

United Petfood Denmark A/S

Birkegårdsvej 3, 8361 Hasselager

CVR no. 63 84 06 10

Annual report 2024

Approved at the Company's annual general meeting on 27 June 2025

Chair of the meeting:

.....
Dominiek Georges Dumoulin

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Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of United Petfood Denmark 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 give a true and fair view of the financial position of the Company at 31 December 2024 and of the results of the Company's operations and cash flows for the financial year 1 January - 31 December 2024.

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

We recommend that the annual report be approved at the annual general meeting.

Hasselager, 27 June 2025
Executive Board:

.....
Dries Steven Eeckhout

Board of Directors:

.....
Dominiek Georges
Dumoulin
Chairman

.....
Jacob Damgaard

.....
Dries Steven Eeckhout

.....
Ronnie Johansson

Independent auditor's report

To the shareholders of United Petfood Denmark A/S

Opinion

We have audited the financial statements of United Petfood Denmark A/S for the financial year 1 January - 31 December 2024, which comprise income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2024 and of the results of the Company's operations as well as the 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 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Management's responsibilities for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to 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 the 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.

Independent auditor's report

- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- ▶ Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and contents of the financial statements, including the note 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 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's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the 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 the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Aarhus, 27 June 2025
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Jonas Busk
State Authorised Public Accountant
mne42771

Karina Kristensen
State Authorised Public Accountant
mne49118

Management's review

Company details

| | |
|----------------------------|--|
| Name | United Petfood Denmark A/S |
| Address, Postal code, City | Birkegårdsvej 3, 8361 Hasselager |
| CVR no. | 63 84 06 10 |
| Established | 16 October 1981 |
| Registered office | Aarhus |
| Financial year | 1 January - 31 December |
| Website | https://www.unitedpetfood.eu/ |
| Board of Directors | Dominiek Georges Dumoulin, Chairman Jacob Damgaard Dries Steven Eeckhout Ronnie Johansson |
| Executive Board | Dries Steven Eeckhout |
| Auditors | EY Godkendt Revisionspartnerselskab Værkmestergade 25, P.O. Box 330, 8100 Aarhus C, Denmark |
| Bankers | Sydbank |

Management's review

Financial highlights

| DKK'000 | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|---------|---------|---------|---------|---------|
| Key figures | | | | | |
| Gross profit | 70,142 | 65,743 | 36,356 | 61,317 | 66,664 |
| Earnings before interest, taxes, depreciation and amortisation (EBITDA) | 40,375 | 38,448 | 8,904 | 9,967 | 13,752 |
| Operating profit/loss | 36,942 | 33,655 | 4,141 | 1,225 | 7,010 |
| Net financials | 1,219 | -696 | -1,011 | -1,257 | -2,194 |
| Profit from continuing operations before tax | 38,257 | 33,066 | 2,901 | 254 | 5,428 |
| Profit for the year | 29,653 | 39,541 | -4,148 | 114 | 4,365 |
| Balance sheet | | | | | |
| Total assets | 105,251 | 355,460 | 376,796 | 347,778 | 347,537 |
| Investments in property, plant and equipment | 4,748 | 2,882 | 5,343 | 6,616 | 4,448 |
| Equity | 63,707 | 144,054 | 97,250 | 101,763 | 101,424 |
| Financial ratios | | | | | |
| Return on assets | 16.0% | 9.2% | 1.1% | 0.4% | 2.1% |
| Equity ratio | 60.5% | 40.5% | 25.8% | 29.3% | 29.2% |
| Return on equity | 28.5% | 32.8% | -4.2% | 0.1% | 4.6% |

The financial ratios stated under "Financial highlights" have been calculated as follows:

| | |
|-----------------------|--|
| Operating profit/loss | $\frac{\text{Profit/loss before net financials +/-Other operating income and other operating expenses}}{\text{Average assets}} \times 100$ |
| Return on assets | $\frac{\text{Profit/loss from operating activities}}{\text{Average assets}} \times 100$ |
| Equity ratio | $\frac{\text{Equity, year-end}}{\text{Total equity and liabilities, year-end}} \times 100$ |
| Return on equity | $\frac{\text{Profit/loss after tax}}{\text{Average equity}} \times 100$ |

Management's review

Management commentary

Principal activities

United Petfood Denmark A/S sells food and articles to pets (dogs, cats, birds and rodents), mainly on the Nordic market.

The Company's principal strategy is to create profitable organic growth through market-oriented assortment of private label products and to utilise efficient distribution and supply systems.

