Hans Erik Bylling Holding ApS

Møllevej 6, DK-6070 Christiansfeld

Annual Report for 2024

CVR No. 38 91 42 00

The Annual Report was presented and adopted at the Annual General Meeting of the company on 20/6 2025

Hans Erik Bylling
Chairman of the general meeting

Contents

Management's statement

The Executive Board has today considered and adopted the Annual Report of Hans Erik Bylling Holding ApS for the financial year 1 January - 31 December 2024.

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

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

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

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

Christiansfeld, 20 June 2025

Executive Board

Hans Erik Bylling
Manager

Independent Auditor's report

To the shareholder of Hans Erik Bylling Holding ApS

Opinion

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2024 and of the results of the Group’s and the Parent Company’s operations as well as of the consolidated cash flows for the financial year 1 January - 31 December 2024 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Hans Erik Bylling Holding ApS for the financial year 1 January - 31 December 2024, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company, as well as consolidated statement of cash flows (”the Financial Statements”).

Basis for Opinion

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

Statement on Management’s Review

Management is responsible for Management’s Review.

Our opinion on the Financial Statements does not cover Management’s Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management’s Review and, in doing so, consider whether Management’s Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management’s Review provides the information required under the Danish Financial Statements Act.

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

Management’s responsibilities for the Financial Statements

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

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

Auditor's responsibilities for the audit of the Financial Statements

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

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

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

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

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

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

- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

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

Independent Auditor's report

Trekantområdet, 20 June 2025

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Henrik Forthoft Lind
State Authorised Public Accountant
mne34169

Henrik Juul Junker
State Authorised Public Accountant
mne42818

Company information

The Company	Hans Erik Bylling Holding ApS Møllevej 6 DK-6070 Christiansfeld CVR No: 38 91 42 00 Financial period: 1 January - 31 December Municipality of reg. office: Kolding
Executive Board	Hans Erik Bylling
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Herredsvej 32 DK-7100 Vejle

Financial Highlights

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

	Group				
	2024	2023	2022	2021	2020
	TDKK	TDKK	TDKK	TDKK	TDKK
Key figures					
Profit/loss					
Revenue	2,130,645	2,259,231	2,042,654	1,631,258	1,376,156
Profit/loss of primary operations	138,350	129,002	53,502	55,671	56,356
Profit/loss of financial income and expenses	-55,447	-86,712	-21,461	-11,958	-18,163
Net profit/loss for the year	55,353	11,517	16,711	34,766	26,545
Balance sheet					
Balance sheet total	1,278,863	1,236,055	1,335,731	1,165,113	940,944
Investment in property, plant and equipment	34,685	16,604	34,765	48,102	48,102
Equity	423,967	394,980	389,169	404,739	359,324
Cash flows					
Cash flows from:					
- operating activities	5,177	21,780	52,033	41,586	-7,562
- investing activities	-37,244	18,180	-83,902	-49,171	-42,018
- financing activities	11,751	-13,243	21,467	23,230	56,537
Change in cash and cash equivalents for the year	-20,316	26,717	-10,402	30,128	6,957
Number of employees	436	449	419	341	320
Ratios					
Gross margin	14.9%	13.5%	9.2%	10.0%	11.3%
Profit margin	6.5%	5.7%	2.6%	3.4%	4.1%
Return on assets	10.8%	10.4%	4.0%	4.8%	6.0%
Solvency ratio	33.2%	32.0%	29.1%	34.7%	38.2%
Return on equity	13.5%	2.9%	4.2%	9.1%	7.5%

Management's review

Key activities

The activities of the group primarily include development, production, and sale of aquaculture feeds. The activities also now include farming and processing fish as well as selling fish and related products.

Development in the year

The income statement of the Group for 2024 shows a profit of TDKK 55,353, and at 31 December 2024 the balance sheet of the Group shows a positive equity of TDKK 423,967.

In 2024 we have been finalising changes to our company structure as well as the way we are selling in emerging markets. These changes have caused a lot of closing down cost, provision on debtors and also the devaluation in some of African countries, this has negatively affected the result for 2024.

Production facilities and units in general are improved on a continuous basis. This means that investments are continuously made in existing as well as new production equipment and techniques and it-systems.

In 2024 Aller Aqua Group focused on increasing sales and efficiency all over.

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

In 2024 the Group realized a result of TDKK 55,353 against TDKK 11,517 in 2023.

The 2024 result live up to our expectations.

Operating risks

The group’s most significant operating risk is attached to the ability to be strongly positioned in the markets where the products are sold and to ensure that production prices are always competitive.

Foreign exchange risks

The existing price and currency risk are within the standard for the business. The Group is continuously entering into contracts and forward foreign exchange contracts to cover the risks.

Targets and expectations for the year ahead

Profit expectations for the coming years are positive and the expectations is a result before financial cost at the same level as 2024.

Research and development

Research is ongoing to develop and improve the products of the company.

External environment

The Group is continuously working on securing a safe and healthy work environment in a way where environmental and climate conditions are included in the processes.

