



# Lallemand Denmark A/S

Bredstrupvej 33  
DK-8500 Grenaa

CVR no. 26 01 49 80

## Annual report 2023/24

The annual report was presented and approved at  
the Company's annual general meeting on

22 April 2024

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Chairman of the annual general meeting

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## **Statement by the Board of Directors and the Executive Board**

The Board of Directors and the Executive Board have today discussed and approved the annual report of Lallemand Denmark A/S for the financial year 1 February 2023 – 31 January 2024.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the Parent Company's assets, liabilities and financial position at 31 January 2024 and of the results of the Group's and the Parent Company's operations and consolidated cash flows for the financial year 1 February 2023 – 31 January 2024.

Further, in our opinion, the Management's review gives a fair review of the development in the Group's and the Parent Company's activities and financial matters, of the results for the year and of the Group's and the Parent Company's financial position.

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

Grenaa 22 April 2024  
Executive Board:

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Nicolai Francis Jensen  
CEO

Board of Directors:

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William John Nankervis  
Chairman

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Johannes Gerhardus  
Steenkamp

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Lars Overvad Asferg

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Antoine Chagnon

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Francisco Pereira Da  
Conceicoa



## Independent auditor's report

### To the shareholders of Lallemand Denmark A/S

#### Opinion

We have audited the consolidated financial statements and the parent company financial statements of Lallemand Denmark A/S for the financial year 1 February 2023 – 31 January 2024 comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for the Group as well as for the Parent Company and a cash flow statement for the Group. The consolidated financial statements and the parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the Parent Company's assets, liabilities and financial position at 31 January 2024 and of the results of the Group's and the Parent Company's operations and consolidated cash flows for the financial year 1 February 2023 – 31 January 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 consolidated financial statements and the parent company financial statements" section of our report.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Management's responsibility for the consolidated financial statements and the parent company 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 that Management determines is necessary to enable the preparation of consolidated financial statements and parent company financial statements that are free from material misstatement, whether due to fraud or error.

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

## Independent auditor's report

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

Our objectives are to obtain reasonable assurance as to whether the consolidated financial statements and the parent company financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements in Denmark will always detect a material misstatement when it exists. Misstatements may 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 financial statement users made on the basis of these consolidated financial statements and parent company financial statements.

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

- identify and assess the risks of material misstatement of the consolidated financial statements and parent company financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the consolidated financial statements and the parent company financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements and the parent company financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and contents of the consolidated financial statements and the parent company financial statements, including the disclosures, and whether the consolidated financial statements and the parent company financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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



## Independent auditor's report

### Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the consolidated financial statements and the parent company 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 consolidated financial statements and the parent company 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 consolidated financial statements or the parent company financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether 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 consolidated financial statements and the parent company financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Aarhus, 22 April 2024

**KPMG**

Statsautoriseret Revisionspartnerselskab  
CVR no. 25 57 81 98

Katrine Gybel  
State Authorised  
Public Accountant  
mne45848

Dennis V. Hansen  
State Authorised  
Public Accountant  
mne49092

**Lallemand Denmark A/S**  
Annual report 2023/24  
CVR no. 26 01 49 80

## Management's review

### Company details

Lallemand Denmark A/S  
Bredstrupvej 33  
DK-8500 Grenaa

Telephone:	+45 87 58 24 00
CVR no.:	26 01 49 80
Established:	1 May 2001
Registered office:	Grenaa
Financial year:	1 February – 31 January

### Board of Directors

William John Nankervis, Chairman  
Johannes Gerhardus Steenkamp  
Lars Overvad Asferg  
Antoine Chagnon  
Francisco Pereira Da Conceicoa

### Executive Board

Nicolai Francis Jensen, CEO

### Auditor

KPMG  
Statsautoriseret Revisionspartnerselskab  
Frederiks Plads 42  
DK-8000 Aarhus C  
CVR no. 25 57 81 98