The Nordic region is United Petfood Denmark A/S' primary market. The rest of the European market offers good opportunities for the Company, and therefore, the remaining European market is continuously being targeted to create direct exports and establish cooperation with local distributors.

Development in activities and financial matters

The Company's income statement for 2024 shows a profit of DKK 29,729 thousand against a profit of DKK 39,451 thousand last year, including discontinuing operations (DKK 26,276 thousand of continuing operations), and the Company's balance sheet at 31 December 2024 showed equity of DKK 63,783 thousand.

Compared with expectations announced last year, where a profit increase of 1-2% was anticipated, the profit of continuing operations is slightly higher, as the Company has focused on efficiency and earnings in the sales line.

Research and development activities

The development activities primarily include further development of the Group's products and new development of various products for dogs and cats.

It is a strategic parameter to continuously present new products to its customers and to consistently market new products and product types.

Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

Outlook

The Company still has sound earnings and growth potential. The result of 2025 is expected to be on par with 2024 within a range of +/- 3 % corresponding to a result of the year of DKK 28,7 million to DKK 30,5 million. Going forward, there will continue to be a strong managerial focus on the combination of profitable growth and earnings.

Financial statements 1 January - 31 December

Income statement

| Note | DKK'000 | 2024 | 2023 |
|------|---|---------|---------|
| | Gross profit | 70,142 | 65,743 |
| 2 | Staff costs | -29,767 | -27,295 |
| | Amortisation/depreciation and impairment of intangible assets and property, plant and equipment | -3,337 | -4,686 |
| | Profit before net financials | 37,038 | 33,762 |
| | Income from investments in group enterprises | -435 | 620 |
| 3 | Financial income | 4,243 | 7,845 |
| 4 | Other financial expenses | -2,589 | -9,161 |
| | Profit from continuing operations before tax | 38,257 | 33,066 |
| 5 | Tax for the year | -8,604 | -6,790 |
| | Profit for the year from continuing operations | 29,653 | 26,276 |
| 5,6 | Profit/loss after tax from discontinued operations | 0 | 13,265 |
| | Profit for the year | 29,653 | 39,541 |

Financial statements 1 January - 31 December

Balance sheet

| Note | DKK'000 | 2024 | 2023 |
|------|--|-----------------------|-----------------------|
| | ASSETS | | |
| | Fixed assets | | |
| 8 | Intangible assets | | |
| | Software | 99 | 23 |
| | Acquired intangible assets | 29 | 49 |
| | | <u>128</u> | <u>72</u> |
| 9 | Property, plant and equipment | | |
| | Land and buildings | 9,398 | 54,891 |
| | Plant and machinery | 11,354 | 12,520 |
| | Fixtures and fittings, other plant and equipment | 1,296 | 1,216 |
| | | <u>22,048</u> | <u>68,627</u> |
| 10 | Investments | | |
| | Investments in group entities | 0 | 5,189 |
| | | <u>0</u> | <u>5,189</u> |
| | Total fixed assets | <u>22,176</u> | <u>73,888</u> |
| | Non-fixed assets | | |
| | Inventories | | |
| | Raw materials and consumables | 16,549 | 18,701 |
| | Work in progress | 1,029 | 2,749 |
| | Finished goods and goods for resale | 11,295 | 8,703 |
| | | <u>28,873</u> | <u>30,153</u> |
| 11 | Receivables | | |
| | Trade receivables | 27,509 | 30,296 |
| | Receivables from group entities | 16 | 214,270 |
| 14 | Deferred tax assets | 10,812 | 5,949 |
| | Other receivables | 159 | 497 |
| 12 | Prepayments | 691 | 134 |
| | | <u>39,187</u> | <u>251,146</u> |
| | Cash | <u>15,015</u> | <u>273</u> |
| | Total non-fixed assets | <u>83,075</u> | <u>281,572</u> |
| | TOTAL ASSETS | <u><u>105,251</u></u> | <u><u>355,460</u></u> |