Statement of corporate social responsibility

Management's review

Business model

Aller Aqua ("The Group") is a Danish founded company, which globally including associates employs approximately 700 people at seven feed production facilities and one farming & processing operation in seven different countries (Denmark, Germany, Poland, Serbia, Eqypt, Zambia and China). The Group's primary activity is the production and manufacturing of feed for aquaculture and related trading with raw materials. The Group has sales in more than 60 different countries.

The Group is aware of its environmental, ethical and societal responsibility, which is an integrated part of our business. Additionally, to our work within the area of CSR, the Group has during the past years entered a program supporting the United Nations Sustainable Development Goals (UN SDG) where we have specific focus on goals no. 2, 8, 13 & 14. The UN SDG goals have been incorporated into our strategy for all entities to maintain focus.

Climate change and environmental approach

The environmental policy of the Group is to act as an environmentally aware company at the forefront of the expectations of customers and surroundings and at all times to be in compliance with the requirements of the authorities.

The work around climate change and environmental issues is an important part of Aller Aqua's activities. As we source many raw materials and have several production sites, there is a risk of unintended impact on the surrounding environment.

The Group has a sustainable sourcing strategy, containing among others:

- A thorough evaluation of all suppliers against criteria that ensure full traceability, quality and food safety. All suppliers must comply with the Groups code of conduct.
- Local raw materials are prioritized and risk assessed and must fulfil specific requirements. All plant ingredients are from conversion and deforestation free supply chains.
- Marine ingredients come from sustainable fisheries or from by-products from human consumption and are all from international regulated fisheries and MSC certified ingredients are prioritized.

The goal is to continuously introduce and extend the use of new, sustainable feed ingredients in feed for aquaculture.

UN SDG 13 – Climate action

In 2020, Aller Aqua's focus on climate change initiated the first steps towards a more climate neutral sourcing of ingredients for feed production. The main aim was to reduce the transport distance of the ingredients. To quantify the effect, a system for carbon footprint calculations of feed ingredients and feed production were developed according to the PEFCR Feed for food producing animals. The calculations were verified by an independent 3rd-party before making data public available.

In 2022-2024 the calculations were made even more accurate, by engaging the suppliers and using more detailed information about origin and production sites. Good collaboration with suppliers and transparency regarding sustainability issues are key to deliver valid sustainability data forwards in the value chain. Data has been anchored in the electronical quality management system (IPW) and are connected to the specific supplier and ingredient used.

The result of these updated calculations in 2024 has proven that our CO2e emissions has reduced by 32% since 2020. Furthermore we have in 2024 chosen to collaborate with suppliers who are ISCC certified (International Sustainability and Carbon Certification)

Statement and questionnaires for suppliers have been updated with questions about sustainability, e.g., if suppliers are working actively with the UN SDGs and if carbon footprint of products are calculated. These documents are filled out every year by suppliers and returned and filed in the quality management system.

Being one of the first feed producers to use the PEFCR Feed in EU, Aller Aqua is included in the EU Green Labelling task force to help establish a common understanding and a set of recommendations for an aligned procedure for calculating carbon footprint.

Looking forward, the system for calculating carbon footprint developed in Aller Aqua will be a key element in the coming ASC Feed-certification, which will take place in 2025. ASC (Aquaculture Stewardship Council) mainly addresses environmental and social issues.

UN SDG 14 – Life below water

Animals farmed in aquaculture have a smaller environmental impact than land-based animal food production. Importantly, ensuring that feed fed to the aquaculture animals are digested optimally, meaning less excretion and less feed is used for growth, diminishing effluents to the water environment.

Aller Aqua constantly develop feed types to optimize digestibility and feed conversion ratios, both by recipe optimization based on raw materials and nutritional composition. We continuously test new raw materials in our research units, most importantly at our dedicated facilities in Aller Aqua Research in Büsum, Germany.

We take responsibility for the success of our clients, and it is a strategic aim to be close to our clients and develop together. We have introduced systematic training programs towards our clients, to secure best practice and performance, which leads to the lowest environmental impact. This is a triple win, for us, the clients, and the environment.

Human rights and social relations approach

We respect international conventions on human and labour rights, and we strive to mitigate any negative impacts on human and labour rights in our production and our value chain.

As our activities are spread across the world, and since we have activities that involve multiple numbers of stakeholders, we acknowledge the need for addressing human rights related issues. We know that the protection and support of international accepted human rights guidelines are very important to our stakeholders, and we acknowledge the risk of not living up to these expectations.

We are working by a "code of conduct" towards our suppliers. This code of conduct is a part of the approval of all suppliers. In the code of conduct we address among others:

- Compliance with applicable laws
- Accurate and honest recordkeeping
- Protection of information, assets and interests
- Business obligations
- Respect and dignity
- Conducting business with integrity
- Responsibility

The "code of conduct" is sent to all suppliers and is a part of the supplier approval to the group. Numerous supplier audits have taken place across the group factories during the year. Based on these audits we have not seen any critical incidences at our suppliers during the year.

Moreover we have during 2024 prepared for ASC audit which includes a screening of all suppliers which are not in "low risk" countries who must demonstrate that they have a 3rd party "SMETA" certificate (Sedex Members' Ethical Trade Audit).

