | 43,2% | 43,0% | 43,3% | 35,7% |
| Return on equity | 16,8% | 16,9% | 7,5% | 23,1% | 17,5% |

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

The Group sold its shipping activities in 2022 and consequently the financials for 2023 and later years are not fully comparable with 2022 and prior years.

Explanation of financial ratios

| | | |
|------------------|---|--|
| Gross margin | = | $\frac{\text{Gross profit} \times 100}{\text{Revenue}}$ |
| Profit margin | = | $\frac{\text{Profit before financials} \times 100}{\text{Revenue}}$ |
| Return on assets | = | $\frac{\text{Profit before financials} \times 100}{\text{Total assets}}$ |
| Solvency ratio | = | $\frac{\text{Equity at year end} \times 100}{\text{Total assets}}$ |
| Return on equity | = | $\frac{\text{Net profit/loss for the year excl. minority interests} \times 100}{\text{Average equity at year end excl. minority interests}}$ |

Management Commentary

Main activities

The Group's activities comprise food ingredients, food technology and packaging, sport & fashion and real estate in global markets primarily via wholly owned subsidiaries.

The Parent company's activity comprises investments in subsidiaries.

Development in activities and financials

The Annual Report for the Group shows consolidated sales of DKK 10,072m, an increase of 413m compared to 2023. Consolidated profit before tax is DKK 970m, an increase of 472m compared to 2023, which is considered satisfactory. All verticals of the Group showed growth in revenue and results for the year. The Food & Food Technology Group accounts for 75% of the Group's activities so improvements in this vertical, and particularly in the Packaging Group, have had a significant effect on the Group results. Also increased activities and improved profitability in Sport & Fashion had a major impact on Group financials.

The past year and follow-up on development expectations from last year

At the date of the Annual Report for 2023, Management expected results for 2024 in the range of DKK 750m – 850m. Realised profit before tax for 2024 is DKK 985m, exceeding expected maximum profit before tax by DKK 135m. This increase is due in particular to the packaging business exceeding expectations, driven by expanding market share and capacity. Sport & Fashion performed as expected on revenue but slightly lower than expected on EBIT. Other verticals performed as expected.

Expected development

Geopolitical tensions and the uncertainties in the wake of the new administration in the USA are a cause for concern for the Group in 2025, but Management still expect increasing activity and results for 2025, with revenues expected at 10,600m – 11,000m and results before tax expected at DKK 1,000m – 1,050m for 2025. Increased activity is expected mainly for the Food Technology and Packaging Groups.

Particular risks

Currency risks

Due to the global nature of all activities in the Group, the Group is exposed to currency transaction risks and currency translation risks.

Transaction risk is generally hedged as concerns the packaging and sport & fashion activities. This is done in accordance with the foreign exchange policy for these activities. For the Group's other activities, hedging is handled within the Thornico Group through balancing of income and expenses in the currencies relevant for these activities.

Translation risks are mainly associated with the translation into DKK of earnings and net assets in foreign subsidiaries. Translation risks are not hedged.
Interest bearing debt is mainly in DKK and with variable interest rate.

Capital resources

Via its positive earnings and development, the Group has sound and adequate capital resources available for new investments and growth.

Business risks

The spreading of the Group's investments is well balanced between the different main areas, see our comments in the above paragraph Main activities. The Group's intention is to improve its market position in the individual areas. The Group is market leading in several areas within foods, and the Group intends to achieve a more dominant role in other areas within the respective industries.

Investment properties are measured to fair value. Changes in the determined rate of return will affect the fair value in the balance sheet and the fair value evaluation in the income statement (ref. consolidated note 13).

Research and development

The Group incurs material expenses for both research and development to create a basis for the future positive financial development. The Group places great importance in recruiting and retaining competent and highly specialised employees in order to maintain a leading position within all its business activities.

Subsequent events

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

Report on Data Ethics policy

For the data ethics of Thornico Food & Food Technology Group A/S reference is made to the consolidated corporate social responsibility report including the Group's policy on data ethics at: <https://www.thornico.com/contact/policies/>

Report on Corporate Social Responsibility, cf. Section 99 a of the Danish Financial Statements Act

For the statutory corporate social responsibility report of Thornico Food & Food Technology Group A/S reference is made to the consolidated corporate social responsibility report in the Company Karma report of Thornico A/S, CVR no 15960205, at <https://thornico.com/company-karma/sustainable-growth/>

Accounting Policies

Basis of Preparation

The Annual Report of Thornico A/S for 2024 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

The Parent Company and the consolidated Financial Statements for 2024 are presented in DKK thousands.

Change in accounting policies and classifications

Items in the income statement items and non-monetary items in the balance sheet for the Argentinian subsidiaries are no longer translated according to rules on restatement for hyperinflation. Instead, these items follow the translation policies described in the following pages. The changes are due to group alignment.

Russian activities are no longer classified as discontinuing activities. Due to EU sanctions and regulatory constraints imposed by Russian authorities it is no longer assessed as highly probable that a divestment will be finalised within the next 12 months. These activities are now included within continuing operations, and associated assets and liabilities are no longer presented as held for sale.

Due to the above changes in accounting policies and classifications, comparative figures for 2023 have been restated:

| | Annual report 2023 | Hyperinflation | Discontinued operations | Restated Annual report 2023 |
|-------------------|-----------------------|----------------|----------------------------|--------------------------------|
| Revenue | 9,472,895 | 96,500 | 89,700 | 9,659,095 |
| Profit before tax | 507,537 | 76,900 | -41,900 | 542,537 |
| Net profit | 643,825 | 75,800 | 0 | 719,625 |
| | | | | |
| Assets | 8,825,963 | -39,200 | 0 | 8,786,763 |
| Equity | 3,812,269 | -39,200 | 0 | 3,773,069 |

Some reclassifications have been made in the financial statements. In these cases, comparative figures are adapted to the new classification. The reclassifications have not had an effect on the profit or loss for the year, gross profit or the equity per 31 December 2024.

Recognition and measurement

The Annual Report has been prepared under the historical cost method.

Revenues are recognised in the income statement as earned including value adjustments of financial assets and liabilities. Furthermore, value adjustments of financial assets and liabilities

measured at fair value or amortised costs are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

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

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

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

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost less any repayments and with addition/deduction of the cumulative amortisation of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

Danish kroner are used as the measurement currency. All other currencies are regarded as foreign currencies.

Basis of consolidation

The Consolidated Financial Statements comprise the Parent Company, Thornico A/S, and subsidiaries in which the Parent Company directly or indirectly holds more than 50% of the votes or in which the Parent Company, through share ownership or otherwise, exercises control. Enterprises in which the Group holds between 20% and 50% of the votes and exercises significant influence but not control are classified as associates.

On consolidation, items of a uniform nature are combined. Elimination is made of intercompany income and expenses, shareholdings, dividends, and accounts as well as of realised and unrealised profits and losses on transactions between the consolidated enterprises.

The Parent Company's investments in the consolidated subsidiaries are set off against the Parent Company's share of the net asset value of subsidiaries stated at the time of consolidation.

On acquisition of subsidiaries, the difference between cost and net asset value of the enterprise acquired is determined at the date of acquisition after the individual assets and liabilities have been adjusted to fair value (the purchase method). Any remaining positive differences are recognised in intangible assets in the balance sheet as goodwill, which is amortised in the income statement on a straight-line basis over its estimated useful life. Any remaining negative differ-

ences are immediately recognised in the income statement.

Positive and negative differences from enterprises acquired may, due to changes to the recognition and measurement of net assets, be adjusted until the end of the financial year following the year of acquisition. These adjustments are also reflected in the value of goodwill or negative goodwill, including in amortisation already made.

In the consolidated financial statements amortisation of goodwill is allocated to the functions to which goodwill is related.

Minority interests

Minority interests form part of the consolidated equity. In the proposed distribution of profit, the net profit or loss of the year is allocated to minority interests and to equity belonging to the parent company.

Minority interests are recognised on the basis of a remeasurement of acquired assets and liabilities to fair value at the time of acquisition of subsidiaries.

On subsequent changes to minority interests, where the Group retains a controlling interest in the subsidiary, the purchase price is recognised directly on equity.

Leases

Leases in terms of which the Company assumes substantially all the risks and rewards of ownership (finance leases) are recognised in the balance sheet at the lower of the fair value of the leased asset and the net present value of the lease payments computed by applying the interest rate implicit in the lease or an approximated value as the discount rate. Assets acquired under finance leases are depreciated and written down for impairment under the same policy as determined for the other fixed assets of the Company. The remaining lease obligation is capitalised and recognised in the balance sheet under debt, and the interest element on the lease payments is charged over the lease term to the income statement.