## Management's review

### Financial highlights for the Group

DKK'000	2023/24	2022/23	2021/22	2020/21	2019/20
<b>Key figures</b>					
Revenue	476,646	542,197	436,218	319,639	319,639
Gross profit	149,485	155,794	147,454	146,003	118,324
Operating profit	16,472	29,325	25,759	26,507	21,229
Profit from financial income and expenses	-13,897	-3,562	-3,353	-2,595	-3,072
Profit for the year	2,838	20,870	17,725	14,187	10,736
<b>Balance sheet</b>					
Total assets	568,582	529,644	481,592	470,649	443,266
Equity	132,742	129,997	109,324	33,956	113,408
Investment in property, plant and equipment	42,070	63,709	52,507	33,956	113,408
<b>Ratios</b>					
Current ratio	92.4%	88.6%	70.1%	84.0%	70.1%
Return on equity	2.2%	18.5%	17.6%	24.8%	21.5%
Solvency ratio	22.9%	24.5%	22.6%	19.5%	16.5%
<b>Other key figures</b>					
Average number of full- time employees	176	167	163	157	141

The financial ratios have been calculated as follows:

Current ratio 
$$\frac{\text{Current assets} \times 100}{\text{Current liabilities}}$$

Return on equity 
$$\frac{\text{Profit/loss from ordinary activities after tax} \times 100}{\text{Average equity}}$$

Solvency ratio 
$$\frac{\text{Equity at year end} \times 100}{\text{Total equity and liabilities at year-end}}$$

## Management's review

### Operating review

#### The Group's principal activities

The Company is primarily engaged in packaging and distribution as well as in holding of investments in subsidiaries.

#### Development in activities and financial position

##### Profit for the year

The Company's income statement for 2023/24 shows a loss of DKK 5,055 thousand as against a profit of DKK 1,625 thousand in 2022/23. Equity in the Group's balance sheet at 31 January 2024 stood at DKK 53,312 thousand as against DKK 58,364 thousand at 31 January 2023.

Financial results were satisfactory, although below expectations. Increased interest rates impacted the result negatively.

For the year under review, the Group's income statement showed a profit of DKK 2,838 thousand, and equity stood at DKK 130,584 thousand at 31 January 2024.

##### Investments

Capital expenditure focuses on products and application areas expected to foster growth in the coming years. Investments in production equipment are expected to be on the same levels in 2023/24.

##### Outlook

The Group is expected to continuously improve profitability and to focus on its teams, customers and services.

A profit in the range of DKK 17-20 million is expected for 2024/25.

##### Intellectual capital

The companies maneuver on markets dominated by knowledge-driven companies. Management will increasingly focus on securing, maintaining and developing the human, structural and relational capital of the companies.

##### Branches

The Company has the following branches:

- Filial Sweden
- Thailand
- UK Branch
- Korea Liaison office
- Przedstawicielstwo w. Polsce.

##### Environmental matters

The Company focuses on maintaining high environmental standards, adhering to or exceeding national regulations. This includes updating environmental approvals whilst keeping in close contact with local authorities on the local effects of our presence and production.

## Management's review

### Operating review

#### Research and development activities

The Company's research and development activities are primarily conducted in the subsidiary, Aktieselskabet Dansk Gærings-Industri. These activities focus on new, processed and specialised products.

The research costs are, to some extent, recharged to companies benefiting from the research projects.

#### Financial instruments

##### The Company's goals and policies for management of financial risks

Strict customer opening procedures and a stringent collection policy are applied for controlling credit risk.

The Company has no external debt and is therefore exposed to only a modest interest rate risk.

Currency risks are considered minimal since the Company is doing business in EUR and DKK only.

##### The Company's risk exposure

No particular risks have been identified.

The Company does not foresee any significant operating risks for 2024/25.

#### Corporate social responsibility in accordance with the Danish Financial Statements Act section 99a

The Company is primarily engaged in producing yeast for baking, specialties, wine and yeast extract.

The ambition of the Company is to demonstrate social responsibility in line with its basic values on the areas of environment and climate considerations, social and employee conditions, respect for human rights and anti-corruption and bribery. Furthermore, the Company is determined to ensure a safe and healthy working environment and has consideration for environmental and climate conditions throughout its processes. Our Management is key part of all significant decisions on all above-mentioned areas, which is demonstrated in internal as well as external initiatives.

For the time being, the Company has not yet developed any policies for environment and climate, social and employee conditions, human rights, and anti-corruption and bribery, because they have not identified any material risks within the four areas. Management has until now assessed that policies and actions were not necessary in order to manage potential risks. However it is the Company's goal to implement formal policies, and they are currently working on implementing and harmonising policies across the many production facilities of Lallemand Group.