We also applied a code of conduct for our employees which is describing compliance with Health and safety, ethical, law and regulations throughout the group. We value our employees highly, and we are aware of the need to be able to attract and maintain competent employees on the staff, as our biggest risk within social relations is loss of knowledge. Therefore, we have a focus on providing proper working conditions for our employees worldwide.

During 2024 a local grievance committee has been established in which the local community could be informed and bring forward issues related to the activities of the factory.

In 2024 a “whistleblower” system for employees has been implemented.

A healthy and safe workplace is essential for us to attract and retain employees. Safety first is a common denominator for the culture we want to uphold, and we base our approach on the idea that all accidents can be prevented by well-planned preventive efforts.

Our work related to the SDG goal no. 8 implies advocating for an increase in the aquaculture sector as this will support economic growth in areas where other forms of agricultural activities are not possible and where it will create decent work for locals. We wish to provide our employees with a decent and stable workplace, which can support sustainable development in the area where we are present.

We have continued to focus on transferring knowledge through training with our customers and employees, to increase the opportunity to create better results and a better environment.

Aller Aqua Group will continue to work with the UN's global goals, including goal no. 8 "decent work and economic growth" where we will continue to ensure that we through training and knowledge transfer with our customers can contribute to creating sustainable growth in the local areas we work in. There is also a focus on creating attractive workplaces with opportunities for development internally in the company, as well as internationally.

Anti-corruption and bribery approach

The Group have a zero tolerance towards corruption and the Group maintain high ethics and integrity in all business relations. Aller Aqua is aware of how corruption, bribery and poor business ethics may harm the business.

Therefore, the Board of Directors have maintained a close relationship with top management throughout the companies of the Group and make sure that the Group’s position and values are known and complied in all places. In the employee handbook, the Group’s guidelines on e.g., gifts and ethical conduct are described to ensure that the requirements are communicated across geographical areas.

We continue our process to screen our suppliers and apply guidelines that they are required to implement and comply with, and which contain requirements regarding anti-corruption and bribery as well as human rights. We have not identified any material issues related to corruption in 2024.

We will continue to teach and inform all employees about our code of conduct that does not accept corruption, bribery or other financial conflicts of interest. We will also, through direct control, ensure that our transactions take place in accordance with the applicable rules.

Statement on data ethics

It is the Group's assessment that it does not have data that has not been adequately handled within GDPR legislation, why it is considered that there currently is no need of a data ethics policy.

Income statement 1 January - 31 December

	Note	Group		Parent company	
		2024	2023	2024	2023
		TDKK	TDKK	TDKK	TDKK
Revenue	1	2,130,645	2,259,231	0	0
Other operating income		20,357	12,191	0	0
Expenses for raw materials and consumables		-1,658,833	-1,791,528	0	0
Other external expenses		-174,633	-175,897	-13	-36
Gross profit		**317,536**	**303,997**	**-13**	**-36**
Staff expenses	2	-141,325	-131,060	0	0
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment		-35,493	-40,949	0	0
Other operating expenses		-2,368	-2,986	0	0
Profit/loss before financial income and expenses		**138,350**	**129,002**	**-13**	**-36**
Income from investments in subsidiaries		0	0	8,106	-1,339
Income from investments in associates		6,983	34	401	0
Financial income	3	12,294	5,770	72	30
Financial expenses	4	-74,724	-92,516	-980	-907
Profit/loss before tax		**82,903**	**42,290**	**7,586**	**-2,252**
Tax on profit/loss for the year	5	-27,550	-30,773	184	187
Net profit/loss for the year	6	**55,353**	**11,517**	**7,770**	**-2,065**

Balance sheet 31 December

Assets

	Note	Group 2024	Group 2023	Parent company 2024	Parent company 2023
		TDKK	TDKK	TDKK	TDKK
Completed development projects		3,150	4,200	0	0
Acquired other similar rights		0	0	0	0
Development projects in progress		1,535	1,583	0	0
Intangible assets	7	**4,685**	**5,783**	**0**	**0**
Land and buildings		154,076	153,431	0	0
Plant and machinery		127,000	126,852	0	0
Property, plant and equipment in progress		23,630	26,250	0	0
Property, plant and equipment	8	**304,706**	**306,533**	**0**	**0**
Investments in subsidiaries	9	0	0	70,829	64,374
Investments in associates	10	76,609	66,570	4,901	0
Receivables from group enterprises	11	0	0	16,827	17,517
Other investments	11	17,369	13,018	0	0
Other receivables	11	4,179	1,030	1,029	1,030
Fixed asset investments		**98,157**	**80,618**	**93,586**	**82,921**
Fixed assets		**407,548**	**392,934**	**93,586**	**82,921**
Inventories	13	**249,235**	**204,682**	**0**	**0**
Trade receivables		462,151	440,920	0	0
Receivables from group enterprises		0	0	30	23
Receivables from associates		5,658	8,656	1,017	0
Other receivables		25,619	40,909	0	0
Deferred tax asset	15	25,061	25,291	426	266
Corporation tax		1,216	686	17	0
Prepayments		1,496	782	0	0
Receivables		**521,201**	**517,244**	**1,490**	**289**

