
J.P. KLAUSEN & CO. A/S

Østre Havnevej 16B, DK-5700 Svendborg

Annual Report for 2024

CVR No. 16 64 92 01

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 5/5 2025

Lars Hermes Olsen
Chairman of the
general meeting



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Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of J.P. KLAUSEN & CO. 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 at 31 December 2024 of the Company and of the results of the Company operations and cash flows for 2024.

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

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

Svendborg, 5 May 2025

Executive Board

Jens Peter Klausen
CEO

Board of Directors

Lars Hermes Olsen
Chairman

Carl Mouritz Højrup

Jens Peter Klausen

Independent Auditor's report

To the shareholder of J.P. KLAUSEN & CO. A/S

Opinion

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 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of J.P. KLAUSEN & CO. 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 a summary of significant accounting policies ("the Financial Statements").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the Financial Statements" section of our report. We are independent of the 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review

Management is responsible for Management's Review.

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

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

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

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

Management's responsibilities for the Financial Statements

Management is responsible for the preparation of 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.

Independent Auditor's report

Auditor's responsibilities for the audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

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.

Aalborg, 5 May 2025

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Line Borregaard
State Authorised Public Accountant
mne34353

Morten Porup
State Authorised Public Accountant
mne47816

Company information

The Company	J.P. KLAUSEN & CO. A/S Østre Havnevej 16B DK-5700 Svendborg CVR No: 16 64 92 01 Financial period: 1 January - 31 December Municipality of reg. office: Svendborg
Board of Directors	Lars Hermes Olsen, chairman Carl Mouritz Højrup Jens Peter Klausen
Executive Board	Jens Peter Klausen
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Skibsbyggerivej 5, 4. sal DK-9000 Aalborg

Financial Highlights

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

	2024	2023	2022	2021	2020
	TDKK	TDKK	TDKK	TDKK	TDKK
Key figures					
Profit/loss					
Revenue	863,694	815,698	1,018,968	831,233	748,684
Gross profit	21,637	1,111	21,311	17,891	17,921
Profit/loss of primary operations	12,448	-7,532	12,191	9,208	10,159
Profit/loss of financial income and expenses	-8,154	-6,515	-2,276	1,178	-2,134
Net profit/loss for the year	3,326	-10,218	8,567	8,827	6,311
Balance sheet					
Balance sheet total	222,483	220,083	281,459	235,260	165,990
Equity	37,723	34,275	48,241	46,523	41,284
Cash flows					
Cash flows from:					
- operating activities	21,051	15,009	-28,179	-16,956	44,604
- investing activities	-463	1,003	3,122	2,790	-54
- financing activities	-20,636	-16,019	23,963	14,431	-44,466
Change in cash and cash equivalents for the year	-48	-7	-1,094	265	84
Number of employees	10	10	11	12	12
Ratios					
Gross margin	2.5%	0.1%	2.1%	2.2%	2.4%
Profit margin	1.4%	-0.9%	1.2%	1.1%	1.4%
Return on assets	5.6%	-3.4%	4.3%	3.9%	6.1%
Solvency ratio	17.0%	15.6%	17.1%	19.8%	24.9%
Return on equity	9.2%	-24.8%	18.1%	20.1%	16.3%

Management's review

Key activities

The Company's activity is purchase, sales and distribution of fish and fish products.

Development in the year

The income statement of the Company for 2024 shows a profit of TDKK 3,326, and at 31 December 2024 the balance sheet of the Company shows a positive equity of TDKK 37,723.

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

The result for the year is realised below the Management's expected level of DKK 5-6 million, however, seen in the context of the difficult market conditions and the cost related to the decision to restructure the sales setup in Norway, the management considers the result as being satisfactory

The company expects a result for the financial year 2025 in the interval DKK 6-8 million.

Operating risks

Trade with high quality food as well as high food safety have the Company's high priority. Import of food from third countries is constantly influenced by various statutory interventions, both nationally as well as from the EU.

Market risks

Changes in the market price for raw materials which have not yet been sold according to contract can affect the Company's earnings possibilities, both upwards and downwards.

Foreign exchange risks

International trade entails that result and cash flows are affected by exchange rate movements, particularly regarding USD. It is the Company's policy to hedge commercial currency exposure. No speculative exchange rate positions are entered.

Branches abroad

J.P. Klausen & Co. A/S has a branch in the Netherlands.

Statement of corporate social responsibility

Sustainable development of the seafood business is imperative and a necessary for seafood to continue to feed the world. J. P. Klausen & Co. A/S recognizes this responsibility and as a large player in the seafood market try and impose sustainable transformation of the supply chain from Farm / Fishing to consumer.

Business model

J. P. Klausen & Co. A/S is an international supplier of seafood items. Purchase is handled in cooperation with several hubs that handle quality control at the sites of production.

Management's review

Assessment of risks related to our business model

We hold the highest standards of quality and food safety and we strive to do our business with respect for the natural resources and our supply chain. Global trade means global responsibilities and J. P. Klausen & Co. A/S recognize this and act upon the inherent risks that come with the products purchased. Illegal fishing, overfishing, unsustainable farming and socially unacceptable productions to name the most important ones.