Financial statements 1 January - 31 December

Balance sheet

| Note | DKK'000 | 2024 | 2023 |
|------|--|----------------|----------------|
| | EQUITY AND LIABILITIES | | |
| | Equity | | |
| 13 | Share capital | 523 | 523 |
| | Revaluation reserve | 0 | 17,721 |
| | Net revaluation reserve according to the equity method | 0 | 4,427 |
| | Retained earnings | 38,184 | 121,383 |
| | Dividend proposed | 25,000 | 0 |
| | Total equity | 63,707 | 144,054 |
| | Liabilities other than provisions | | |
| 15 | Non-current liabilities other than provisions | | |
| | Lease liabilities | 3,250 | 3,782 |
| | Other payables | 2,240 | 2,214 |
| | | 5,490 | 5,996 |
| | Current liabilities other than provisions | | |
| 15 | Short-term part of long-term liabilities other than provisions | 646 | 2,491 |
| | Bank debt | 74 | 0 |
| | Lease liabilities | 352 | 147 |
| | Trade payables | 15,506 | 29,926 |
| | Payables to group entities | 224 | 157,923 |
| | Joint taxation contribution payable | 13,471 | 9,130 |
| | Other payables | 5,781 | 5,793 |
| | | 36,054 | 205,410 |
| | Total liabilities other than provisions | 41,544 | 211,406 |
| | TOTAL EQUITY AND LIABILITIES | 105,251 | 355,460 |

- 1 Accounting policies
- 7 Appropriation of profit
- 16 Contractual obligations and contingencies, etc.
- 17 Security and collateral
- 18 Related parties

Financial statements 1 January - 31 December

Statement of changes in equity

| Note | DKK'000 | Share capital | Revaluation reserve | Net revaluation reserve according to the equity method | Retained earnings | Dividend proposed | Total |
|------|--|---------------|---------------------|--|-------------------|-------------------|----------------|
| | Equity at 1 January 2023 | 523 | 18,123 | 4,101 | 74,503 | 0 | 97,250 |
| 7 | Transfer, see "Appropriation of profit" | 0 | 0 | 620 | 38,921 | 0 | 39,541 |
| | Adjustment of investments through foreign exchange adjustments | 0 | 0 | -294 | 0 | 0 | -294 |
| | Reversed revaluations for the year | 0 | -7,457 | 0 | 7,457 | 0 | 0 |
| | Revaluations for the year | 0 | 7,557 | 0 | 0 | 0 | 7,557 |
| | Depreciation in the year | 0 | -502 | 0 | 502 | 0 | 0 |
| | Equity at 1 January 2024 | 523 | 17,721 | 4,427 | 121,383 | 0 | 144,054 |
| | Disposals on close-down of subsidiary | 0 | 0 | -3,820 | 3,820 | 0 | 0 |
| 7 | Transfer, see "Appropriation of profit" | 0 | 0 | -435 | 5,088 | 25,000 | 29,653 |
| | Adjustment of investments through foreign exchange adjustments | 0 | 0 | -172 | 172 | 0 | 0 |
| | Reversed revaluations for the year | 0 | -17,721 | 0 | 17,721 | 0 | 0 |
| | Proposed extraordinary dividend recognised under equity | 0 | 0 | 0 | -110,000 | 0 | -110,000 |
| | Equity at 31 December 2024 | 523 | 0 | 0 | 38,184 | 25,000 | 63,707 |

Financial statements 1 January - 31 December

Cash flow statement

| Note | DKK'000 | 2024 | 2023 |
|------|---|---------------|----------------|
| | Profit for the year | 29,653 | 39,541 |
| 19 | Adjustments | 11,631 | 15,563 |
| | Cash generated from operations (operating activities) | 41,284 | 55,104 |
| 20 | Changes in working capital | -8,508 | 3,473 |
| | Cash generated from operations (operating activities) | 32,776 | 58,577 |
| | Interest received, etc. | 3,616 | 7,845 |
| | Interest paid, etc. | -2,530 | -8,822 |
| | Income taxes paid | -9,126 | -302 |
| | Cash flows from operating activities | 24,736 | 57,298 |
| | Additions of intangible assets | -113 | -114 |
| | Additions of property, plant and equipment | -4,748 | -2,882 |
| | Disposals of property, plant and equipment | 53 | 240 |
| | Cash flows to investing activities | -4,808 | -2,756 |
| | Dividends distributed | -110,000 | 0 |
| | Changes in financing, group entities | 106,869 | -4,273 |
| | Changes in financing, credit institutions | 0 | -46,422 |
| | Changes in debt to credit institutions | 74 | 0 |
| | Repayments, mortgage debt | -1,877 | -2,508 |
| | Repayments, finance leases | -295 | -1,070 |
| | Other repayments, long-term liabilities | -31 | -43 |
| | Cash flows from financing activities | -5,260 | -54,316 |
| | Net cash flow | 14,668 | 226 |
| | Cash and cash equivalents at 1 January | 273 | 47 |
| 21 | Cash and cash equivalents at 31 December | 14,941 | 273 |

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of United Petfood Denmark A/S for 2024 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to medium-sized reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

In order to increase comparability of the financial statements, the comparative figures in the income statement have been restated to allow profit/loss on discontinuing operations to be separately presented as described below.

Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Foreign group entities

Foreign subsidiaries are considered separate entities. Items in such entities' income statements are translated at an average exchange rate for the month, and balance sheet items are translated at closing rates. Foreign exchange differences arising on translation of the opening equity of foreign subsidiaries to closing rates and on translation of the income statements from average exchange rates to closing rates are taken directly to equity.

On sale of a separate foreign entity, the accumulated exchange adjustment is reclassified from equity to the income statement along with the gain or the loss.

Income statement

Revenue

The Company has chosen IAS 18 as interpretation for revenue recognition.

Income from the sale of goods for resale and finished goods is recognised in revenue at the date of delivery and transfer of risk, provided that the income can be reliably measured.

Revenue is measured exclusive of VAT and freight costs, taxes and duties and discounts granted.

Gross profit

The items revenue, other operating income and external expenses have been aggregated into one item in the income statement called gross profit in accordance with section 32 of the Danish Financial Statements Act.

Other operating income

Other operating income comprise items secondary to the principal activities of the Company, including gains on the disposal of fixed assets.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Raw materials and consumables

Raw materials and consumables include expenses relating to raw materials and consumables used in generating the year's revenue.

Cost of sales

Cost of sales includes the cost of goods used in generating the year's revenue.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs comprise wages and salaries, including holiday allowance and pensions, and other social security costs, etc., for the Company's employees.

Amortisation/depreciation

The item comprises amortisation/depreciation of intangible assets and property, plant and equipment.

The basis of amortisation, which is calculated as cost less any residual value, is amortised on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

| | |
|----------------------------|------------|
| Software | 3-5 years |
| Acquired intangible assets | 2-10 years |
| Goodwill | 20 years |

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

| | |
|--|-------------|
| Land and buildings | 20-50 years |
| Plant and machinery | 3-15 years |
| Fixtures and fittings, other plant and equipment | 2-10 years |

Goodwill is amortised over the expected economic life, measured by reference to an assessment of the nature of the Company and its market position as well as the stability of the industry and the dependence on key staff, etc.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

For land and buildings, recognised at fair value, the fair values are similarly depreciated per component over the useful life.

The residual value is determined at the time of acquisition and are reassessed every year. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised. In case of changes in the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

In the case of changes in the depreciation period or the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Profit/loss from investments in group entities

The item includes the entity's proportionate share of the profit/loss for the year after tax and adjustment of intra-group profits/losses.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses, realised and unrealised capital and exchange gains and losses on foreign currency transactions, amortisation of mortgage loans as well as surcharges and refunds under the on-account tax scheme, etc.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The entity is jointly taxed with other group entities. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

Balance sheet

Intangible assets

Goodwill is amortised over the expected economic life of the asset, measured by reference to Management's experience in the individual business segments. Goodwill is amortised on a straight-line basis over the amortisation period.

Other intangible assets include software and other acquired intangible rights, which comprise trademarks, patents, rights and licences.

Other intangible assets are measured at cost less accumulated amortisation and impairment losses. Software includes costs for salaries and other direct and indirect costs related to the development work.

Gains and losses on the sale of intangible assets are recognised in the income statement under "Other operating income" or "Other operating expenses", respectively. Gains and losses are calculated as the difference between the selling price less selling expenses and the carrying amount at the time of sale.

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses.

Land and buildings are revalued at fair value. Revaluations and reversals hereof, less deferred tax, are taken directly to equity. The fair value is calculated on the basis of an external assessment, which is based on discounted cash flows based on the market rent.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Investments in group entities

On initial recognition, investments in subsidiaries are measured at cost and subsequently at the proportionate share of the entities' net asset values calculated in accordance with the parent company's accounting policies minus or plus any residual value of positive or negative goodwill calculated in accordance with the purchase method of accounting. Subsidiaries with a negative net asset value are measured at DKK 0 (nil), and any amounts owed by such entities are written down by the parent company's share of the net asset value if the amount owed is deemed irrecoverable. Net revaluations of investments in subsidiaries are transferred to the net revaluation reserve according to the equity method where the carrying amount exceeds the acquisition cost.

Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments in subsidiaries is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists.

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value. The net realisable value of inventories is calculated as the sales amount less costs of completion and expenses required to effect the sale and is determined taking into account marketability, obsolescence and development in the expected selling price.