Balance sheet 31 December

Assets

		Group		Parent company	
	Note	2024	2023	2024	2023
		TDKK	TDKK	TDKK	TDKK
Current asset investments	12	**22,574**	**31,947**	**0**	**0**
Cash at bank and in hand		**78,305**	**89,248**	**29**	**75**
Current assets		**871,315**	**843,121**	**1,519**	**364**
Assets		**1,278,863**	**1,236,055**	**95,105**	**83,285**

Balance sheet 31 December

Liabilities and equity

		Group		Parent company	
	Note	2024	2023	2024	2023
		TDKK	TDKK	TDKK	TDKK
Share capital		50	50	50	50
Reserve for net revaluation under the equity method		0	0	23,050	15,030
Reserve for exchange rate conversion		-5,298	-3,246	0	0
Retained earnings		74,098	66,824	49,024	51,263
Proposed dividend for the year		335	0	335	0
Equity attributable to shareholders of the Parent Company		**69,185**	**63,628**	**72,459**	**66,343**
Minority interests		354,782	331,352	0	0
Equity		**423,967**	**394,980**	**72,459**	**66,343**
Provision for deferred tax	15	2,953	1,283	0	0
Provisions relating to investments in associates		3,243	4,959	0	0
Other provisions	16	937	50	0	0
Provisions		**7,133**	**6,292**	**0**	**0**
Mortgage loans		21,110	21,219	0	0
Credit institutions		79,845	21,683	0	0
Other payables		85,497	66,832	0	0
Deferred income		8,028	9,543	0	0
Long-term debt	17	**194,480**	**119,277**	**0**	**0**

Balance sheet 31 December

Liabilities and equity

		Group		Parent company	
	Note	2024	2023	2024	2023
		TDKK	TDKK	TDKK	TDKK
Mortgage loans	17	2,682	2,631	0	0
Credit institutions	17	308,701	351,274	2,500	0
Trade payables		270,750	283,091	19	30
Payables to group enterprises		0	0	14,270	9,503
Payables to owners and Management		1,031	131	1,031	131
Corporation tax		12,054	15,436	17	0
Deposits		78	78	0	0
Other payables	17	55,845	61,439	4,809	7,278
Deferred income	17	2,142	1,426	0	0
Short-term debt		**653,283**	**715,506**	**22,646**	**16,942**
Debt		**847,763**	**834,783**	**22,646**	**16,942**
Liabilities and equity		**1,278,863**	**1,236,055**	**95,105**	**83,285**

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Statement of changes in equity

Group

	Share capital	Reserve for exchange rate conversion	Retained earnings	Proposed dividend for the year	Equity excl. minority interests	Minority interests	Total
	TDKK	TDKK	TDKK	TDKK	TDKK	TDKK	TDKK
Equity at 1 January	50	-3,246	66,824	0	63,628	331,352	394,980
Exchange adjustments	0	-2,052	0	0	-2,052	-21,475	-23,527
Ordinary dividend paid	0	0	0	0	0	-3,780	-3,780
Other equity movements	0	0	-42	0	-42	983	941
Net profit/loss for the year	0	0	7,316	335	7,651	47,702	55,353
Equity at 31 December	**50**	**-5,298**	**74,098**	**335**	**69,185**	**354,782**	**423,967**

Parent company

	Share capital	Reserve for net revaluation under the equity method	Retained earnings	Proposed dividend for the year	Total
	TDKK	TDKK	TDKK	TDKK	TDKK
Equity at 1 January	50	15,030	51,261	0	66,341
Exchange adjustments	0	-2,054	0	0	-2,054
Other equity movements	0	402	0	0	402
Net profit/loss for the year	0	9,672	-2,237	335	7,770
Equity at 31 December	**50**	**23,050**	**49,024**	**335**	**72,459**

Cash flow statement 1 January - 31 December

		Group	
	Note	2024	2023
		TDKK	TDKK
Result of the year		55,353	11,517
Adjustments	18	94,963	153,001
Change in working capital	19	-50,254	-26,655
Cash flow from operations before financial items		**100,062**	**137,863**
Financial income		9,401	3,499
Financial expenses		-74,724	-92,516
Cash flows from ordinary activities		**34,739**	**48,846**
Corporation tax paid		-29,562	-27,066
Cash flows from operating activities		**5,177**	**21,780**
Purchase of property, plant and equipment		-34,686	-16,605
Fixed asset investments made etc		-7,815	17,275
Sale of intangible assets		0	971
Sale of property, plant and equipment		561	7,601
Sale of fixed asset investments made etc		151	3,368
Dividends received from associates		4,545	5,570
Cash flows from investing activities		**-37,244**	**18,180**
Repayment of mortgage loans		-58	-2,907
Repayment of loans from credit institutions		0	-17,868
Repayment of other long-term debt		0	10,172
Raising of loans from credit institutions		15,589	0
Dividend paid		-3,780	-2,640
Cash flows from financing activities		**11,751**	**-13,243**
Change in cash and cash equivalents		**-20,316**	**26,717**
Cash and cash equivalents at 1 January		121,195	94,478
Cash and cash equivalents at 31 December		**100,879**	**121,195**
Cash and cash equivalents are specified as follows:			
Cash at bank and in hand		78,305	89,248
Current asset investments		22,574	31,947
Cash and cash equivalents at 31 December		**100,879**	**121,195**