#### Goals and policies for the underrepresented gender in accordance with the Danish Financial Statements Act section 99b

It is company policy that regardless of gender, race, and religion, all employees are treated equally in order to ensure that everyone has equal opportunities for employment. The Company encourages and supports female employees that desire to advance into managerial positions.

To increase the number of the underrepresented gender on the Board of Directors, the Company has set the target that in 2025 the Board should have at least one female member. Currently, the Board consists of five persons, all of which are males. The target has not been achieved for the current year because there has been no vacancies in the Board of Directors.

## Management's review

### Operating review

To support our target for the Board, we also focus on attracting females to management positions throughout our organisation. Currently, female representation accounts for 33%. To attract and retain women in our organisation, we focus on the following initiatives:

- Inclusive environment
- Flexible working hours incl. the possibility of jobsharing, reduced hours, etc.
- Maternity (and paternity) programmes, ramp-up/down programmes
- HR ensuring that both genders are considered in recruitment
- Gender neutral language in job postings
- Promote our field of work to a broader audience (e.g. educational institutions and career fairs)
- Diversity is assessed during recruitment (throughout the process from job profile to employment)
- The only change in the composition of the Board in the current year has been succession driven
- Conduct internal training and education of staff to reduce staff turnover and ensure progression of female as well as male employees.

The Company hopes to see the results of these efforts in the coming years.

	2023	2024	2025	2026	2027
Top management body					
Total number of members	5				
Underrepresented gender in %	0%				
Target figures in %	17%				
The year in which the target figures are estimated to be fulfilled	2025				
Other Management levels					
Total number of members	21				
Underrepresented gender in %	33%				
Target figures in %	35%				
The year in which the target figures are estimated to be fulfilled	2030				

### Statutory statement regarding data ethics in accordance with the Danish Financial Statements Act section 99d

Data ethics is an ethical dimension of the relationship between technology and the citizen as to fundamental rights, legal certainty, and fundamental social values that technological development gives rise to. The Group has not implemented a policy for data ethics due to the limited-to-no usage of data toward citizens. Data in the Group is of a public nature and manipulated towards thriving a more efficient operating, commercial and financial business which is in accordance with the Group's ethical business conduct and compliance programmes (see section above on ethical business conduct).

## Consolidated financial statements and parent company financial statements 1 February – 31 January

### Income statement

DKK'000	Note	Group		Parent Company	
		2023/24	2022/23	2023/24	2022/23
<b>Revenue</b>	2	476,646	542,197	40,800	43,561
Costs of raw materials and consumables		-251,500	-304,995	-4,237	-4,824
Other operating income		1,408	401	0	0
Other external costs		-77,069	-81,809	-8,981	-10,359
<b>Gross profit</b>		149,485	155,794	27,582	28,378
Staff costs	3	-91,732	-89,557	-23,356	-23,346
Depreciation, amortisation and impairment losses		-41,281	-36,912	-2,025	-1,067
<b>Profit before financial income and expenses</b>		16,472	29,325	2,201	3,965
Other financial income		19	22	19	19
Other financial expenses	4	-13,916	-3,584	-8,722	-1,901
<b>Profit/loss before tax</b>		2,575	25,763	-6,502	2,083
Tax on profit/loss for the year		263	-4,893	1,447	-458
<b>Share of profit/loss for the year</b>	5	2,838	20,870	-5,055	1,625

## Consolidated financial statements and parent company financial statements 1 February – 31 January

### Balance sheet

DKK'000	Note	Group		Parent Company	
		31/1 2024	31/1 2023	31/1 2024	31/1 2023
<b>ASSETS</b>					
<b>Fixed assets</b>					
<b>Intangible assets</b>					
Trademarks	6	4,000	5,000	0	0
<b>Property, plant and equipment</b>					
Land and buildings	7	42,127	35,626	0	0
Property, plant and equipment under construction		28,212	33,440	1,516	123
Plant and machinery		274,882	276,821	0	0
Fixtures and fittings, tools and equipment		12,722	9,646	2,913	3,689
Leasehold improvements		0	624	0	624
		357,943	356,157	4,429	4,436
<b>Investments</b>					
Equity investments in group entities	8	0	0	219,592	219,592
<b>Total fixed assets</b>		361,943	361,157	224,021	224,028
<b>DKK'000</b>					
<b>Inventories</b>					
Raw materials and consumables		49,164	65,491	0	0
Work in progress		13,039	10,147	0	0
Finished goods and goods for resale		76,093	50,436	164	2,556
		138,296	126,074	164	2,556
<b>Receivables</b>					
Trade receivables		16,241	18,175	512	1,327
Receivables from group entities		9,628	5,980	5,250	29
Other receivables		14,635	1,844	72	15
Deferred tax asset	9	614	0	614	0
Corporation tax		1,985	606	2,564	3,510
Prepayments	10	3,693	3,352	779	758
		46,796	29,957	9,791	5,639
<b>Cash at bank and in hand</b>		21,547	12,456	1,949	7,343
<b>Total current assets</b>		206,639	168,487	11,904	15,538
<b>TOTAL ASSETS</b>		568,582	529,644	235,925	239,566