All other leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

Translation policies

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses.

Property, plant and equipment, intangible assets, inventories, and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

When recognising foreign subsidiaries and associates that are independent entities, the income statements are translated at average exchange rates for the months that do not significantly deviate from the rates at the transaction date. Balance sheet items are translated using the ex-

change rates at the balance sheet date. Goodwill is considered belonging to the independent foreign entity and is translated using the exchange rate at the balance sheet date. Exchange differences arising out of the translation of foreign subsidiaries' equity at the beginning of the year at the balance sheet date exchange rates and out of the translation of income statements from average rates to the exchange rates at the balance sheet date are recognised directly in the translation reserve in equity.

Exchange adjustments of outstanding accounts with independent foreign subsidiaries, which are considered part of the total investment in the subsidiary in question, are recognised directly in the translation reserve in equity.

When recognising foreign subsidiaries that are integral entities, monetary assets and liabilities are translated using the exchange rates at the balance sheet date. Non-monetary assets and liabilities are translated at the exchange rate at the time of acquisition or the time of any subsequent revaluation or writedown. The items of the income statement are translated at the average rates of the months; however, items deriving from non-monetary assets and liabilities are translated using the historical rates applicable to the relevant non-monetary items.

Derivative financial instruments

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

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

Income Statement

Revenue

Revenue from the sale of goods for resale and finished goods is recognised in the income statement when delivery and transfer of risk to the buyer have been made before year end.

Revenue is recognised exclusive of VAT and net of discounts relating to sales.

Segment information is given on the basis of business areas. The segment allocation is in accordance with the company's internal reporting and areas of responsibility. Revenues have been reported for the following business areas: Food ingredients, food technology and packaging, real estate and sport & fashion. The revenue of each business area has in turn been allocated geographically.

Other operating income

Other operating income comprises revenue from other operating activities which are not related to the principal activities of the company.

Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve revenue for the year.

Other external expenses

Other external expenses comprise expenses for administration, sale, distribution, etc.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Amortisation, depreciation and impairment losses

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

Fair value evaluation of investment property

Fair value evaluation of investment property comprises adjustments for the financial year of investment properties at fair value.

Income from investments in group enterprises and associates

The item "Income from investments in group enterprises and associates" in the income statement includes the proportionate share of the profit for the year less goodwill amortisation and elimination of internal profits or losses

Financial income and expenses

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

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

The Company is jointly taxed with Danish subsidiaries. The Danish tax is allocated to the jointly taxed Danish enterprises in proportion to their taxable incomes.

Balance Sheet

Intangible assets

Goodwill

On initial recognition, goodwill is recognised at cost in the balance sheet. Goodwill is amortised on a straight-line basis over the estimated useful life of 10-20 years, determined on the basis of Management's experience with the individual business areas. The amortisation period is usually 20 years for strategically acquired companies with a strong market position.

Other intangible assets

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

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

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

Capitalised development costs are measured at cost less accumulated amortisation and impairment losses or at a lower recoverable amount.

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

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

Patents, licences and trademarks are amortised over the remaining patent period or a shorter useful life. The periods of amortisation are 3-20 years.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses. Land is not depreciated.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use. In the case of assets of own construction, cost comprises direct and indirect expenses for labour, materials, components and sub-suppliers.

Interest expenses on loans raised directly for financing the construction of property, plant and equipment are recognised in cost over the period of construction. All indirectly attributable borrowing expenses are recognised in the income statement.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

| | |
|--|-------------|
| Land and buildings | 10-50 years |
| Plant and machinery | 5-10 years |
| Other fixtures and fittings, tools and equipment | 3-10 years |

Estimated useful lives and residual values are reassessed annually.

Investment property

Investment properties are properties that the Company holds to earn rental income and/or capital gains. On initial recognition, investment properties are measured at cost consisting of the acquisition price of the properties plus directly related acquisition costs. Subsequent to initial recognition, investment properties are measured at fair value which is equivalent to the amount at which the individual property may be sold to an independent buyer at the balance sheet date.

A return-based model is used to determine the fair value of the property. The calculation is based on expected net earnings at full occupancy for the next year that have been adjusted to normal earnings, and using a required rate of return that reflects current market yield rates for similar properties. The value is adjusted for factors not reflected in normal earnings, for example, actual vacancy rate, major refurbishments etc.

Costs incurred after acquisition are added to the acquisition price as improvements to the extent that it is probable that future economic benefits will flow to the Company.

No external valuation has been conducted on the Company's properties. For valuation purposes, the Company obtains an external assessment of market rent and required rate of return. These are segmented both by the properties' location and quality level.

The financial year's adjustments of the properties' fair value are recognised in the income statement.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation. If so, an impairment test is carried out to determine whether the recoverable amount is lower than the carrying amount, and the asset is written down to its lower recoverable amount. This impairment test is performed on an annual basis for development projects in progress irrespective of any indication of impairment.

The recoverable amount of the asset is calculated as the higher of net selling price and value in use. Where a recoverable amount cannot be determined for the individual asset, the assets are

assessed in the smallest group of assets for which a reliable recoverable amount can be determined based on a total assessment.

Goodwill and other assets for which a separate value in use cannot be determined as the asset does not on an individual basis generate future cash flows are reviewed for impairment together with the group of assets to which they are attributable.

Investments in group enterprises and associates

Investments in group enterprises and associates 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 enterprise's equity value plus unamortised goodwill and plus or minus unrealised intra-group profits or losses.

Group enterprises and associates with a 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 Company has a legal or constructive obligation to cover the liabilities of the relevant enterprises, 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 and associates is transferred to the reserve for net revaluation according to the equity method in equity. Goodwill is the difference between cost of investments and fair value of the pro rata share of assets and liabilities arising from acquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. The amortisation periods used are 15-20 years.

Investments in group enterprises and associates are written down to the lower of recoverable amount and carrying amount.

Other fixed asset investments

Other fixed asset investments consist of long term receivables, etc.

Inventories

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

Indirect production costs comprise indirect materials and labour costs, costs of maintenance of, depreciation of and impairment losses relating to machinery, factory building and equipment used in the manufacturing process, and costs of factory administration and management. Finance costs are not included in costs.

The net realisable value of inventories is calculated at the amount expected to be generated by sale in the process of normal operations with deduction of selling expenses and costs of completion. The net realisable value is determined allowing for marketability, obsolescence and development in expected sales sum.

The cost of goods for resale, raw materials and consumables equals landed cost.

Receivables

Receivables are measured in the balance sheet at the nominal value less provisions for bad debts. Provisions for bad debts are determined on the basis of an individual assessment of each receivable, and in respect of trade receivables, a general provision is also made based on the Company's experience from previous years.

Prepayments

Prepayments recognised under "Current Assets" comprise expenses incurred concerning subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term securities whose remaining life is less than three months and which are readily converted into cash and which are subject only to insignificant risks of changes in value.

Equity

Dividend

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

Pension obligations

Pension obligations comprise defined benefit plans where the Group has an obligation to pay a specific benefit (e.g. retirement pension in the form of a fixed proportion of the exit salary).

For defined benefit plans, annual actuarial calculations are made of the present value of future benefits payable under the pension plan. The present value is calculated based on assumptions about future developments in variables such as salary levels and interest, inflation and mortality rates. The present value is only calculated for benefits earned by the employees through their employment with the group to date.

The actuarial calculation of present value less the fair value of any plan assets is recognised in the balance sheet as pension obligations. The pension costs for the year, based on actuarial estimates and financial forecasts at the beginning of the year, are recognised in profit or loss. The difference between the forecast development in pension assets and liabilities and the realised values is called actuarial gains or losses and is recognised in equity statement.

If a pension plan constitutes a net asset, the asset is recognised only to the extent that it equals the value of future repayments under the plan or it leads to a reduction of future contributions to the plan.

Other provisions

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

Deferred tax assets and liabilities

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

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. In cases where the computation of the tax base may be made according to alternative tax rules, deferred tax is measured on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities.

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

Current tax receivables and liabilities

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

Financial debts

Fixed-interest loans, such as mortgage loans and loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Other debts

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

Deferred income

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

Cash Flow Statement

The cash flow statement shows the Group's cash flows for the year broken down by operating, investing and financing activities, changes for the year in cash and cash equivalents as well as the Group's cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities

Cash flows from operating activities are calculated as the net profit/loss for the year adjusted for changes in working capital and non-cash operating items such as depreciation, amortisation and impairment losses, and provisions. Working capital comprises current assets less short-term debt.