We are conscious of our responsibilities and integrate this in our policies on both practical and strategic levels of our activities. We have a close dialogue with our customers and other relevant stakeholders to ensure compliance with both market standards and customer expectations. We strive to present as wide a sustainable product range as feasibly possible.

J. P. Klausen & Co. A/S applies a principle of “hands on” with suppliers and will engage in and cooperate with suppliers of potential even if there is room for improvement. It is the wish of J. P. Klausen & Co. A/S to use its knowledge and monetary power to push suppliers in a sustainable direction. Business grants influence.

Policies and social responsibility

J. P. Klausen & Co. A/S has internal guidelines, policies and goals which ensure that our employees work in a healthy working environment and that they have the best possible working conditions. We prioritize work safety in our factory and hold the safety of our staff to the highest standard. We have established and uphold policies on:

- Human rights and Labour
- Environment / Climate change
- Anticorruption and bribery
- Animal welfare and Biodiversity

The policies lay out the framework of our social responsibilities and present our systematic approach to reducing the negative impact our products upon work force, the environment and ecology. They contain both our very principal standpoints and the tools we use in our CSR workflows.

2024 - Results

Human rights and Labour

In our Company, we are all equally entitled to our human rights without discrimination. These rights are all interrelated. The principles are: Universal and inalienable, Interdependent and indivisible, Equal and non-discriminatory, and Both Rights and Obligations.

Our company is strongly against child labour, forced labour, discrimination and an unhealthy working environment.

J.P. Klausen & Co. A/S operates in countries where human rights and Labour protection are a fully integrated part of national legislation. Furthermore we have a low-hierarchical and open organisation that facilitates easy access to management.

J.P. Klausen & Co. A/S Occupational Health and Safety:

J.P. Klausen & Co. A/S' administration does not hold significant physical risks. In our factory and in our coldstore, several functions hold an inherent risk of injury. The risks are managed through our Occupational Health and safety team and through our APVs. The APVs are also our tool for managing our psychological work environment.

Our staff policies are communicated to all new staff as a part of their induction program. The policies are also available on Nordic Seafoods intranet. Factory staff receive the policies in a folder as a part of their induction. The policies are revised and updated continuously.

In the financial year 2024 there have been no work accidents to report. It is our ambition to remain at this very low level of incidents in 2025.

Management's review

Environment / climate change

J.P. Klausen & Co.A/S' policy on environment and Climate change covers in-house and value chain elements, ranging from waste management and energy conservation and carbon emission reduction.

To evaluate the effect of J. P. Klausen Co. A/S efforts, monitoring programs have been established. Data on volume and diversity of sustainable products will be included. The aim is to use the data to target business areas where potential for improvement is present. It is also our aim to further improve and extend our sustainable products range.

Anticorruption and bribery

J. P. Klausen Co. A/S Anticorruption and Bribery policy describe a zero tolerance towards corruption. Exceptions defined, include modest gifts (giving / receiving) and modest representation. J. P. Klausen Co. A/S Risk profile on corruption and bribery is notable as we have activities in countries wherein corruption is more common. The risk is managed by training our staff in J. P. Klausen Co. A/S Anticorruption and Bribery policy. Training in anticorruption and bribery policy is part of J. P. Klausen Co. A/S induction programme and also a subject at our recurring CSR courses for all relevant staff. In the financial year 2024 there have been no incidents. It is our expectations that we will have zero incidents in 2025.

Animal welfare and biodiversity

Animal welfare policy that covers the animal welfare before, during and after the productive life of the animals as described in the UK Farm animal welfare council. Our biodiversity policy focus on sustainable fishing (Marine stewardship council) and aquaculture (Aquaculture stewardship council)

In the financial year 2024 the number of sustainable species has decreased from 9 to 6. The volume of sustainable products has increased to from 56 % in 2023 to 67 % of total volume in 2024.

Statement on data ethics

In a digitalized world, data processing has become a central part of the core business. In J.P. Klausen & Co. A/S, we are aware of our responsibility for data processing and this applies to employees as well as partners, customers and suppliers. We know and uphold all relevant legislation on data processing and storage, including the General Data Protection Regulation (GDPR). Data beyond direct business related activities is considered confidential and cannot be shared with any external parties, pending approval by an executive board member.

It is the policy of the J.P. Klausen & Co. A/S to store data responsibly, to continuously ensure that data is processed in a safe and sensible manner and to set a framework for ethical data behavior. We have no plans to share or sell our data. There is a continuous follow-up and our policy is adjusted as digitalization progresses in the business and in legislation.