## Consolidated financial statements and parent company financial statements 1 February – 31 January

### Balance sheet

DKK'000	Note	Group		Parent Company	
		31/1 2024	31/1 2023	31/1 2024	31/1 2023
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Contributed capital	11	2,007	2,100	2,100	2,100
Retained earnings		130,735	127,897	51,212	56,264
<b>Total equity</b>		132,742	129,997	53,312	58,364
<b>Provisions</b>					
Provisions for deferred tax	9	39,007	38,660	146	419
<b>Total provisions</b>		39,007	38,660	146	419
<b>Liabilities other than provisions</b>					
<b>Non-current liabilities other than provisions</b>					
Payables to group entities	12	166,221	169,623	166,221	169,623
Other payables		7,886	7,683	1,545	7,681
		174,107	177,306	167,766	177,304
<b>Current liabilities other than provisions</b>					
Trade payables		61,384	49,244	3,964	2,915
Payables to group entities		131,146	110,337	6,932	2,446
Other payables		30,196	24,100	3,805	-1,882
		222,726	183,681	14,701	3,479
<b>Total liabilities other than provisions</b>		396,833	360,987	182,467	180,783
<b>TOTAL EQUITY AND LIABILITIES</b>		568,582	529,644	235,925	239,566

## Consolidated financial statements and parent company financial statements 1 February – 31 January

### Statement of changes in equity

DKK'000	Group		
	Contributed capital	Retained earnings	Total
Equity at 1 February 2023	2,100	127,897	129,997
Transferred over the profit appropriation	0	2,838	2,838
<b>Equity at 31 January 2024</b>	<b>2,100</b>	<b>130,735</b>	<b>132,835</b>

  

DKK'000	Parent Company		
	Contributed capital	Retained earnings	Total
Equity at 1 February 2023	2,100	56,264	58,364
Transferred over the distribution of loss	0	-5,052	-5,052
<b>Equity at 31 January 2024</b>	<b>2,100</b>	<b>51,212</b>	<b>53,312</b>

## Consolidated financial statements and parent company financial statements 1 February – 31 January

### Cash flow statement

DKK'000	Note	Group	
		2023/24	2022/23
Profit for the year		2,838	20,670
Other adjustments of non-cash operating items	16	11,288	8,458
Depreciation, amortisation and impairment losses		<u>36,159</u>	<u>37,913</u>
Cash generated from operations before changes in working capital		50,285	67,041
Changes in working capital	17	<u>9,122</u>	<u>-1,856</u>
Cash generated from operations		59,407	65,185
Corporation tax paid		484	-4,631
Interest expense		-13,912	-3,584
Interest income		<u>15</u>	<u>22</u>
<b>Cash flows from operating activities</b>		<u>45,994</u>	<u>56,992</u>
Acquisition of property, plant and equipment		-43,566	-2,414
Disposal of property, plant and equipment		<u>6,620</u>	<u>-49,760</u>
<b>Cash flows from investing activities</b>		<u>-36,946</u>	<u>-52,174</u>
Other equity movements		<u>93</u>	<u>0</u>
<b>Cash flows from financing activities</b>		<u>93</u>	<u>0</u>
<b>Cash flows for the year</b>		9,141	4,818
Cash and cash equivalents at the beginning of the year		<u>12,456</u>	<u>7,638</u>
<b>Cash and cash equivalents at year-end</b>		<u><u>21,597</u></u>	<u><u>12,456</u></u>

## Consolidated financial statements and parent company financial statements 1 February – 31 January

### Notes

#### 1 Accounting policies

The annual report of Lallemand Denmark A/S for 2023/24 has been prepared in accordance with the provisions applying to reporting class C large entities under the Danish Financial Statements Act.