Cash flows from investing activities

Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, property, plant and equipment and fixed asset investments as well as dividend received from non-consolidated subsidiaries and associates.

Cash flows from financing activities

Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt as well as payments to and from shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise "Cash at bank and in hand". The cash flow statement cannot be immediately derived from the published financial records.

Consolidated Income Statement 1 January-31 December

| | Note | 2024 DKK '000 | 2023 DKK '000 |
|--|------|------------------|------------------|
| Revenue | 2 | 10.072.148 | 9.659.095 |
| Change in inventories of finished goods and work in progress | | 66.834 | 40.579 |
| Work performed on own account and recorded under assets | | 21.051 | 0 |
| Other operating income | 3 | 19.575 | 7.287 |
| Other expenses on operations | 4 | -6.533 | -1.353 |
| Expenses for raw materials and consumables | | -4.862.373 | -4.882.425 |
| Other external expenses | 5 | -1.985.188 | -1.898.904 |
| Gross profit | | 3.325.514 | 2.924.279 |
| Staff expenses | 6 | -1.859.654 | -1.791.997 |
| EBITDA | | 1.465.860 | 1.132.282 |
| Fair value evaluation of investment property | 13 | 8.867 | 235 |
| Amortisation, depreciation and impairment of property, plant and equipment and intangible assets | 7 | -369.357 | -449.987 |
| Profit/loss before financial income and expenses | | 1.105.370 | 682.530 |
| Income from investments in associates after tax | 8 | 3.660 | -4.075 |
| Financial income | 9 | 82.331 | 75.828 |
| Financial expenses | 10 | -206.510 | -211.746 |
| Profit before tax from continuing operations for the year | | 984.851 | 542.537 |
| Tax on profit from continuing operations for the year | 11 | -230.221 | -197.278 |
| Profit from continuing operations | | 754.630 | 345.259 |
| Result from discontinuing operations | | 0 | 374.366 |
| Net profit/loss for the year | 25 | 754.630 | 719.625 |

Consolidated Balance Sheet at 31 December 2024

Assets

| | Note | 2024 DKK '000 | 2023 DKK '000 |
|---|------|------------------|------------------|
| Acquired rights | 12 | 80.942 | 87.338 |
| Completed development projects | 12 | 86.678 | 108.245 |
| Development projects in progress | 12 | 64.639 | 24.004 |
| Goodwill | 12 | 100.229 | 116.717 |
| | | <u>332.488</u> | <u>336.304</u> |
| Intangible assets | | | |
| Land and buildings | 13 | 956.960 | 921.873 |
| Plant and machinery | 13 | 1.307.984 | 1.115.023 |
| Other fixtures, fittings, tools and equipment | 13 | 207.938 | 210.327 |
| Investment Property | 13 | 1.133.546 | 1.128.314 |
| Property, plant and equipment in progress | 13 | 246.454 | 194.463 |
| | | <u>3.852.882</u> | <u>3.570.000</u> |
| Property, plant and equipment | | | |
| Investments in associates | 14 | 45.915 | 42.380 |
| Other fixed asset investments | 15 | 32.117 | 33.392 |
| | | <u>78.032</u> | <u>75.772</u> |
| Fixed asset investments | | | |
| Fixed assets | | <u>4.263.402</u> | <u>3.982.076</u> |

Consolidated Balance Sheet at 31 December

Assets

| | Note | 2024 DKK '000 | 2023 DKK '000 |
|-----------------------------|------|------------------|------------------|
| Inventories | 16 | 1.916.249 | 1.807.597 |
| Trade receivables | | 1.691.310 | 1.540.405 |
| Receivables from associates | | 6.009 | 1.909 |
| Receivable corporation tax | | 115.542 | 201.668 |
| Deferred tax assets | 17 | 80.301 | 95.787 |
| Other receivables | | 284.568 | 289.038 |
| Prepayments | 18 | 200.718 | 138.695 |
| Receivables | | <u>2.378.448</u> | <u>2.267.502</u> |
| Cash and cash equivalents | | <u>720.433</u> | <u>729.588</u> |
| Current assets | | <u>5.015.130</u> | <u>4.804.687</u> |
| Assets | | <u>9.278.532</u> | <u>8.786.763</u> |

Consolidated Balance Sheet at 31 December

Liabilities and equity

| | Note | 2024 DKK '000 | 2023 DKK '000 |
|---------------------------------|------|------------------|------------------|
| Share capital | | 5.000 | 5.000 |
| Hedging reserve | | 12.408 | 4.183 |
| Revaluation reserve | | 6.240 | 6.240 |
| Translation reserve | | -398.569 | -323.739 |
| Retained earnings | | 4.510.095 | 3.737.769 |
| Proposed dividend for the year | | 20.000 | 20.000 |
| | | | |
| Equity excl. minority interests | | 4.155.174 | 3.449.453 |
| Minority interest s | | 323.450 | 323.616 |
| | | | |
| Equity | | 4.478.624 | 3.773.069 |
| Provision for deferred tax | 17 | 289.329 | 266.201 |
| Pension obligations | 19 | 10.159 | 20.100 |
| Other provisions | 20 | 129.400 | 137.981 |
| | | | |
| Provisions | | 428.888 | 424.282 |
| Mortgage deb t | 21 | 356.397 | 374.060 |
| Credit institution s | 22 | 752.447 | 967.236 |
| Lease liabilities | 23 | 90.257 | 100.215 |
| Other payables | 24 | 20.846 | 26.880 |
| | | | |
| Long-term debt | 21 | 1.219.947 | 1.468.391 |

Consolidated Balance Sheet at 31 December

Liabilities and equity

| | Note | 2024 DKK '000 | 2023 DKK '000 |
|--|------|------------------|------------------|
| Mortgage debt | 21 | 23.047 | 20.217 |
| Credit institutions | 22 | 1.029.206 | 911.723 |
| Lease liabilities | 23 | 11.613 | 9.515 |
| Prepayments received from customers | | 345.472 | 241.312 |
| Trade payables | | 928.373 | 916.629 |
| Payables to associates | | 96.509 | 31.895 |
| Corporation tax | | 114.439 | 218.134 |
| Other payables | 24 | 602.414 | 771.596 |
| | | 3.151.073 | 3.121.021 |
| Short-term debt | | | |
| Debt | | 4.371.020 | 4.589.412 |
| Liabilities and equity | | 9.278.532 | 8.786.763 |
| Events after the balance sheet date | 1 | | |
| Proposed distribution of profit | 25 | | |
| Financial instruments | 26 | | |
| Contingent liabilities and other financial obligations | 27 | | |
| Subsidiaries | 28 | | |
| Related parties and ownership | 29 | | |

Statement of changes in consolidated Equity

| | Share capital | Hedging reserve | Revaluation reserve | Translation reserve | Retained earnings | Proposed dividends for the year | Equity excl. minority interests | Minority interests | Total |
|--|---------------|-----------------|---------------------|---------------------|-------------------|---------------------------------|---------------------------------|--------------------|-----------|
| | DKK '000 | DKK '000 | DKK '000 | DKK '000 | DKK '000 | DKK '000 | DKK '000 | DKK '000 | DKK '000 |
| Equity at 31 December 2023 | 5.000 | 4.183 | 6.240 | (276.538) | 3.729.768 | 20.000 | 3.488.653 | 323.616 | 3.812.269 |
| Adjustments from change in accounting policies | 0 | (15.857) | 0 | (115.000) | 91.657 | 0 | (39.200) | 0 | (39.200) |
| Adjusted equity at 1 Jan. 2024 | 5.000 | (11.674) | 6.240 | (391.538) | 3.821.425 | 20.000 | 3.449.453 | 323.616 | 3.773.069 |
| Net profit/loss for the year | 0 | 0 | 0 | 0 | 712.233 | 20.000 | 732.233 | 22.397 | 754.630 |
| Actuarial gain/loss on defined benefit plans | 0 | 0 | 0 | 0 | 8.300 | 0 | 8.300 | 0 | 8.300 |
| Exchange adjustments, foreign enterprises | 0 | 0 | 0 | (16.283) | 0 | 0 | (16.283) | 6.604 | (9.679) |
| Value adjustment of hedging instruments | 0 | 30.303 | 0 | 0 | 0 | 0 | 30.303 | 0 | 30.303 |
| Tax on equity adjustments | 0 | (6.221) | 0 | 9.252 | (1.900) | 0 | 1.131 | 0 | 1.131 |
| Acquisitions of minority interests | 0 | 0 | 0 | 0 | (29.963) | 0 | (29.963) | (29.167) | (59.130) |
| Dividends paid | 0 | 0 | 0 | 0 | 0 | (20.000) | (20.000) | 0 | (20.000) |
| Equity at 31 December 2024 | 5.000 | 12.408 | 6.240 | -398.569 | 4.510.095 | 20.000 | 4.155.174 | 323.450 | 4.478.624 |