Notes to the Financial Statements

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK

1. Revenue

Geographical segments				
Europe	1,219,830	1,056,539	0	0
Asia	478,099	483,717	0	0
Africa	432,716	711,139	0	0
Other	0	7,836	0	0
	2,130,645	**2,259,231**	**0**	**0**

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK

2. Staff expenses

Wages and salaries	127,901	124,028	0	0
Pensions	8,415	3,456	0	0
Other social security expenses	3,680	3,194	0	0
Other staff expenses	1,329	382	0	0
	141,325	**131,060**	**0**	**0**

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

Average number of employees	**436**	**449**	**0**	**0**

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK

3. Financial income

Interest from associates	689	1,164	17	0
Other financial income	11,605	4,606	55	30
	12,294	**5,770**	**72**	**30**

4. Financial expenses

	Group 2024	Group 2023	Parent company 2024	Parent company 2023
	TDKK	TDKK	TDKK	TDKK
Interest to group enterprises	0	0	549	494
Other financial expenses	74,573	92,261	431	413
Exchange adjustments, expenses	151	255	0	0
	74,724	**92,516**	**980**	**907**

5. Income tax expense

	Group 2024	Group 2023	Parent company 2024	Parent company 2023
	TDKK	TDKK	TDKK	TDKK
Current tax for the year	26,710	31,194	0	0
Deferred tax for the year	1,168	-745	-183	-187
Adjustment of tax concerning previous years	-240	324	-1	0
Adjustment of deferred tax concerning previous years	-88	0	0	0
	27,550	**30,773**	**-184**	**-187**

6. Profit allocation

	Group 2024	Group 2023	Parent company 2024	Parent company 2023
	TDKK	TDKK	TDKK	TDKK
Proposed dividend for the year	335	0	335	0
Reserve for net revaluation under the equity method	0	0	9,672	-1,319
Minority interests' share of net profit/loss of subsidiaries	47,702	12,457	0	0
Retained earnings	7,316	-940	-2,237	-746
	55,353	**11,517**	**7,770**	**-2,065**

Notes to the Financial Statements

7. Intangible fixed assets
Group

	Completed development projects	Acquired other similar rights	Develop-ment projects in progress
	TDKK	TDKK	TDKK
Cost at 1 January	5,250	250	1,583
Exchange adjustment	0	0	-48
Cost at 31 December	5,250	250	1,535
Impairment losses and amortisation at 1 January	1,050	250	0
Amortisation for the year	1,050	0	0
Impairment losses and amortisation at 31 December	2,100	250	0
Carrying amount at 31 December	**3,150**	**0**	**1,535**

Capitalized development costs relate to the development of cold-pressed oil for pharmaceutical use to meet market demands. The company expects to develop the project further in the coming years and looks positively at the project's sales and earnings opportunities.

8. Property, plant and equipment
Group

	Land and buildings	Plant and machinery	Property, plant and equipment in progress
	TDKK	TDKK	TDKK
Cost at 1 January	185,025	274,551	37,250
Exchange adjustment	-389	-11,997	-1,253
Additions for the year	8,258	19,552	6,876
Disposals for the year	0	-981	-4,243
Cost at 31 December	192,894	281,125	38,630
Impairment losses and depreciation at 1 January	31,593	147,699	11,000
Exchange adjustment	230	-11,238	0
Impairment losses for the year	0	0	4,000
Depreciation for the year	6,995	18,547	0
Reversal of impairment and depreciation of sold assets	0	-883	0
Impairment losses and depreciation at 31 December	38,818	154,125	15,000
Carrying amount at 31 December	**154,076**	**127,000**	**23,630**

	Parent company	
	2024	2023
	TDKK	TDKK

9. Investments in subsidiaries

	2024 TDKK	2023 TDKK
Cost at 1 January	49,344	49,344
Cost at 31 December	49,344	49,344
Value adjustments at 1 January	15,030	17,120
Exchange adjustment	-2,054	363
Net profit/loss for the year	8,107	-1,339
Other adjustments	402	-1,114
Value adjustments at 31 December	21,485	15,030
Carrying amount at 31 December	**70,829**	**64,374**