The cost of raw materials and consumables comprises the cost of acquisition plus delivery costs.

The cost of finished goods and work in progress includes the cost of raw materials, consumables, direct labour and indirect production overheads.

Indirect production overheads include the indirect cost of material and labour as well as maintenance and depreciation of production machinery, buildings and equipment and expenses relating to plant administration and management. Borrowing costs are not recognised in the cost.

For goods where cost exceeds the expected selling price less costs of completion and costs incurred to effect the sale, an impairment write-down is made to this lower net realisable value.

Receivables

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables.

Trade receivables are measured at amortised cost, which is usually equivalent to the nominal value. The value is reduced by write-downs for bad debt losses calculated based on an individual assessment of the individual claims.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Cash

Cash comprise cash and bank deposits.

Discontinued operations

Assets relating to discontinued operations comprise fixed assets expected to be sold in connection with the discontinued operations and disposal groups, which are defined as a group of assets which are to be disposed of together as a group in a single transaction. Liabilities associated with assets relating to discontinued operations are liabilities directly associated with these assets and which are to be transferred in the transaction. Assets are classified as assets relating to discontinued operations where their carrying amount will be recovered principally through a sale within 12 months in accordance with a formal plan rather than through continuing use.

Assets or disposal groups relating to discontinued operations are measured at the lower of the carrying amount at the date of the reclassification as "discontinued operations" and the fair value less costs to sell. Assets are not depreciated or amortised once classified as "discontinued operations".

Discontinued operations comprise a separate, major line of business whose activities and cash flows are clearly distinguishable, operationally and for financial reporting purposes, from the Company's other lines of business and where the line of business has either been disposed of or separated as held for sale and the sale is expected to be effected within one year in accordance with a formal plan. Discontinued operations also include entities which are classified as "held for sale" in connection with the acquisition.

The profit/loss from discontinued operations and value adjustments after tax of related assets and liabilities and gains and losses on disposal are presented as a separate line item in the income statement, and comparative figures are restated accordingly. Revenue, expenses, value adjustments and tax relating to discontinued operations are disclosed in the notes. Assets and relating liabilities in respect of discontinued operations are presented as separate line items in the balance sheet without restatement of comparative figures, and the main items are specified in the notes.

Equity

Revaluation reserve

The reserve comprises revaluations of property, plant and equipment relative to cost net of deferred tax. The revaluation reserve is reduced by the depreciation charges relating to the revaluation.

Reserve for net revaluation according to the equity method

The net revaluation reserve according to the equity method includes net revaluations of investments in subsidiaries relative to cost. The reserve can be eliminated in case of losses, realisation of investments or a change in accounting estimates. The reserve cannot be recognised at a negative amount.

Reserve for development costs

The reserve for development costs comprises recognised development costs. The reserve cannot be used to distribute dividends or cover losses. The reserve will be reduced or dissolved if the recognised development costs are no longer part of the Company's operations by a transfer directly to the distributable reserves under equity.

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Liabilities

The Company has chosen IAS 39 as interpretation for liabilities.

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Other liabilities are measured at amortised cost, which, in all material respects, corresponds to net realisable value.

Lease liabilities

Lease liabilities are measured at the net present value of the remaining lease payments including any guaranteed residual value based on the interest rate implicit in the lease.

Fair value

The fair value measurement is based on the principal market. If no principal market exists, the measurement is based on the most advantageous market, i.e. the market that maximises the price of the asset or liability less transaction and/or transport costs.

All assets and liabilities which are measured at fair value, or whose fair value is disclosed, are classified based on the fair value hierarchy, see below:

Level 1: Value in an active market for similar assets/liabilities

Level 2: Value based on recognised valuation methods on the basis of observable market information

Level 3: Value based on recognised valuation methods and reasonable estimates (non-observable market information).

If a reliable fair value cannot be stated according to the above levels, the asset or liability is measured at cost.