Consolidated Cash Flow Statement

| | Note | 2024 DKK '000 | 2023 DKK '000 |
|---|------|------------------|------------------|
| Profit from continuing operations | | 754.630 | 311.359 |
| Adjustments | 30 | 711.230 | 1.460.082 |
| Change in working capital | 31 | -328.396 | 302.555 |
| Cash flows from operating activities before financial income and expenses | | 1.137.464 | 2.073.996 |
| Financial income | | 53.718 | 39.232 |
| Financial expenses | | -168.511 | -169.206 |
| Income taxes received/paid | | -214.665 | -326.132 |
| Cash flows from operating activities | | 808.006 | 1.617.890 |
| Purchase of intangible assets | | -82.322 | -54.402 |
| Purchase of property, plant and equipment | | -590.933 | -442.473 |
| Acquisition of subsidiaries | | 0 | 0 |
| Purchase of financial assets | | 0 | -157 |
| Sale of property, plant and equipment | | 29.130 | 8.959 |
| Cash flows from investing activities | | -644.125 | -488.073 |

Consolidated Cash Flow Statement

| | <u>Note</u> | <u>2024</u> | <u>2023</u> |
|---|-------------|-------------|-------------|
| | | DKK '000 | DKK '000 |
| Repayment of mortgage loans | | -14.833 | 53.107 |
| Repayment of loans from credit institutions | | -97.306 | -523.589 |
| Repayment of lease liabilities | | -7.860 | 0 |
| Acquisitions of minority interests | | -59.130 | -713.449 |
| Capital increase, minority interests | | 0 | 112.822 |
| Dividends paid | | -20.000 | -20.000 |
| | | <hr/> | <hr/> |
| Cash flows from financing activities | | -199.129 | -1.091.109 |
| | | <hr/> | <hr/> |
| Total cash flows | | -35.248 | 38.708 |
| | | <hr/> | <hr/> |
| Cash and cash equivalents at 1 January | | 729.588 | 767.595 |
| Foreign exchange adjustment | | 26.093 | (76.715) |
| | | <hr/> | <hr/> |
| Cash and cash equivalents at 31 December | | 720.433 | 729.588 |
| | | <hr/> | <hr/> |
| Cash and cash equivalents are specified as follows: | | | |
| Cash at bank and in hand | | 720.433 | 729.588 |
| | | <hr/> | <hr/> |
| Cash and cash equivalents at 31 December | | 720.433 | 729.588 |
| | | <hr/> | <hr/> |

Notes to the Consolidated Annual Report

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

| | Eurasia | Rest of the world | Total |
|---------------------------|------------------|----------------------|-------------------|
| | DKK '000 | DKK '000 | DKK '000 |
| <u>Business segments:</u> | | | |
| Food ingredients | 1.980.266 | 204.402 | 2.184.668 |
| Food Technology | 906.263 | 670.129 | 1.576.392 |
| Packaging | 1.997.300 | 1.813.000 | 3.810.300 |
| Sport & fashion | 2.365.278 | 68.020 | 2.433.298 |
| Real Estate | 67.490 | 0 | 67.490 |
| | <u>7.316.597</u> | <u>2.755.551</u> | <u>10.072.148</u> |

| | 2024 | 2023 |
|---------------------------------|---------------|--------------|
| | DKK '000 | DKK '000 |
| 3 Other income on operations | | |
| COVID-19 compensation, salaries | 0 | 96 |
| Other income | 15.971 | 3.946 |
| Wage reimbursements | 3.604 | 3.245 |
| | <u>19.575</u> | <u>7.287</u> |

4 Other expenses on operations

| | | |
|--------------------------------------|---------------|---------------|
| Profit/loss on disposals of the year | -6.533 | -1.353 |
| | <u>-6.533</u> | <u>-1.353</u> |

Notes to the Consolidated Annual Report

| | 2024 | 2023 |
|--|-------------------|-------------------|
| | DKK '000 | DKK '000 |
| 5 | | |
| Fee to shareholder appointed auditor | | |
| Fee to Deloitte | | |
| Statutory audit | 4.883 | 4.022 |
| Tax and VAT related services | 109 | 144 |
| Other services | 1.795 | 308 |
| | <u>6.787</u> | <u>4.474</u> |
| Fee to other auditors | | |
| Statutory audit | 5.305 | 5.066 |
| Tax and VAT related services | 905 | 536 |
| Other services | 420 | 383 |
| | <u>6.630</u> | <u>5.985</u> |
| Total fee to auditors | | |
| Statutory audit | 10.188 | 9.088 |
| Tax and VAT related services | 1.014 | 680 |
| Other services | 2.215 | 691 |
| | <u>13.417</u> | <u>10.459</u> |
| 6 | | |
| Staff expenses | | |
| Salaries | -1.590.517 | -1.539.793 |
| Pensions | -138.859 | -124.834 |
| Other social security expenses | -130.278 | -127.370 |
| | <u>-1.859.654</u> | <u>-1.791.997</u> |
| Including remuneration to Executive and Supervisory Boards | <u>-1.575</u> | <u>-1.559</u> |
| Average number of employees | <u>5.687</u> | <u>5.177</u> |

Notes to the Consolidated Annual Report

| | 2024 | 2023 |
|--|-----------------|-----------------|
| | DKK '000 | DKK '000 |
| 7 | | |
| Amortisation, depreciation and impairment of property, plant and equipment and intangible assets | | |
| Intangible assets | -82.616 | -67.298 |
| Buildings | -45.772 | -52.636 |
| Plant and machinery | -170.719 | -190.857 |
| Other fixtures, fittings, tools and equipment | -50.350 | -42.196 |
| Impairment losses | -19.900 | -97.000 |
| | <u>-369.357</u> | <u>-449.987</u> |
| 8 | | |
| Income from investments in associates after tax | | |
| Share of profit or loss in associates | 3.660 | -4.075 |
| | <u>3.660</u> | <u>-4.075</u> |
| 9 | | |
| Financial income | | |
| Exchange adjustments | 28.613 | 36.596 |
| Financial income from group entities | 1.065 | 2.245 |
| Other financial income | 52.653 | 36.987 |
| | <u>82.331</u> | <u>75.828</u> |

Notes to the Consolidated Annual Report

| | <u>2024</u> | <u>2023</u> |
|----|--------------------------------------|-----------------|
| | DKK '000 | DKK '000 |
| 10 | Financial expenses | |
| | | |
| | Exchange adjustments | -37.999 |
| | Financial expense to group entities | -41.240 |
| | 0 | 0 |
| | Other financial expenses | -168.511 |
| | -168.511 | -170.506 |
| | <u>-206.510</u> | <u>-211.746</u> |
| 11 | Tax on profit/loss for the year | |
| | | |
| | Current tax for the year | -218.366 |
| | Deferred tax for the year | -164.717 |
| | -33.125 | -21.056 |
| | Adjustment concerning previous years | 21.270 |
| | 21.270 | -11.505 |
| | <u>-230.221</u> | <u>-197.278</u> |
| | -230.221 | -197.278 |

Notes to the Consolidated Annual Report

| | Acquired rights | Completed development projects | Development projects in process | Goodwill |
|---|-----------------|--------------------------------|---------------------------------|-----------------|
| | DKK '000 | DKK '000 | DKK '000 | DKK '000 |
| 12 Intangible assets | | | | |
| Cost at 1 January | 244.926 | 276.338 | 24.004 | 366.653 |
| Transferred from assets held for sale | 16.600 | 0 | 0 | 44.600 |
| Exchange adjustment | -24.131 | -349 | 23 | 7.242 |
| Additions for the year | 18.077 | 23.633 | 40.612 | 0 |
| Disposals for the year | -5.132 | -736 | 0 | -153 |
| Cost at 31 December | <u>250.340</u> | <u>298.886</u> | <u>64.639</u> | <u>418.342</u> |
| Impairment losses and amortisation at 1 Jan. | -157.588 | -168.093 | 0 | -249.936 |
| Transferred from assets held for sale | -16.600 | 0 | 0 | -44.600 |
| Exchange adjustment | 21.231 | 186 | 0 | -6.561 |
| Amortisation for the year | -21.299 | -44.301 | 0 | -17.016 |
| Impairm. loss and amortisation on assets sold | 4.858 | 0 | 0 | 0 |
| Impairment losses and amortisation at 31 Dec. | <u>-169.398</u> | <u>-212.208</u> | <u>0</u> | <u>-318.113</u> |
| Carrying amount at 31 December | <u>80.942</u> | <u>86.678</u> | <u>64.639</u> | <u>100.229</u> |
| Amortised over | 3-20 years | 3-5 years | 0 years | 10-20 years |

Management is of the opinion that the chosen amortisation period is in accordance with the value of the acquired companies in view of the profitability and expectations concerning the future development of each of these companies.