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

#### Change in comparative figures

With reference to the true and fair view laid down in the Danish Financial Statements Act, the Company has made some reclassifications to individual items in the income statement and balance sheet. The reclassifications have affected the items other external costs and staff costs but have no impact on results before tax, results for the year or equity. Comparative figures have been reclassified accordingly.

#### Consolidated financial statements

The consolidated financial statements comprise the Parent Company, Lallemand Denmark A/S, and subsidiaries in which the Parent Company directly or indirectly holds more than 50% of the votes or in some other way exercises control over.

On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends and realised and unrealised gains and losses on intra-group transactions are eliminated.

Investments in subsidiaries are set off against the proportionate share of subsidiaries' fair value of net assets and liabilities at the date of acquisition.

#### Business combinations

When new entities are acquired, the purchase method is applied under which identifiable assets and liabilities are measured at fair value at the date of acquisition. Restructuring costs recognised in the acquirer at the acquisition date that are not a part of the acquisition are included in the pre-acquisition balance sheet and thus the determination of goodwill. Restructuring that is adopted after the acquisition is recognised in the income statement. The tax effect of revaluations is recognised as deferred tax.

Positive differences (goodwill) between cost and the fair value of identifiable assets and liabilities acquired, including restructuring provisions, are recognised as intangible assets and amortised systematically in the income statement based on an individual assessment of the useful life. Negative goodwill is recognised as income in the income statement at the acquisition date when the usual conditions for recognition of income are met.

Goodwill and negative goodwill from acquired entities may be adjusted until 12 months after the acquisition date.

Newly acquired or newly established entities are recognised in the consolidated financial statements at the date of acquisition or establishment. Divested or wound-up entities are recognised in the consolidated income statement up to the date of divestment or winding-up. Comparative figures are not restated to reflect acquisitions, divestments or windings-up.

## Consolidated financial statements and parent company financial statements 1 February – 31 January

### Notes

#### 1 Accounting policies (continued)

The uniting-of-interests method is applied to business combinations such as the acquisition and disposal of equity investments, mergers, demergers, contribution of assets, share exchanges, etc., between entities controlled by the Parent Company. The uniting of interests is considered to have been completed at the date of the acquisition without restatement of comparative figures. Differences between the agreed consideration and the carrying amount of the acquired entity is recognised in equity.

Gains or losses on the divestment of subsidiaries and associates are calculated as the difference between the sales amount and the carrying amount of net assets at the date of disposal, including non-amortised goodwill and projected costs of divestment or winding-up.

#### Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates 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, payables and other monetary items denominated in foreign currencies are translated at the exchange rates 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 latest financial statements is recognised in the income statement as financial income or financial expenses.

### Income statement

#### Revenue

Revenue includes invoiced sales from repacking and storage of goods primarily for group entities, and income from sale of goods for resale and finished goods, comprising the sale of yeast, is recognised in revenue when delivery and transfer of risk to the buyer have taken place, and the income may be measured reliably and is expected to be received.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts granted are recognised in revenue.

#### Cost of sales

Cost of sales comprises costs incurred to generate revenue for the year. This item also comprises direct costs for goods for resale and changes in the inventory of goods for resale.

#### Other operating income

Other operating income comprises items secondary to the activities of the Group, including gains on the disposal of intangible assets and property, plant and equipment.

## Consolidated financial statements and parent company financial statements 1 February – 31 January

### Notes

#### 1 Accounting policies (continued)

##### Other external costs

Other external costs comprise costs of distribution, sales and advertising, administrative expenses, costs of premises, bad debts, operating leases, etc.

##### Staff costs

Staff costs comprise wages and salaries, including holiday allowance, pension and other social security costs. Refunds from public authorities are deducted from staff costs.

##### Financial income and expenses

Financial income and expenses comprise interest income and expense, financial costs regarding finance leases, gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Dividends from equity investments in group entities measured at cost are recognised as income in the Parent Company's income statement in the financial year when the dividends are declared.

##### Tax on profit/loss for the year

The Parent Company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. The subsidiaries are included in the joint taxation from the date on which they are included in the consolidated financial statements and up to the date on which they are excluded from the consolidation.

The Parent Company is the administrative company for the joint taxation and accordingly settles all payments of corporation tax to the tax authorities.

On payment of joint taxation contributions, current Danish corporation tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have used the losses to reduce their own taxable profit.