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Ownership
Bylling ApS	Christiansfeld , Denmark	TDKK 1.000	17%
Haltruplund ApS (subsidiary of Bylling ApS)	Christiansfeld , Denmark	TDKK 80	17%
Aller Aqua Group A/S (subsidiary of Bylling ApS)	Christiansfeld , Denmark	TDKK 3.100	15%
Aller Aqua A/S (subsidiary of Aller Aqua Group A/S)	Christiansfeld , Denmark	TDKK 10.000	15%
Aller Aqua Polska sp. z.o.o. (subsidiary of Aller Aqua Group A/S)	Golub-Dobrzyn, Polen	TPLN 4.573	14%
Aller Aqua Ukraina sp z.o.o. (subsidiary of Aller Aqua Polska sp. z.o.o.)	Okreg Lwowski, Ukraine	TUAH 39	14%
Aller Aqua AM (Armenien) (subsidiary of Aller Aqua Polska sp. z.o.o.)	Ararat, Armenien	TEUR 0	9%
Aller Aqua Norway AS (subsidiary of Aller Aqua Group A/S)	Bergen, Norge	TNOK 110	15%
Gulen Marine Farm AS (subsidiary of Aller Aqua Norway AS)	Ånneland, Norge	TNOK 200	14%
Seamtech AS (subsidiary of Aller Aqua Norway AS)	Bønes, Norge	TNOK 1.800	15%
Aller Aqua China A/S (subsidiary of Aller Aqua Group A/S)	Christiansfeld , Danmark	TDKK 40.629	14%
Aller Aqua (Qingdao) Co. Ltd. (subsidiary of Aller Aqua China A/S)	Qingdao, Kina	TRMB 38.333	14%

Notes to the Financial Statements

Name	Place of registered office	Share capital	Ownership
Aller Aqua Research GmbH (subsidiary of Aller Aqua Group A/S)	Büsum, Tyskland	TEUR 25	15%
Aller Aqua Nigeria Limited (subsidiary of Aller Aqua Group A/S)	Lagos, Nigeria	TNGA 9.019	15%
Aller Aqua Ghana Limited (subsidiary of Aller Aqua Group A/S)	Akosombo, Ghana	TGHS 1.000	15%
Aller Aqua Egypt For Industrialization - S.A.E. (subsidiary of Aller Aqua Group A/S)	Giza, Egypt	TEGP 31.500	8%
Aller Aqua Balkan d.o.o (subsidiary of Aller Aqua Group A/S)	Južno-Backi, Serbia	TEUR 0	14%
HEB Stepping ApS	Christiansfeld , Denmark	TDKK 50	100%
Pigeskolen P/S	Christiansfeld , Denmark	TDKK 500	100%
Aller Aqua Myanmar Holding ApS (subsidiary of Aller Aqua Group A/S)	Christiansfeld , Denmark	TDKK 40	15%
Aller Aqua Myanmar Feed Company Ltd. (subsidiary of Aller Aqua Myanmar Holding ApS)	Kyauktan Township, Myanmar	TUSD 8.500	15%
Danforel Holding ApS (subsidiary of Aller Aqua Group A/S)	Grindsted, Denmark	TDKK 80	15%
Opdrætsanlæg ApS (subsidiary of Danforel Holding A/S)	Grindsted, Denmark	TDKK 80	15%
Danforel A/S (subsidiary of Danforel Holding ApS)	Grindsted, Denmark	TDKK 4.100	15%
- Euroforellen GmbH (subsidiary of Danforel A/S)	Grindsted, Denmark	TDKK 263	15%
Danforel Ejendomme II ApS (subsidiary of Danforel Holding ApS)	Grindsted, Denmark	TDKK 135	15%
Danaqua ApS (subsidiary of Danforel Holding ApS)	Grindsted, Denmark	TDKK 125	15%
SIG Fiskeri ApS (subsidiary of Danaqua ApS)	Grindsted, Denmark	TDKK 125	15%
Aller Aqua AAF (Armenien) (subsidiary of Aller Aqua Polska sp. z.o.o)	Ararat, Armenia	TEUR 0	14%

All foreign subsidiaries are recognised and measured as separate entities. The company holds the majority of the votes for all above subsidiaries.

Notes to the Financial Statements

10. Investments in associates

	Group 2024	Group 2023	Parent company 2024	Parent company 2023
	TDKK	TDKK	TDKK	TDKK
Cost at 1 January	22,661	22,661	0	0
Additions for the year	4,500	0	4,500	0
Cost at 31 December	27,161	22,661	4,500	0
Value adjustments at 1 January	38,949	42,916	0	0
Exchange adjustment	0	1,568	0	0
Net profit/loss for the year	6,984	34	401	0
Dividends received	-4,545	-5,569	0	0
Value adjustments at 31 December	41,388	38,949	401	0
Equity investments with negative net asset value amortised over receivables	4,817	0	0	0
Equity investments with negative net asset value transferred to provisions	3,243	4,960	0	0
Carrying amount at 31 December	**76,609**	**66,570**	**4,901**	**0**

Investments in associates are specified as follows:

Name	Place of registered office	Share capital	Ownership
Aller Ejendomsselskab A/S	Christiansfeld, Denmark	TDKK 3.000	50%
Aller Aqua Zambia Limited	Lusaka, Zambia	TZMW 10	40%
Emsland Aller Aqua GmbH	Golssen, Germany	TEUR 363	45%
Royal-Skagen ApS	Christiansfeld, Denmark	TDKK 50	8%
Green-Tec Holding ApS	Kolding, Denmark	TDKK 100	20%