Capitalized development projects are composed of costs related to clearly defined and identifiable projects. These projects are expected to contribute with both new and improved machines and functionalities, hereby contributing to potential market advantages.

Development projects in progress composes of projects, without realized sales. Once a development project is finalized and brought to the market, depreciation may begin if it is deemed that the project has the potential for future sales.

Development projects in process also include several IT initiatives, which are being developed externally and tailored specifically for Sanovo. These projects are designed to create value across the organization by optimizing workflows and and saving time in employees' daily tasks. Once the projects are completed and ready for use, depreciation will commence.

Notes to the Consolidated Annual Report

13 Property, plant and equipment

| | Land and buildings | Plant and machinery | Oth. fixtures, fittings, tools and equipment | Property, plant and equipment in progress |
|--|--------------------------|---------------------------|---|--|
| | DKK '000 | DKK '000 | DKK '000 | DKK '000 |
| Cost at 1 January 2024 | 1.627.056 | 3.200.666 | 465.721 | 194.463 |
| Transferred from assets held for sale | 20.600 | 40.600 | 400 | 10.800 |
| Exchange adjustment, beg. | -1.026 | 19.756 | 531 | -3.852 |
| Additions during the year | 84.046 | 387.249 | 59.495 | 412.150 |
| Disposals during the year | -15.235 | -49.311 | -24.457 | -352.007 |
| Cost at 31 December 2024 | 1.715.441 | 3.598.960 | 501.690 | 261.554 |
| Impairment losses and depreciation at 1 January 2024 | -705.183 | -2.085.643 | -255.398 | 0 |
| Transferred from assets held for sale | -20.600 | -40.600 | -400 | -10.800 |
| Exchange adjustment | 1.443 | -9.364 | -596 | 0 |
| Impairment losses | -1.200 | -18.600 | -100 | 0 |
| Depreciation for the year | -45.772 | -170.719 | -50.350 | 0 |
| Impairment losses and depreciation on assets sold | 12.831 | 33.950 | 13.092 | -4.300 |
| Impairment losses and depreciation at 31. december 2024 | -758.481 | -2.290.976 | -293.752 | -15.100 |
| Carrying amount at 31. december 2024 | 956.960 | 1.307.984 | 207.938 | 246.454 |
| Depreciated over | 10-50 years | 5-10 years | 3-10 years | |
| Leased assets included at 31. december 2024 | 0 | 0 | 98.984 | |

Notes to the Consolidated Annual Report

13 Property, plant and equipment (continued)

| | Investment property DKK '000 |
|---|------------------------------------|
| Cost at 1 January 2024 | 609.280 |
| Exchange adjustment, beg. | 580 |
| Transfer | 162 |
| Additions during the year | 811 |
| Disposals during the year | -5.916 |
| Cost at 31 December 2024 | <u>604.917</u> |
| Fair value evaluation at 1. January 2024 | 519.034 |
| Exchange adjustment, beg. | -361 |
| Transfer | 0 |
| Fair value evaluation adjustment | 1.089 |
| Fair value evaluation for the year | 8.867 |
| Fair value evaluation at 31. December 2024 | <u>528.629</u> |
| Carrying amount at 31 December | <u>1.133.546</u> |

Investment properties are measured at fair value based on an earnings multiple method. Earnings are determined as normalised e.g., earnings adjusted for off market rental agreement and vacancy. Fair value is determined as normalised earnings multiplied by the earnings multiple with adjustment of the value for off market rental agreements, rental loss in estimated vacancy periods etc.

Investment properties comprise in total 17 residential, retail, logistic and office properties, hereof 13 located in larger cities in Denmark. Earnings multiples applied for measuring the fair value are based on discount rates in the range 2,3 – 9,3 %

Investment properties located in larger cities in the rest of the EU comprises of one office property. Earnings multiple applied for measuring the fair value is based on a discount rate of 6,4 %

Applied discount rates are determined based on location, nature of property etc.

| Nature of property | Fair value DKK '000.000 | Weighted average discount rate | m2 | Fair value per m2 |
|----------------------|----------------------------|-----------------------------------|--------|----------------------|
| Residential & retail | 185 | 3,4% | 5.086 | 36.443 |
| Logistical | 224 | 7,1% | 36.452 | 5.837 |
| Office | 735 | 6,4% | 28.636 | 25.134 |

There is uncertainty in determining the return requirements used in determining the fair value of investment properties. An increase in the applied discount rate of 0,5 %-points and a corresponding reduction will reduce the fair value by DKK 95 million, respectively increase the fair value by DKK 113 million.

No external valuer has been used in determining fair value.

Notes to the Consolidated Annual Report

| | 2024 DKK '000 | 2023 DKK '000 |
|---|----------------------|------------------------------------|
| 14 Investments in associates | | |
| Cost at 1 January | 10.378 | 10.221 |
| Additions during the year | 0 | 157 |
| Disposals during the year | 0 | 0 |
| Cost at 31 December | <u>10.378</u> | <u>10.378</u> |
| Valuation adjustments at 1 January | 32.002 | 36.796 |
| Exchange adjustment, beginning of year | -125 | 281 |
| Net profit/loss for the year | 3.660 | -4.075 |
| Impairment losses and depreciation, disposals and dividends | 0 | -1.000 |
| Revaluations at 31 December | <u>35.537</u> | <u>32.002</u> |
| Carrying amount at 31 December | <u>45.915</u> | <u>42.380</u> |
| Specification of investments in associates: | | |
| Name: | Registered office | Share of ownership and votes |
| K/S Generatorvej 4 | Denmark | 50% |
| Shanghai GI Ovo Packing Co. Ltd. | China | 25% |
| Ovotrack B V | Netherlands | 50% |

Notes to the Consolidated Annual Report

| | 2024 | 2023 |
|--|------------------|------------------|
| | DKK '000 | DKK '000 |
| 15 Other fixed asset investments | | |
| Cost at 1 January | 31.302 | 30.072 |
| Exchange adjustment, beginning of year | 577 | 79 |
| Additions during the year | 1.202 | 1.151 |
| Disposals during the year | -2.154 | 0 |
| Cost at 31 December | <u>30.927</u> | <u>31.302</u> |
| Valuation adjustments at 1 January | 2.090 | -8.450 |
| Net profit/loss for the year | -141 | 2.173 |
| Other adjustment for the year | -759 | 8.367 |
| Revaluations at 31 December | <u>1.190</u> | <u>2.090</u> |
| Carrying amount at 31 December | <u>32.117</u> | <u>33.392</u> |
| 16 Inventories | | |
| Raw materials and consumables | 365.154 | 321.975 |
| Work in progress | 107.815 | 96.635 |
| Finished goods and goods for resale | 1.443.280 | 1.386.574 |
| Prepayments | 0 | 2.413 |
| | <u>1.916.249</u> | <u>1.807.597</u> |

Notes to the Consolidated Annual Report

| | 2024 | 2023 |
|--|----------------|----------------|
| | DKK '000 | DKK '000 |
| 17 Provision for deferred tax | | |
| Provision for deferred tax at 1 January | 170.414 | 140.479 |
| Foreign exchange adjustment | 4.358 | -8.239 |
| Transferred to liabilities related to assets held for sale | 0 | 0 |
| Amounts recognized in the income statement for the year | 33.125 | 17.456 |
| Adjustment previous years | 0 | 1.349 |
| Amounts recognised in equity for the year | 1.131 | 19.369 |
| Provision for deferred tax at 31 December | <u>209.028</u> | <u>170.414</u> |
| Deferred tax asset | -80.301 | -95.787 |
| Provision for deferred tax | <u>289.329</u> | <u>266.201</u> |
| Provision for deferred tax at 31 December | <u>209.028</u> | <u>170.414</u> |

Provision for deferred tax consists mainly of temporary differences between the carrying amount and the tax base of tangible fixed assets, provisions and inventories. Tax loss carry-forwards and other negative differences have been set off against provisions for deferred tax. Deferred tax assets have been set off against provisions in the same legal tax entity and jurisdiction.