Financial statements 1 January - 31 December

Notes to the financial statements

| DKK'000 | 2024 | 2023 |
|--|---------------|---------------|
| 2 Staff costs | | |
| Wages/salaries | 26,850 | 45,199 |
| Pensions | 2,368 | 4,027 |
| Other social security costs | 549 | 1,066 |
| Other staff costs | 0 | -22,997 |
| | <u>29,767</u> | <u>27,295</u> |
| Other staff costs relate to the reclassification of discontinuing operations. | | |
| Average number of full-time employees | <u>49</u> | <u>90</u> |
| The Company did not pay any remuneration to Management during the financial year as the remuneration is incurred by higher-ranking group companies. The remuneration in the comparative year has not been disclosed with reference to section 98b(3)(ii) of the Danish Financial Statements Act. | | |
| 3 Financial income | | |
| Interest income group entities | 3,749 | 7,255 |
| Exchange adjustments | 492 | 0 |
| Other financial income | 2 | 590 |
| | <u>4,243</u> | <u>7,845</u> |
| 4 Other financial expenses | | |
| Interest expenses, group entities | 2,131 | 9,140 |
| Exchange adjustments | 0 | 17 |
| Other financial expenses | 458 | 4 |
| | <u>2,589</u> | <u>9,161</u> |
| 5 Tax for the year | | |
| Estimated tax charge for the year | 13,467 | 12,871 |
| Deferred tax adjustments in the year | -4,863 | 1,401 |
| Refund in joint taxation | 0 | -3,741 |
| | <u>8,604</u> | <u>10,531</u> |

Financial statements 1 January - 31 December

Notes to the financial statements

6 Profit from discontinuing operations

As of 31 December 2023, United Petfood Denmark A/S sold the activity relating to its wild bird business to its former affiliate, VPG Wild Bird A/S. The activities were divested at market value, which implied a disposal gain for accounting purposes of DKK 4.9 million, which has been recognised as other operating income. The wild bird activity is discontinuing and is thus presented as one line item in the income statement. The discontinuing operation is presented in the below table as individual line items in the income statement. No remaining assets or liabilities relating to the activity disposed are included in the balance sheet.

Profit/loss from discontinuing operations is broken down on main items below:

| DKK'000 | 2024 | 2023 |
|---|----------|---------------|
| Revenue | 0 | 151,723 |
| Cost of sales | 0 | -102,018 |
| Other external expenses | 0 | -11,445 |
| Staff costs | 0 | -22,997 |
| Depreciation | 0 | -2,608 |
| Finance costs | 0 | -549 |
| Profit on sales | 0 | 4,900 |
| Profit before tax | 0 | 17,006 |
| Tax on profit/loss | 0 | -3,741 |
| Profit after tax from discontinuing operations | 0 | 13,265 |

7 Appropriation of profit

Recommended appropriation of profit

| | | |
|--|---------------|---------------|
| Proposed dividend for the financial year | 25,000 | 0 |
| Extraordinary dividend for the financial year | 110,000 | 0 |
| Net revaluation reserve according to the equity method | -435 | 620 |
| Retained earnings/accumulated loss | -104,912 | 38,921 |
| | 29,653 | 39,541 |

Financial statements 1 January - 31 December

Notes to the financial statements

8 Intangible assets

| DKK'000 | Software | Acquired intangible assets | Total |
|---|-----------|-------------------------------|------------|
| Cost at 1 January 2024 | 1,440 | 688 | 2,128 |
| Additions | 113 | 0 | 113 |
| Cost at 31 December 2024 | 1,553 | 688 | 2,241 |
| Impairment losses and amortisation at 1 January 2024 | 1,417 | 639 | 2,056 |
| Amortisation for the year | 37 | 20 | 57 |
| Impairment losses and amortisation at 31 December 2024 | 1,454 | 659 | 2,113 |
| Carrying amount at 31 December 2024 | 99 | 29 | 128 |
| Amortised over | 3-5 years | 2-10 years | |

Financial statements 1 January - 31 December

Notes to the financial statements

9 Property, plant and equipment

| DKK'000 | Land and buildings | Plant and machinery | Fixtures and fittings, other plant and equipment | Total |
|---|--------------------|---------------------|--|---------------|
| Cost at 1 January 2024 | 60,696 | 62,342 | 10,443 | 133,481 |
| Additions | 2,960 | 886 | 902 | 4,748 |
| Disposals | -41,751 | 0 | -52 | -41,803 |
| Cost at 31 December 2024 | 21,905 | 63,228 | 11,293 | 96,426 |
| Revaluations at 1 January 2024 | 24,749 | 0 | 0 | 24,749 |
| Reversal of accumulated revaluation of disposals | -24,749 | 0 | 0 | -24,749 |
| Revaluations at 31 December 2024 | 0 | 0 | 0 | 0 |
| Impairment losses and depreciation at 1 January 2024 | 30,554 | 49,822 | 9,227 | 89,603 |
| Depreciation | 453 | 2,052 | 775 | 3,280 |
| Depreciation and impairment of disposals | -18,500 | 0 | -5 | -18,505 |
| Impairment losses and depreciation at 31 December 2024 | 12,507 | 51,874 | 9,997 | 74,378 |
| Carrying amount at 31 December 2024 | 9,398 | 11,354 | 1,296 | 22,048 |
| Carrying amount at 31 December 2024, if no revaluation had been made | 9,398 | 0 | 0 | |
| Property, plant and equipment include finance leases with a carrying amount totalling | 0 | 3,896 | 352 | 4,248 |
| Depreciated over | 20-50 years | 3-15 years | 2-10 years | |

Note 17 provides more details on security for loans, etc. as regards property, plant and equipment.