Notes to the Financial Statements

11. Other fixed asset investments

	Group		Parent company	
	Other investments	Other receivables	Receivables from group enterprises	Other receivables
	TDKK	TDKK	TDKK	TDKK
Cost at 1 January	31,175	4,330	17,517	1,030
Additions for the year	3,315	0	0	0
Disposals for the year	0	-151	-690	-1
Cost at 31 December	34,490	4,179	16,827	1,029
Impairment losses at 1 January	9,615	0	0	0
Impairment losses for the year	7,506	0	0	0
Impairment losses at 31 December	17,121	0	0	0
Carrying amount at 31 December	**17,369**	**4,179**	**16,827**	**1,029**

12. Fair values

	Value adjustment, income statement	Fair value at 31 December
	TDKK	TDKK
Group		
Listed bonds and shares	2,893	22,574

13. Inventories

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK
Raw materials and consumables	104,036	83,913	0	0
Finished goods and goods for resale	106,650	92,658	0	0
Assets meant for sale	38,549	28,111	0	0
	249,235	**204,682**	**0**	**0**

Notes to the Financial Statements

14. Derivative financial instruments

Derivative financial instruments contracts in the form of forward exchange contracts have been concluded. The Group has entered into forward foreign exchange contracts of DKK 19 mio.

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK
15. Deferred tax asset				
Deferred tax asset at 1 January	24,008	17,434	266	80
Other adjustments	-732	5,829	-23	1
Amounts recognised in the income statement for the year	-1,168	745	183	187
Amounts recognised in equity for the year	0	0	0	-2
Deferred tax asset at 31 December	**22,108**	**24,008**	**426**	**266**
Recognised in the balance sheet as follows:				
Assets	25,061	25,181	426	266
Provisions	-2,953	-1,283	0	0
	22,108	**24,008**	**426**	**266**

Provision for deferred tax relates to difference between the carrying amount and the tax value of tangible fixed assets, prepayments, inventories and tax loss carried forward.

The deferred tax asset is recognised as it is expected that the company can utilise the tax loss within a few years. The prepared budgets, including the expectations for the future, show that the tax loss is expected to be utilised within a period of 3-5 years.

An unrecognized deferred tax asset, due to historic tax losses carry forward, of the value of approximately DKK 34 mio. (2023: DKK 20 mio.), is not recognized in the income statement and balance sheet.

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK

16. Other provisions

Other provisions for liabilities comprise provisions related to expected local tax claims regarding the group's activities abroad.

	Group 2024 TDKK	Group 2023 TDKK	Parent company 2024 TDKK	Parent company 2023 TDKK
Other provisions	937	50	0	0
	937	**50**	**0**	**0**
The provisions are expected to mature as follows:				
Provisions falling due after 5 years	937	50	0	0
	937	**50**	**0**	**0**

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK

17. Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	Group 2024 TDKK	Group 2023 TDKK	Parent company 2024 TDKK	Parent company 2023 TDKK
Mortgage loans				
After 5 years	9,924	9,616	0	0
Between 1 and 5 years	11,186	11,603	0	0
Long-term part	21,110	21,219	0	0
Within 1 year	2,682	2,631	0	0
	23,792	**23,850**	**0**	**0**
Credit institutions				
After 5 years	3,500	879	0	0
Between 1 and 5 years	76,345	20,804	0	0
Long-term part	79,845	21,683	0	0
Within 1 year	25,799	10,145	0	0
Other short-term debt to credit institutions	282,902	341,129	2,500	0
	388,546	**372,957**	**2,500**	**0**

Notes to the Financial Statements

17. Long-term debt

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK
Other payables				
After 5 years	81,132	20,905	0	0
Between 1 and 5 years	4,365	45,927	0	0
Long-term part	85,497	66,832	0	0
Other short-term payables	55,845	61,439	4,809	7,278
	141,342	**128,271**	**4,809**	**7,278**
Deferred income				
After 5 years	3,451	5,146	0	0
Between 1 and 5 years	4,577	4,397	0	0
Long-term part	8,028	9,543	0	0
Within 1 year	1,413	1,413	0	0
Other deferred income	729	13	0	0
	10,170	**10,969**	**0**	**0**

18. Cash flow statement - Adjustments

	Group	
	2024	2023
	TDKK	TDKK
Financial income	-12,294	-5,770
Financial expenses	74,724	92,516
Depreciation, amortisation and impairment losses, including losses and gains on sales	35,493	39,314
Income from investments in associates	-6,983	-34
Tax on profit/loss for the year	27,550	30,773
Exchange adjustments	-23,527	-3,798
	94,963	**153,001**

19. Cash flow statement - Change in working capital

	Group 2024 TDKK	Group 2023 TDKK
Change in inventories	-44,553	75,430
Change in receivables	-3,657	-2,094
Change in other provisions	888	-410
Change in trade payables, etc	-2,932	-99,581
	-50,254	**-26,655**