The valuation of deferred tax loss carry-forwards has been performed on the basis of the expectations for future earnings set by the executive board. The executive board expects a continuous stream of positive earnings the next five years, which will use the positive deferred tax.

Deferred tax assets that are not expected to be realised or subject to significant risks of not being utilised are not recognised. Unrecognised deferred tax assets relate to the subsidiaries in Brazil, China, Malaysia, Germany and Spain.

18 Prepayments

Prepayments comprise prepaid expenses regarding rent, insurance premiums, subscriptions and interest.

19 Pension obligations

Pension obligations comprise defined benefit plans where the Group has an obligation to pay a specific benefit (e.g. retirement pension in the form of a fixed proportion of the exit salary). Under these plans the group carries the risk in relation to future developments in interest rates, inflation, mortality, etc.

20 Other provisions

Other provisions comprise obligations concerning warranty commitments and legal disputes.

Notes to the Consolidated Annual Report

| | <u>2024</u> | <u>2023</u> |
|------------------------|------------------|------------------|
| | DKK '000 | DKK '000 |
| 21 Mortgage loans | | |
| After 5 years | 253.120 | 277.417 |
| Between 1 and 5 years | 103.277 | 96.643 |
| | <u>356.397</u> | <u>374.060</u> |
| Long-term part | 356.397 | 374.060 |
| Within 1 year | 23.047 | 20.217 |
| | <u>379.444</u> | <u>394.277</u> |
| 22 Credit institutions | | |
| After 5 years | 0 | 0 |
| Between 1 and 5 years | 752.447 | 967.236 |
| | <u>752.447</u> | <u>967.236</u> |
| Long-term part | 752.447 | 967.236 |
| Within 1 year | 1.029.206 | 911.723 |
| | <u>1.781.653</u> | <u>1.878.959</u> |

Notes to the Consolidated Annual Report

| | <u>2024</u> | <u>2023</u> |
|---|-------------|-------------|
| | DKK '000 | DKK '000 |
| 23 | | |
| Lease liabilities | | |
| After 5 years | 48.090 | 0 |
| Between 1 and 5 years | 42.167 | 100.215 |
| | <hr/> | <hr/> |
| Long-term part | 90.257 | 100.215 |
| Within 1 year | 11.613 | 9.515 |
| | <hr/> | <hr/> |
| | 101.870 | 109.730 |
| | <hr/> | <hr/> |
| 24 | | |
| Other payables | | |
| After 5 years | 9.156 | 8.977 |
| Between 1 and 5 years | 11.690 | 17.903 |
| | <hr/> | <hr/> |
| Long-term part | 20.846 | 26.880 |
| Within 1 year | 602.414 | 771.596 |
| | <hr/> | <hr/> |
| | 623.260 | 798.476 |
| | <hr/> | <hr/> |
| 25 | | |
| Proposed distribution of profit | | |
| Proposed dividend for the year | 20.000 | 20.000 |
| Extraordinary dividends | 0 | 296.010 |
| Minority interests' share of net profit/loss of subsidiaries | 22.397 | 54.417 |
| Retained earnings | 712.233 | 273.398 |
| | <hr/> | <hr/> |
| | 754.630 | 643.825 |
| | <hr/> | <hr/> |

Notes to the Consolidated Annual Report

26 Financial instruments

Forward exchange contracts are used to hedge future cash flows. The Group's primary currency exposure relates to transactions in other currencies than the functional currency of the individual Group entities.

Forward exchange contracts are used to secure future cash flows covering the following net amounts and periods:

| DKK '000 | Recognised in notional amount | Fair value |
|----------|----------------------------------|------------|
| CHF/DKK | 45.200 | 200 |
| GBP/DKK | 48.600 | (3.300) |
| PLN/DKK | 18.800 | (1.500) |
| USD/CAD | 56.000 | (3.500) |
| USD/DKK | 70.000 | (21.676) |
| | | (29.776) |

The fair value of forward exchange contracts is included in other receivables, with a value of positive DKK 200k.
The fair value of forward exchange contracts is included in other payables, with a value of negative DKK 29976k.

The contracts have a maturity within 1-5 years.

| Other financial instruments: | Recognised in notional amount | Fair value |
|------------------------------|----------------------------------|------------|
| Interest cap. EU R | 447.500 | (4.700) |
| Energy contracts | 25.600 | 7.700 |

Notes to the Consolidated Annual Report

27 Contingent liabilities and other financial obligations

Security

The following assets have been placed as security for mortgage debt:

- Mortgage deeds in the amount of DKK 411 million in property valued at 671 million.
- Indemnity letter covering security for DKK 45 million in land and buildings.
- An indemnity letter of T.DKK 77.920 has been issued covering security in plant and machinery. The accounting value of plant and machinery in question is T.DKK 115.432.

As part of its ordinary activities, the Group has issued guarantees concerning deliveries, refunds received, letter of credit obligations, current credits, etc.

Unrecognized rental and lease commitments

Unrecognised rental and lease commitments amount to DKK 202 million. Maximum period of non-terminability is 96 months.

Contingent liabilities

In autumn 2019, the Brazilian tax authorities raised a claim of BRL 56 million against a subsidiary's company in Brazil concerning non-payment of industrial products tax (IPI) on sales of the company's products in 2015 and 2016. Accumulated calculated interests and fines related to the claim up until December 2024 not claimed by the tax authorities is estimated to BRL 21 million leading to a total estimated claim of BRL 77 million, corresponding to DKK 89 million. The tax authorities have not raised any claims against the Brazilian subsidiary for the subsequent years 2017-2024.

Based on judicial practice and statements from its legal advisers, the subsidiary is of the opinion that the company's products are not liable to IPI tax and accordingly considers the claim to be unjustified and therefore disputes the claim but acknowledges that the case is complicated and that the legal proceedings are to take place in a complex judicial environment. Based on this, the outcome is subject to a degree of uncertainty. There has been no significant development in the case in 2024. A lengthy process is expected before the case will be finally settled. No provision has been recognized.

The Group is party to a limited number of other disputes. In management's opinion these disputes will not significantly affect the financial position of the Group.

The Group has received a claim in the amount of DKK 100 million in relation to the shipping Group. Management considers the claim unjustified and therefore disputes the claim. The Group does not expect the claim to materially affect the financial position of the Group.

The Group is party to a limited number of other disputes. In management's opinion these disputes will not significantly affect the financial position of the Group.

Contingent liabilities in relation to jointly taxed income.

Thornico A/S is jointly taxed with its Danish group related companies in which Thornico Holding A/S serves as the administration company.

The company thus has secondary liability with respect to income taxes etc. and any obligations to withhold taxes on interest, royalties and dividends applying to the jointly taxed companies. Such secondary liability is, however, capped at an amount equal to the portion of the share capital in the company held directly or indirectly by the ultimate parent.

Notes to the Consolidated Annual Report

28 Subsidiaries

Specification of investments in subsidiaries:

| Name: | Registered office | Ownership shares | Voting rights |
|---|-------------------|------------------|---------------|
| Thornico A/S | Denmark | 100% | 100% |
| Mount Baldy A/S | Denmark | 100% | 100% |
| Thornico Food & Food Technology Group A/S | Denmark | 100% | 100% |
| Lactosan A/S | Denmark | 100% | 100% |
| Lactosan Japan Ltd, | Japan | 100% | 100% |
| Lactosan Holdings Ltd. | UK | 100% | 100% |
| Lactosan-Sanovo UK | UK | 100% | 100% |
| Lactosan UK | UK | 100% | 100% |
| Lactosan Uruguay S.A. | Uruguay | 100% | 100% |
| Deltanir S.A. | Uruguay | 100% | 100% |
| Lactosan Russia Ltd, | Russia | 100% | 100% |
| Lactosan China Ltd, | China | 100% | 100% |
| Sanovo Technology A/S | Denmark | 100% | 100% |
| Sanovo Technology USA Inc. | USA | 100% | 100% |
| Sanovo Technology Japan Ltd. | Japan | 100% | 100% |
| Sanovo Technology Italia S.r.l. | Italy | 100% | 100% |
| Ramé-Hart Inc. | USA | 100% | 100% |
| Staalkat Beheer B.V. | Netherlands | 100% | 100% |
| Sanovo Technology Netherlands B.V. | Netherlands | 100% | 100% |
| Sanovo Process Solutions A/S | Denmark | 100% | 100% |
| Sanovo Technology Robotics A/S | Denmark | 100% | 100% |
| Sanovo Technology Asia SDN BHD | Malaysia | 100% | 100% |
| Sanovo Technology Mexico S.A. DE C.V. | Mexico | 100% | 100% |
| Nikro s.r.o. | Slovakia | 100% | 100% |
| Sanovo Logistic ApS | Denmark | 100% | 100% |
| Sanovo Technology Comercio de Maquinas Ltda. | Brazil | 100% | 100% |
| Investeringsselskabet af 1. september Aps | Denmark | 100% | 100% |
| Foodcraft Equipment Co., Inc. | USA | 100% | 100% |
| Foodcraft Inc. | USA | 100% | 100% |
| Sanovo Capital A/S | Denmark | 100% | 100% |
| Sanovo Technology Process A/S | Denmark | 100% | 100% |
| Shanghai Sanovo Machinery Technology Co. Ltd. | China | 100% | 100% |
| Sanovo Plastic Logistics ApS | Denmark | 100% | 100% |
| Danish Ovo Investment ApS | Denmark | 100% | 100% |
| El Dorado C.A. | Venezuela | 100% | 100% |
| Productos Danimex C.A. | Venezuela | 100% | 100% |
| West-Star Foods BV | Netherlands | 100% | 100% |
| Dominium II | Denmark | 100% | 100% |
| Derivados del Huevo S.A. | Spain | 100% | 100% |
| Danovo Aps | Denmark | 100% | 100% |
| China Egg Products Aps | Denmark | 100% | 100% |
| Ovodan Foods (China) Ltd | China | 66% | 66% |
| Taiyo Foods Tianjin Ltd | China | 66% | 66% |
| Guangdong Ovodan Foods | China | 66% | 66% |
| Sichuan Ovodan Foods Ltd. | China | 66% | 66% |
| Ovodan Egg Co. Ltd | China | 100% | 100% |
| Ovodan Europe ApS | Denmark | 100% | 100% |
| Ovodan Egg Products UK Ltd | UK | 100% | 100% |
| Ovodan Foods A/S | Denmark | 100% | 100% |
| Ovodan International A/S | Denmark | 100% | 100% |
| Ovodan Biotech A/S | Denmark | 100% | 100% |

Notes to the Consolidated Annual Report

Specification of investments in group enterprises:

| Name: | Registered office | Ownership shares | Voting rights |
|---|-------------------|------------------|---------------|
| Sanovo Pharmtech GmbH | Germany | 100% | 100% |
| Ovodan Eiprodukte GmbH & Co. K.G. | Germany | 100% | 100% |
| Eiproduktegesellschaft Ovodan Eiprodukte GmbH | Germany | 100% | 100% |
| Sanovo Greenpack K/S | Denmark | 100% | 100% |
| Martech Aps | Denmark | 100% | 100% |
| Hartmann East Asia ApS | Denmark | 100% | 100% |
| Sanovo Egg Packaging Chuzhou | China | 100% | 100% |
| Hartmann Packaging A/S | Denmark | 100% | 100% |
| Hartmann Canada Inc. | Canada | 100% | 100% |
| Hartmann d.o.o. | Serbia | 100% | 100% |
| Hartmann Finance A/S | Denmark | 100% | 100% |
| Hartmann France S.a.r.l., | Denmark | 100% | 100% |
| Hartmann Hungary Kft. | Hungary | 100% | 100% |
| Hartmann Italiana S.r.l. | Italy | 100% | 100% |
| Hartmann Mai Ltd. | Israel | 100% | 100% |
| Hartmann Papirna Ambalaza d.o.o. | Croatia | 100% | 100% |
| Hartmann Polska Sp.z.o.o. | Poland | 100% | 100% |
| Hartmann Verpackung GmbH | Germany | 100% | 100% |
| Hartmann (UK) Ltd. | UK | 100% | 100% |
| Hartmann US Inc. | USA | 100% | 100% |
| Hartmann Verpackung AG | Switzerland | 100% | 100% |
| Hartmann India Ltd. | India | 100% | 100% |
| Molarsa Chile SPA | Chile | 100% | 100% |
| Moldeados Argentinos S.A.I.C.M. | Argentina | 100% | 100% |
| Projects A/S | Denmark | 100% | 100% |
| Sanovo Greenpack Argentina S.A. | Argentina | 100% | 100% |
| Sanovo Greenpack Embalagens do Brasil Ltda | Brazil | 100% | 100% |
| JSC Hartmann-Rus | Russia | 100% | 100% |
| OOO EKU Holding | Russia | 100% | 100% |
| Danfiber A/S | Denmark | 100% | 100% |
| Siangpack Sdn. Bhd. | Malaysia | 100% | 100% |
| Mätfoods A/S | Denmark | 100% | 100% |
| Kaz Foods ApS | Denmark | 100% | 100% |
| Thornico IT A/S | Denmark | 100% | 100% |
| I3 Ibero S.A. | Spain | 100% | 100% |
| Dominium K/S | Denmark | 100% | 100% |
| West-Star Italy A/S | Denmark | 100% | 100% |
| Emery LLC | USA | 100% | 100% |
| Thornico building K/S | Denmark | 100% | 100% |
| West-Star Management BV | Netherlands | 100% | 100% |
| West-Star ApS | Denmark | 100% | 100% |
| Stanico A/S | Denmark | 100% | 100% |
| Stanico South A/S | Denmark | 100% | 100% |
| Jonstrupvej 117-119 ApS | Denmark | 100% | 100% |
| Red Swan ApS | Denmark | 100% | 100% |
| West-Star International A/S | Denmark | 100% | 100% |
| West-Star Holland A/S | Denmark | 100% | 100% |
| West-Star Real Estate A/S | Netherlands | 100% | 100% |

Notes to the Consolidated Annual Report

Specification of investments in group enterprises:

| Name: | Registered office | Ownership shares | Voting rights |
|---|----------------------|---------------------|------------------|
| Ejendomsselskabet HARRIDSLAV A/S | Denmark | 100% | 100% |
| Ejendomsselskabet Jerstrup A/S | Denmark | 100% | 100% |
| Apocalypse Now ApS | Denmark | 100% | 100% |
| hummel Holding A/S | Denmark | 1% | 100% |
| hummel A/S | Denmark | 1% | 100% |
| hummel International A/S | Denmark | 1% | 100% |
| Bee Sport ApS | Denmark | 1% | 100% |
| hummel Bodh Gaya ApS | Denmark | 1% | 100% |
| hummel North America ApS | Denmark | 1% | 100% |
| hummel Sport & Leisure Warenhandelsgesellschaft mbH | Germany | 1% | 100% |
| hummel UK Ltd. | UK | 1% | 100% |
| hummel Sweden AB | Sweden | 1% | 100% |
| Bumblebee ApS | Denmark | 1% | 100% |
| hummel France | France | 1% | 100% |
| hummel Spor Malzemeleri San. Ve Ticaret A.S. | Turkey | 1% | 100% |
| hummel Iberica Sport & Fashion | Spain | 1% | 51% |
| Performance Group Scandinavia A/S | Denmark | 1% | 100% |
| Markon A/S | Denmark | 1% | 51% |
| hummel Sport and Leisure CH GmbH | Switzerland | 1% | 100% |
| hummel India Private Ltd. | India | 1% | 100% |
| hummel North America, Inc. | USA | 1% | 100% |
| Cella Logistik GmbH | Germany | 1% | 100% |
| hummel Cenozoic ApS | Denmark | 1% | 100% |
| hummel Distribution Center ApS | Denmark | 1% | 100% |
| Havnegade Capital ApS | Denmark | 100% | 100% |
| Thorco Projects A/S | Denmark | 100% | 100% |
| Thorco Capital III ApS | Denmark | 100% | 100% |
| TS Lease Corp Ltd. | Panama | 100% | 100% |
| Cargo Captains A/S | Denmark | 100% | 100% |

Notes to the Consolidated Annual Report

29 Related parties and ownership

Controlling interest
Christian Nicholas Rosenkrantz Stadil, non-public address
Christian Nicholas Rosenkrantz Stadil, non-public address

Other related parties
Supervisory and Executive Boards

Basis

Controlling shareholder
Ultimate owner

Management control

In accordance with the Danish Financial Statements Act the company has chosen to only disclose transactions that have not been completed under normal market conditions. Management believes that all related party transactions take place on market terms.