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

## Consolidated financial statements and parent company financial statements 1 February – 31 January

### Notes

#### 1 Accounting policies (continued)

### Balance sheet

#### Intangible assets

##### Trademarks

Trademarks are measured at cost less accumulated amortisation and impairment losses. Trademarks are amortised on a straight-line basis over the remaining life of the patent, and licences are amortised over the contract period, however, not exceeding 20 years when related to the core business of the group.

#### Property, plant and equipment

Land and buildings, plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use. Indirect production overheads and borrowing costs are not recognised in cost.

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.

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Buildings	10-30 years
Plant and machinery	10-20 years
Fixtures and fittings, tools and equipment	3-10 years
Leasehold improvements	5 years

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Land is not depreciated.

Fixed assets under construction are recognised and measured at cost at the balance sheet date. Upon entry into service, the cost is transferred to the relevant group of property, plant and equipment.

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

## Consolidated financial statements and parent company financial statements 1 February – 31 January

### Notes

#### 1 Accounting policies (continued)

##### Investments

Equity investments in subsidiaries are measured at the proportionate share of the entities' net asset value calculated in accordance with the Parent Company's accounting policies plus or minus unrealised intra-group gains or losses and plus or minus the residual value of positive and negative goodwill calculated in accordance with the acquisition method.

Equity investments in subsidiaries with negative net asset values are measured at DKK 0, and any receivables from these entities are written down to the extent that the receivables are deemed irrecoverable. To the extent that the Parent Company has a legal or constructive obligation to cover a negative balance exceeding the receivable, the residual amount is recognised as provisions.

##### Impairment of fixed assets

The carrying amount of intangible assets and property, plant and equipment as well as equity investments in group entities is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

##### Inventories

Inventories are measured at cost in accordance with the average method. Where the net realisable value is lower than cost, inventories are written down to this lower value.

Goods for resale and raw materials and consumables are measured at cost, comprising purchase price plus delivery costs.

Finished goods and work in progress are measured at cost, comprising the cost of raw materials, consumables, direct wages and salaries and indirect production overheads. Indirect production overheads comprise indirect materials and wages and salaries as well as the maintenance of depreciation of production machinery, buildings and equipment as well as factory administration and management. Borrowing costs are not included in cost.

The net realisable value of inventories is calculated as the sales amount less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and development in expected selling price.

## Consolidated financial statements and parent company financial statements 1 February – 31 January

### Notes

#### 1 Accounting policies (continued)

##### Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast cash flows, including the realisable value of any collateral received.

##### Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

##### Equity

###### Dividends

The expected dividend payment for the year is disclosed as a separate item under equity.

##### Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability. However, deferred tax is not recognised on temporary differences relating to goodwill non-deductible for tax purposes and on office premises and other items where the temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; 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. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with 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. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

##### Liabilities other than provisions

Financial liabilities are recognised at cost at the date of borrowing, corresponding to the proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost.

Other liabilities are measured at net realisable value.

## Consolidated financial statements and parent company financial statements 1 February – 31 January

### Notes

#### 1 Accounting policies (continued)

##### Cash flow statement

The cash flow statement shows the Group's cash flows from operating, investing and financing activities for the year, the year's changes 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 Group's share of profit/loss for the year adjusted for non-cash operating items, changes in working capital and corporation tax paid.

##### Cash flows from investing activities

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of entities and activities, intangible assets, property, plant and equipment and investments.

##### Cash flows from financing activities

Cash flows from financing activities comprise changes in size or composition of the Company's share capital and costs in this respect as well as raising of loans, instalments on interest-bearing debt and distribution of dividends to owners.

##### Cash and cash equivalents

Cash and cash equivalents comprise cash, bank deposits and short-term marketable securities with a term of three months or less which are easily convertible into cash and which are subject to only an insignificant risk of changes in value.

##### Segment information

Segment information is provided on business segments and geographical markets. The segment information is in line with the Group's accounting policies, risks and internal financial management.

## Consolidated financial statements and parent company financial statements 1 February – 31 January

### Notes

#### 2 Segment information

DKK'000	Group	
	2023/24	2022/23
Revenue, Scandinavia	267,238	299,713
Revenue, rest of Europe	185,863	222,158
Revenue, rest of world	23,545	20,326
	<u>476,646</u>	<u>542,197</u>

The only business segment is yeast.