20. Contingent assets, liabilities and other financial obligations

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK
Charges and security				
The following assets have been placed as security with bankers:				
A floating charge of TDKK 100.000 has been provided for debts to banks with intangible rights, machinery, inventories and receivables with a book value of	176,249	157,729	0	0
A floating charge of TDKK 52,000 has been provided for debts to banks with intangible rights, machinery, inventories and receivables with a book value of	73,981	60,052	0	0
A floating charge of TDKK 10,000 has been provided for debts to banks with intangible rights, machinery, inventories and receivables with a book value of	8,549	8,404	0	0
A floating charge of TDKK 29,000 has been provided for debts to banks with intangible rights, machinery, inventories and receivables with a book value of	38,844	38,844	0	0
Mortgages of TDKK 20,000, which provide a mortgage on properties and buildings with a book value of	48,596	49,378	0	0

20. Contingent assets, liabilities and other financial obligations

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK
Rental and lease obligations				
Lease obligations, period of nonterminability until the 1 January 2030	16,786	19,167	0	0
Lease obligations, period of non-terminability 12 months	277	339	0	0

The company has also entered into operational lease contracts in a limited scale. The lease contracts amounts to TDKK 491.

Other contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company’s liability.

21. Related parties

	Basis
Controlling interest	
Hans Erik Bylling	CEO and ultimative owner

Transactions

The Company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(6) of the Danish Financial Statements Act.

22. Fee to auditors appointed at the general meeting

	Group 2024 TDKK	Group 2023 TDKK
PwC		
Audit fee	629	637
Tax advisory services	760	85
Non-audit services	354	217
	1,743	**939**
Other		
Audit fee	220	206
Other assurance engagements	171	153
Non-audit services	26	0
	417	**359**

23. Subsequent events

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

Notes to the Financial Statements

24. Accounting policies

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

The accounting policies applied remain unchanged from last year.

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

Recognition and measurement

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

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

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

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

Basis of consolidation

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

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

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

Minority interests

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

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

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

Leases

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

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

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

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

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.

Segment information on revenue

Information on geographical segments is based on the Company´s risks and returns and its internal financial reporting system. Business segments are regarded as one segment, as they do not differ from each other in terms of risks and returns.

Income statement

Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Group.

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

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.

Notes to the Financial Statements

Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, 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.

Other operating income and expenses

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

Income from investments in subsidiaries and associates

The items “Income from investments in subsidiaries” and “Income from investments in associates” in the income statement include the proportionate share of the profit for the year.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in 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.

The Company is jointly taxed with wholly owned Danish subsidiaries. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

Balance sheet

Intangible fixed assets

Development costs and costs relating to rights developed by the Company are recognised in the income statement as costs in the year of acquisition.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Interest expenses on loans contracted directly for financing the construction of property, plant and equipment are recognised in cost over the construction period.

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

Notes to the Financial Statements

Production buildings	20-50 years
Other fixtures and fittings, tools and equipment	5-15 years
Plant and machinery	5-15 years

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Investments in subsidiaries and associates

Investments in subsidiaries and associates are recognised and measured under the equity method.

The items “Investments in subsidiaries” and “Investments in associates” in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with addition of the remaining value of any increases in value and goodwill calculated at the time of acquisition of the enterprises.

The total net revaluation of investments in subsidiaries and associates is transferred upon distribution of profit to “Reserve for net revaluation under the equity method“ under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the subsidiaries and the associates.

Subsidiaries and associates with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

Fixed asset investments

Fixed asset investments, which consist of listed bonds and shares, are measured at their fair values at the balance sheet date. Fair value is determined on the basis of the latest quoted market price.

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

Other fixed asset investments

Other fixed asset investments consist of investments.

Inventories

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

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

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

The cost of finished goods and work in progress comprises the cost of raw materials, consumables and direct labour with addition of indirect production costs. Indirect production costs comprise the cost of indirect materials and labour as well as maintenance and depreciation of the machinery, factory buildings and equipment used in the manufacturing process as well as costs of factory administration and management.

Inventories consisting of biological assets are measured at fair value. The fair value of the biological assets is determined on the basis of a calculation model recognized in the industry, which shows what the stock is expected to bring in through transactions between independent parties.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Prepayments

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

Current Asset Investments

Current Asset Investments, which consist of listed bonds and shares, are measured at their fair values at the balance sheet date. Fair value is determined on the basis of the latest quoted market price.

Equity

Dividend

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

Provisions

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

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes 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 within the same legal tax entity.

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. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial liabilities

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

Notes to the Financial Statements

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

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

Deferred income

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

Cash Flow Statement

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

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

Cash flows from operating activities

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

Cash flows from investing activities

Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, property, plant and equipment as well as fixed asset investments.

Cash flows from financing activities

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

Cash and cash equivalents

Cash and cash equivalents comprise ”Cash at bank and in hand” and ”Current asset investments”. ”Current asset investments” consist of short-term securities with an insignificant risk of value changes that can readily be turned into cash.

The cash flow statement cannot be immediately derived from the published financial records.

Financial Highlights

Explanation of financial ratios

Gross margin	Gross profit x 100 / Revenue
Profit margin	Profit/loss of primary operations x 100 / Revenue
Return on assets	Profit/loss of primary operations x 100 / Total assets at year end
Solvency ratio	Equity at year end x 100 / Total assets at year end
Return on equity	Net profit for the year x 100 / Average equity