Land and buildings recognised at fair value

Land and buildings are recognised at fair value with value adjustment over the revaluation reserve under equity, see the provisions in section 41 of the Danish Financial Statements Act.

Fair value estimation

The fair value of land and buildings is calculated for each property based on the estimated market rent of the property and costs for the coming year. This estimate reflects a 'normalized' operating profit and is used together with a relevant required rate of return to calculate the fair value based on a return-based model.

Significant fair value assumptions

The most significant fair value assumption is the yield requirement of 9.5% for 2024.

Financial statements 1 January - 31 December

Notes to the financial statements

Sensitivity analysis

The Company's fair value totalled DKK 9,398 thousand at 31 December 2024 of which DKK 2,960 thousand relates to a newly acquired adjoining site to the existing property. This site was acquired from an external party in December 2024, and Management assesses that costs in all material respects reflect the fair value, and therefore, measurement is made at this value. The fair value otherwise calculated is an estimate made by Management on the basis of information available and expectations of the future. The sensitivity of the required rate of return can be illustrated by the fact that a 1 percentage point increase in the rate of return will cause a decrease of the fair value of DKK 600 thousand. A decrease in the rate of return of 1 percentage point will imply an increase in the fair value of DKK 750 thousand.

10 Investments

| DKK'000 | Investments in group entities |
|--|----------------------------------|
| Cost at 1 January 2024 | 762 |
| Disposals | -762 |
| Cost at 31 December 2024 | 0 |
| Value adjustments at 1 January 2024 | 4,427 |
| Foreign exchange adjustments | -172 |
| Profit/loss for the year | -435 |
| Reveral of revaluations of assets disposed | -3,820 |
| Value adjustments at 31 December 2024 | 0 |
| Carrying amount at 31 December 2024 | 0 |

11 Receivables

Out of the Company's total receivables, other receivables totalling DKK 0 fall due for payment after more than one year after the balance sheet date.

12 Prepayments

Prepayments include accrual of expenses relating to subsequent financial years, including insurance and other subscriptions.

| DKK'000 | 2024 | 2023 |
|---|----------------|---------------|
| 13 Share capital | | |
| Analysis of the share capital: | | |
| 523 shares of DKK 1,000.00 nominal value each | 523 | 523 |
| | 523 | 523 |
| 14 Deferred tax | | |
| Deferred tax at 1 January | -5,949 | -3,440 |
| Transferred for set-off against joint taxation contribution, beginning of year | 0 | -6,050 |
| Changes for the year in deferred tax | -4,863 | 1,401 |
| Transferred to equity | 0 | 2,140 |
| Deferred tax at 31 December | -10,812 | -5,949 |

Financial statements 1 January - 31 December

Notes to the financial statements

14 Deferred tax (continued)

The recognised tax asset primarily relates to the balance on the operating equipment account, which allows for future deductions in the total taxable income.

The measurement is based on estimated tax results for the coming five years.

15 Non-current liabilities other than provisions

| DKK'000 | Total debt at 31/12 2024 | Short-term portion | Long-term portion | Outstanding debt after 5 years |
|-------------------|-----------------------------|-----------------------|----------------------|-----------------------------------|
| Lease liabilities | 3,896 | 646 | 3,250 | 0 |
| Other payables | 2,240 | 0 | 2,240 | 2,092 |
| | <u>6,136</u> | <u>646</u> | <u>5,490</u> | <u>2,092</u> |

16 Contractual obligations and contingencies, etc.

Other contingent liabilities

The Company is jointly taxed with its parent, United Petfood Denmark Holding ApS, which acts as management company, and is jointly and severally liable with other jointly taxed group entities for payment of income taxes for the income year 2024 onwards as well as withholding taxes on interest, royalties and dividends falling due for payment on or after 2 April 2024.