#### 3 Staff costs

DKK'000	Group		Parent Company	
	2023/24	2022/23	2023/24	2022/23
Wages and salaries	89,760	86,395	21,082	21,202
Pensions	8,518	6,957	1,894	1,720
Other social security costs	1,408	905	380	424
Recharge	-7,954	-4,700	0	0
	<u>91,732</u>	<u>89,557</u>	<u>23,356</u>	<u>23,346</u>
Average number of full-time employees	<u>176</u>	<u>167</u>	<u>45</u>	<u>45</u>

Remuneration of the Executive Board of Lallemand Denmark A/S is not disclosed separately referring to section 98b(3) of the Danish Financial Statements Act. No remuneration was paid to the Board of Directors.

#### 4 Other financial expenses

DKK'000	Group		Parent Company	
	2023/24	2022/23	2023/24	2022/23
Interest expense to group entities	12,019	2,351	8,307	1,813
Other financial expenses	1,897	1,233	415	88
	<u>13,916</u>	<u>3,584</u>	<u>8,722</u>	<u>1,901</u>

#### 5 Proposed profit appropriation/distribution of loss

DKK'000	Group		Parent Company	
	2023/24	2022/23	2023/24	2022/23
Retained earnings	<u>2,838</u>	<u>20,670</u>	<u>-5,055</u>	<u>1,625</u>

## Consolidated financial statements and parent company financial statements 1 February – 31 January

### Notes

#### 6 Intangible assets

	Group
DKK'000	
	<u>Trademark</u>
Cost at 1 February 2023	8,000
Cost at 31 January 2024	8,000
Amortisation and impairment losses at 1 February 2023	-3,000
Amortisation for the year	-1,000
Amortisation and impairment losses at 31 January 2024	-4,000
<b>Carrying amount at 31 January 2024</b>	<b>4,000</b>

#### 7 Property, plant and equipment

	Group					
DKK'000	Land and buildings	Property, plant and equipment under construction	Plant and machinery	Fixtures and fittings, tools and equipment	Leasehold improvements	Total
Cost at 1 February 2023	87,262	33,440	585,425	27,974	2,967	737,068
Additions for the year	8,855	1,393	26,095	5,727	0	42,070
Transfers for the year	0	-6,620	6,620	0	0	0
Cost at 31 January 2024	96,117	28,213	618,140	33,701	2,967	779,138
Depreciation and impairment losses at 1 February 2023	-51,636	0	-308,604	-18,328	-2,343	-380,911
Adjustments to prior period	-921	0	-4,202	0	0	-5,123
Depreciation for the year	-1,434	0	-30,451	-2,650	-624	-35,159
Depreciation and impairment losses at 31 January 2024	-53,991	0	-343,257	-20,978	-2,967	-421,193
<b>Carrying amount at 31 January 2024</b>	<b>42,126</b>	<b>28,213</b>	<b>274,883</b>	<b>12,723</b>	<b>0</b>	<b>357,945</b>

## Consolidated financial statements and parent company financial statements 1 February – 31 January

### Notes

DKK'000	Parent Company			
	Property, plant and equipment in progress	Fixtures and fittings, tools and equipment	Leasehold improvements	Total
Cost at 1 February 2023	123	15,408	2,964	18,495
Additions for the year	1,393	625	0	2,018
Transfers for the year	0	0	0	0
Cost at 31 January 2024	1,516	16,033	2,964	20,513
Depreciation and impairment losses at 1 February 2023	0	-11,719	-2,340	-14,059
Depreciation for the year	0	-1,401	-624	-2,025
Depreciation and impairment losses at 31 January 2024	0	-13,120	-2,964	-16,084
<b>Carrying amount at 31 January 2024</b>	<b>1,516</b>	<b>2,913</b>	<b>0</b>	<b>4,429</b>

### 8 Investments

DKK'000	Parent Company
	Equity investments in group entities
Cost at 1 February 2023	219,592
Cost at 31 January 2024	219,592
<b>Carrying amount at 31 January 2024</b>	<b>219,592</b>

Name/legal form	Registered office	Voting rights and ownership interest	Equity	Profit for the year
			DKK'000	DKK'000
Subsidiaries:				
DE DANSKE GÆRFABRIKKER A/S	Grenaa	100%	273,236	12,650
AKTIESELSKABET DANSK GÆRINGS-INDUSTRI	Grenaa	100%	3,455	1,123
			<b>276,691</b>	<b>13,773</b>