| | 2024 | 2023 |
|---|-----------------|------------------|
| | DKK '000 | DKK '000 |
| 30 Cash flow statement - adjustments | | |
| Financial income | -82.331 | -75.828 |
| Financial expenses | 206.510 | 243.479 |
| Depreciation and impairment losses, incl. gain and loss on sale | 369.357 | 435.340 |
| Fair value evaluation of investment property | -8.867 | -235 |
| Cash flows from discontinuing operations | 0 | 659.573 |
| Income on investments in associates | -3.660 | 4.075 |
| Income tax in income statement | 230.221 | 193.678 |
| | <u>711.230</u> | <u>1.460.082</u> |
| 31 Cash flow statement - change of working capital | | |
| Change in inventories | -108.652 | 248.043 |
| Change in receivables | -212.558 | 263.395 |
| Change in other provisions | -18.522 | 2.578 |
| Change working capital moved to discontinuing operations | 0 | -293.873 |
| Change in suppliers et c | 11.336 | 82.412 |
| | <u>-328.396</u> | <u>302.555</u> |

Parent Company Income Statement 1 January - 31 December

| | Note | 2024 DKK | 2023 DKK |
|--|------|-------------|-------------|
| Other external expenses | | -348.500 | -328.125 |
| Profit/loss before financial income and expenses | | -348.500 | -328.125 |
| Income from investments in group enterprises | 2 | 730.327.805 | 590.414.944 |
| Financial income | 3 | 4.501.556 | 618.449 |
| Financial expenses | 4 | -1.711.010 | -1.484.778 |
| Profit/loss before tax | | 732.769.851 | 589.220.490 |
| Tax on profit/loss for the year, income | 5 | -537.250 | 186.658 |
| Net profit/loss for the year | 6 | 732.232.601 | 589.407.148 |

Parent Company Balance Sheet at 31 December

Assets

| | <u>Note</u> | <u>2024</u> DKK | <u>2023</u> DKK |
|------------------------------------|-------------|----------------------|----------------------|
| Investments in group enterprises | 2 | 4.124.754.733 | 3.460.140.816 |
| Fixed asset investments | | <u>4.124.754.733</u> | <u>3.460.140.816</u> |
| Fixed assets | | <u>4.124.754.733</u> | <u>3.460.140.816</u> |
| Receivables from group enterprises | | 85.693.510 | 75.601.740 |
| Receivable corporation tax | | 16.679.742 | 15.294.905 |
| Receivables | | <u>102.373.252</u> | <u>90.896.645</u> |
| Cash and cash equivalents | | <u>343.550</u> | <u>24.158</u> |
| Current assets | | <u>102.716.802</u> | <u>90.920.803</u> |
| Assets | | <u>4.227.471.535</u> | <u>3.551.061.619</u> |

Parent Company Balance Sheet at 31 December

Liabilities and equity

| | <u>Note</u> | <u>2024</u> | <u>2023</u> |
|---|-------------|----------------------|----------------------|
| | | DKK | DKK |
| Share capital | | 5.000.000 | 5.000.000 |
| Reserve for revaluation under the equity method | | 3.036.576.945 | 2.351.963.028 |
| Retained earnings | | 1.093.594.201 | 1.111.689.405 |
| Proposed dividend for the year | | 20.000.000 | 20.000.000 |
| Equity | | <u>4.155.171.146</u> | <u>3.488.652.433</u> |
| Other payables | | 72.300.389 | 62.409.186 |
| Short-term debt | | <u>72.300.389</u> | <u>62.409.186</u> |
| Debt | | <u>72.300.389</u> | <u>62.409.186</u> |
| Liabilities and equity | | <u>4.227.471.535</u> | <u>3.551.061.619</u> |
| Proposed distribution of profit | 6 | | |
| Security/Contingent liabilities | 7 | | |
| Related parties and ownership | 8 | | |

Statement of changes in Equity for Parent Company

| | Share capital | Reserve for net revaluatio n under th e equity metho d | Retained earnings | Proposed dividen d for the year | Total |
|---|------------------|---|----------------------|---------------------------------------|---------------|
| | DKK | DKK | DKK | DKK | DKK |
| Equity at 1 January 2024 | 5.000.000 | 2.351.963.028 | 1.111.689.405 | 20.000.000 | 3.488.652.433 |
| Dividends pai d | 0 | 0 | 0 | (20.000.000) | (20.000.000) |
| Extraordinary dividend pai d | 0 | 0 | 0 | 0 | 0 |
| Exchange adjustment s | 0 | (45.713.888) | 0 | 0 | (45.713.888) |
| Effect og purchase and sale of minority shares | 0 | 0 | 0 | 0 | 0 |
| Dividends receive d | 0 | 0 | 0 | 0 | 0 |
| Net profit/loss for the yea r | 0 | 730.327.805 | (18.095.204) | 20.000.000 | 732.232.601 |
| Equity 31. December 2024 | 5.000.000 | 3.036.576.945 | 1.093.594.201 | 20.000.000 | 4.155.171.146 |

Notes to the Parent Company Annual Report

| | 2024 | 2023 |
|---|----------------------|----------------------|
| 1 Staff | | |
| The company has no employees. | | |
| Management is employed in a subsidiary and a management fee is paid to the subsidiary for this service. | | |
| 2 Investments in group enterprises | | |
| Cost at 1 January | 1.218.177.788 | 1.218.177.788 |
| Additions during the year | 0 | 296.010.000 |
| Disposals during the year | 0 | -296.010.000 |
| Cost at 31 December | <u>1.218.177.788</u> | <u>1.218.177.788</u> |
| Revaluation at 1 January | 2.241.963.028 | 2.337.572.179 |
| Net profit for the year after tax | 730.327.805 | 590.414.944 |
| Exchange | -45.713.888 | -125.824.693 |
| Dividend | -20.000.000 | -316.010.000 |
| Other equity transactions | 0 | -244.189.402 |
| Revaluation at 31 December | <u>2.906.576.945</u> | <u>2.241.963.028</u> |
| Carrying amount at 31 December | <u>4.124.754.733</u> | <u>3.460.140.816</u> |

Specification of investments in group enterprises:

For a full list of subsidiaries including share of ownership and registered office, please refer to the group notes in this annual report.

Notes to the Parent Company Annual Report

| | <u>2024</u> | <u>2023</u> |
|--|-------------------|-------------------|
| 3 Financial income | | |
| Interest income, group enterprises | 4.483.821 | 617.883 |
| Interest income, bank | 17.735 | 566 |
| | <u>4.501.556</u> | <u>618.449</u> |
| 4 Financial expenses | | |
| Interest costs, group enterprises | 0 | 0 |
| Interest, others | -1.710.002 | -1.483.778 |
| Interest, bank | 0 | 0 |
| Interest, sundry | -1.008 | -1.000 |
| | <u>-1.711.010</u> | <u>-1.484.778</u> |
| 5 Tax on profit/loss for the year | | |
| Tax on profit/loss for the year is specified as follows: | | |
| Adjustment conc. previous years, Parent | 0 | -36.247 |
| Tax on taxable income, Parent | -537.250 | 222.905 |
| | <u>-537.250</u> | <u>186.658</u> |

Notes to the Parent Company Annual Report

| | <u>2024</u> | <u>2023</u> |
|---|--------------------|--------------------|
| 6 Proposed distribution of profit | | |
| Proposed dividend for the year | 20.000.000 | 20.000.000 |
| Reserve for net revaluation under the equity method | 730.327.805 | 590.414.944 |
| Retained earnings | -18.095.204 | -21.007.796 |
| | <u>732.232.601</u> | <u>589.407.148</u> |

7 Security/Contingent liabilities

Contingent liabilities in relation to jointly taxed income.
 Thornico Holding A/S is jointly taxed with its Danish group related companies.
 The company thus has secondary liability with respect to income taxes etc. and any obligations to withhold taxes on interest, royalties and dividends applying to the jointly taxed companies. Such secondary liability is, however, capped at an amount equal to the portion of the share capital in the company held directly or indirectly by the ultimate parent.

8 Related parties and ownership

| | <u>Basis</u> |
|---|--------------------|
| Controlling interest | |
| Christian Nicholas Rosenkrantz Stadil, non-public address | Ultimate owner |
| Other related parties | |
| Supervisory and Executive Boards | Management control |

In accordance with the Danish Financial Statements Act the company has chosen to only disclose transactions that have not been completed under normal market conditions. Management believes that all related party transactions take place on market terms.