Other financial obligations

The Company has signed a lease which is non-terminable for eight months after the balance sheet date and has a subsequent notice period of three months, corresponding to a total residual lease commitment of DKK 475 thousand at 31 December 2024.

17 Security and collateral

The Company has not provided any security or other collateral in assets at 31 December 2024.

18 Related parties

Information about consolidated financial statements

| Parent | Domicile | Requisitioning of the parent company's consolidated financial statements |
|--------------------------|---------------|--|
| United Petfood Group B.V | Gent, Belgium | 0763.879.651 |

Financial statements 1 January - 31 December

Notes to the financial statements

18 Related parties (continued)

Related party transactions

United Petfood Denmark A/S was engaged in the below related party transactions:

| DKK'000 | <u>2024</u> | <u>2023</u> |
|---------------------------------------|-------------|-------------|
| Sale of goods | 4,760 | 28,020 |
| Sale of services | 0 | 2,850 |
| Cost of services | 966 | 0 |
| Re-invoicing of costs | 0 | 3,466 |
| Transfer of properties | 48,000 | 19,000 |
| Interest income | 3,749 | 8,475 |
| Interest expenses | 2,131 | 9,372 |
| Dividend distributed | 110,000 | 0 |
| Receivables from group entities | 16 | 214,270 |
| Payables to group entities | 224 | 157,923 |
| Deposits received from group entities | 0 | 789 |

The Company's related parties exercising significant influence include the Executive Board, Board of Directors and owners and their immediate family members.

In addition to the above routine transactions, as of 31 December 2023, the sale of the Wild Birds activity to the newly established affiliated company, VPG Wild Bird A/S, has taken place for a total consideration of DKK 25,623 thousand.

Information on the remuneration to management

Information on the remuneration to Management appears from note 2, "Staff costs".

Ownership

The following shareholders are registered in the Company's register of shareholders as holding minimum 5% of the votes or minimum 5% of the share capital:

| <u>Name</u> | <u>Domicile</u> |
|------------------------------------|---------------------|
| United Petfood Denmark Holding ApS | Hasselager, Danmark |

Financial statements 1 January - 31 December

Notes to the financial statements

| DKK'000 | 2024 | 2023 |
|---|---------------|---------------|
| 19 Adjustments | | |
| Amortisation/depreciation and impairment losses | 3,340 | 7,294 |
| Gain/loss on the sale of non-current assets | -96 | -5,007 |
| Income from investments in group entities | 435 | -620 |
| Financial income | -4,243 | -7,845 |
| Financial expenses | 2,589 | 8,988 |
| Tax for the year | 8,528 | 12,995 |
| Other adjustments | 1,078 | -242 |
| | <u>11,631</u> | <u>15,563</u> |
| 20 Changes in working capital | | |
| Change in inventories | 1,280 | 1,225 |
| Change in receivables | 4,530 | -2,239 |
| Change in trade and other payables | -14,318 | 4,487 |
| | <u>-8,508</u> | <u>3,473</u> |
| 21 Cash and cash equivalents at year-end | | |
| Cash according to the balance sheet | 15,015 | 273 |
| Short term debts to banks | -74 | 0 |
| | <u>14,941</u> | <u>273</u> |

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Executive Board

On behalf of: United Petfood Denmark AS

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2025-06-30 10:56:04 UTC



Jacob Damgaard

Board of Directors

On behalf of: United Petfood Denmark AS

Serial number: 172c54bf-adde-49d6-8ea9-a8179ac9c676

IP: 87.116.xxx.xxx

2025-06-30 11:10:54 UTC



Ronnie Johansson

Board of Directors

On behalf of: United Petfood Denmark AS

Serial number: 6b96ddc3b99023[...]1dfb9b05d1b66

IP: 87.116.xxx.xxx

2025-06-30 11:33:51 UTC



Dumoulin Dominiek Georges G

Chairman

On behalf of: United Petfood Denmark AS

Serial number: 45:10:62:E8:7F[...]1:7C:57:53:6D

IP: 94.109.xxx.xxx

2025-06-30 11:51:45 UTC



Dumoulin Dominiek Georges G

Board of Directors

On behalf of: United Petfood Denmark AS

Serial number: 45:10:62:E8:7F[...]1:7C:57:53:6D

IP: 94.109.xxx.xxx

2025-06-30 11:51:45 UTC



Eeckhout Dries Steven

Board of Directors

On behalf of: United Petfood Denmark AS

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State Authorised Public Accountant

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Karina Oppermann Kristensen

EY Godkendt Revisionspartnerselskab CVR: 30700228
State Authorised Public Accountant

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