## Consolidated financial statements and parent company financial statements 1 February – 31 January

### Notes

#### 9 Deferred tax assets

	Group		Parent Company	
	31/1 2024	31/1 2023	31/1 2024	31/1 2023
DKK'000				
Deferred tax at 1 February	38,660	37,145	419	439
Deferred tax adjustment for the year in the income statement	347	1,515	-273	-20
	<u>39,007</u>	<u>38,660</u>	<u>146</u>	<u>419</u>

#### 10 Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

	Group		Parent Company	
	31/1 2024	31/1 2023	31/1 2024	31/1 2023
DKK'000				
Insurance	243	245	243	245
Other prepayments	3,385	3,042	471	448
Deposits	65	65	65	65
	<u>3,693</u>	<u>3,352</u>	<u>779</u>	<u>758</u>

#### 11 Equity

Contributed capital consists of 2,100 shares of a nominal value of DKK 1,000 each.

All shares rank equally.

#### 12 Non-current liabilities other than provisions

	Group		Parent Company	
	31/1 2024	31/1 2023	31/1 2024	31/1 2023
DKK'000				
<b>Payables to group entities</b>				
< 1 year	131,146	110,337	6,932	2,446
> 5 years	166,221	169,623	166,221	169,623
	<u>297,367</u>	<u>279,960</u>	<u>173,153</u>	<u>172,069</u>
<b>Other payables</b>				
< 1 year	31,055	24,100	3,805	4,254
1 - 5 years	7,886	7,683	1,545	1,545
	<u>38,941</u>	<u>31,783</u>	<u>5,350</u>	<u>5,799</u>

## Consolidated financial statements and parent company financial statements 1 February – 31 January

### Notes

#### 13 Contractual obligations, contingencies, etc.

##### Contingent liabilities

The Group's Danish entities are jointly and severally liable for tax on the Group's jointly taxed income and for certain withholding taxes such as dividend tax. Any subsequent corrections of the taxable income subject to joint taxation or withholding taxes on dividends, etc. may entail an increase in the entities' liability. The Group as a whole is not liable to any other parties.

##### Operating lease obligations

The Group has entered into lease agreements regarding premises, operating equipment and a service agreement. The total liability makes up DKK 27,686 thousand, of which DKK 12,476 thousand falls due for payment within one year. The residual part of the liability falls due for payment within five years.

The Parent Company has entered into lease agreements for premises and operating equipment. The total liability makes up DKK 420 thousand, of which DKK 265 thousand falls due for payment within one year. The residual part of the liability falls due for payment within five years.

#### 14 Related party disclosures

Lallemand Denmark A/S' related parties comprise the following:

##### Control

The Company's Parent Company and ultimate parent company exercise control.

The Company's related parties with significant influence comprise the Company's Board of Directors, Executive Board and executive staff. In addition, related parties comprise group entities in the Lallemand Group.

Lallemand BIO S.L., Calle - c/ Tomas Edison 4 Bl.2 2º - oficina 2.226, Rivas Vacia-Madrid 28521, Madrid, Spain, is the principal shareholder.

The Company's ultimate parent company is Lallemand Inc, 151 Skyway Ave., Toronto, Canada M9M 4Z5.

The consolidated financial statements of Lallemand Inc. can be obtained by contacting the company at the address above.

##### Related party transactions

DKK'000	Group		Parent Company	
	2023/24	2022/23	2023/24	2022/23
Sales to related parties	373,355	462,221	35,124	37,527
Purchases from related parties	70,898	72,624	12,271	4,405

## Consolidated financial statements and parent company financial statements 1 February – 31 January

### Notes

#### 15 Fees to auditor appointed at the general meeting

	Group	
	2023/24	2022/23
DKK'000		
Statutory audit	299	275
Tax assistance	78	74
Other assistance	72	69
	<u>449</u>	<u>418</u>

#### 16 Other adjustments

	Group	
	2023/24	2022/23
DKK'000		
Other financial income	15	22
Financial expenses	-13,912	-3,584
Tax on profit for the year	264	-4,893
Other regulations	2,345	-3
	<u>-11,288</u>	<u>-8,458</u>

#### 17 Change in working capital

	Group	
	2023/24	2022/23
DKK'000		
Change in inventories	-12,223	-47,170
Change in receivables	-14,861	18,801
Change in trade and other payables	15,998	26,513
	<u>-11,086</u>	<u>-1,856</u>