Subsequent events

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

Income statement 1 January - 31 December

	Note	2024	2023
		TDKK	TDKK
Revenue	1	863,694	815,698
Expenses for raw materials and consumables		-836,190	-807,986
Other external expenses		-5,867	-6,601
Gross profit		21,637	1,111
Staff expenses	2	-8,500	-7,978
Depreciation and impairment losses of property, plant and equipment	3	-689	-665
Profit/loss before financial income and expenses		12,448	-7,532
Income from investments in subsidiaries		0	3,127
Financial income	4	0	2,151
Financial expenses	5	-8,154	-11,793
Profit/loss before tax		4,294	-14,047
Tax on profit/loss for the year	6	-968	3,829
Net profit/loss for the year	7	3,326	-10,218

Balance sheet 31 December

Assets

	Note	2024	2023
		TDKK	TDKK
Land and buildings		630	891
Other fixtures and fittings, tools and equipment		989	954
Property, plant and equipment	8	1,619	1,845
Investments in subsidiaries	9	0	0
Fixed asset investments		0	0
Fixed assets		1,619	1,845
Finished goods and goods for resale		83,165	115,108
Prepayments for goods		5,049	11,483
Inventories		88,214	126,591
Trade receivables		124,585	81,093
Receivables from group enterprises		5,899	4,724
Other receivables		1,548	634
Deferred tax asset	10	168	1,741
Corporation tax		372	3,201
Prepayments	11	77	205
Receivables		132,649	91,598
Cash at bank and in hand		1	49
Current assets		220,864	218,238
Assets		222,483	220,083

Balance sheet 31 December

Liabilities and equity

	Note	2024	2023
		TDKK	TDKK
Share capital	12	600	600
Reserve for hedging transactions		0	-122
Retained earnings		37,123	33,797
Equity		37,723	34,275
Lease obligations		823	944
Long-term debt	13	823	944
Lease obligations	13	562	577
Trade payables		76,760	50,514
Payables to group enterprises		104,945	130,758
Other payables	14	1,670	3,015
Short-term debt		183,937	184,864
Debt		184,760	185,808
Liabilities and equity		222,483	220,083
Contingent assets, liabilities and other financial obligations	17		
Related parties	18		
Fee to auditors appointed at the general meeting	19		
Subsequent events	20		
Accounting Policies	21		

Statement of changes in equity

	Share capital	Reserve for hedging transactions	Retained earnings	Total
	TDKK	TDKK	TDKK	TDKK
Equity at 1 January	600	-122	33,797	34,275
Fair value adjustment of hedging instruments, beginning of year	0	122	0	122
Net profit/loss for the year	0	0	3,326	3,326
Equity at 31 December	600	0	37,123	37,723

Cash flow statement 1 January - 31 December

	Note	2024	2023
		TDKK	TDKK
Result of the year		3,326	-10,218
Adjustments	15	9,811	3,351
Change in working capital	16	12,634	34,621
Cash flow from operations before financial items		25,771	27,754
Financial income		0	2,151
Financial expenses		-8,154	-11,793
Cash flows from ordinary activities		17,617	18,112
Corporation tax paid		3,434	-3,103
Cash flows from operating activities		21,051	15,009
Purchase of property, plant and equipment		-463	-2,124
Dividends received from subsidiaries		0	3,127
Cash flows from investing activities		-463	1,003
Reduction of lease obligations		-136	1,521
Repayment of payables to group enterprises		-20,500	-12,540
Dividend paid		0	-5,000
Cash flows from financing activities		-20,636	-16,019
Change in cash and cash equivalents		-48	-7
Cash and cash equivalents at 1 January		49	56
Cash and cash equivalents at 31 December		1	49
Cash and cash equivalents are specified as follows:			
Cash at bank and in hand		1	49
Cash and cash equivalents at 31 December		1	49

Notes to the Financial Statements

	2024	2023
	TDKK	TDKK
1. Revenue		
Geographical segments		
Scandinavia	77,380	141,881
Europe	564,920	473,542
North America	171,798	177,510
Other countries	49,596	22,765
	863,694	815,698
	2024	2023
	TDKK	TDKK
2. Staff expenses		
Wages and salaries	7,560	7,073
Pensions	747	717
Other social security expenses	193	188
	8,500	7,978
Average number of employees	10	10
	2024	2023
	TDKK	TDKK
3. Depreciation and impairment losses of property, plant and equipment		
Depreciation of property, plant and equipment	689	665
	689	665
	2024	2023
	TDKK	TDKK
4. Financial income		
Interest received from group enterprises	0	2,147
Other financial income	0	4
	0	2,151

Notes to the Financial Statements

	<u>2024</u>	<u>2023</u>
	TDKK	TDKK
5. Financial expenses		
Interest paid to group enterprises	8,061	11,770
Other financial expenses	93	23
	<u>8,154</u>	<u>11,793</u>
	<u>2024</u>	<u>2023</u>
	TDKK	TDKK
6. Income tax expense		
Current tax for the year	-570	-3,399
Deferred tax for the year	1,538	-435
Adjustment of tax concerning previous years	0	5
	<u>968</u>	<u>-3,829</u>
	<u>2024</u>	<u>2023</u>
	TDKK	TDKK
7. Profit allocation		
Retained earnings	3,326	-10,218
	<u>3,326</u>	<u>-10,218</u>

Notes to the Financial Statements

8. Property, plant and equipment

	Land and buildings	Other fixtures and fittings, tools and equipment
	TDKK	TDKK
Cost at 1 January	1,150	2,114
Additions for the year	0	464
Disposals for the year	0	-156
Cost at 31 December	<u>1,150</u>	<u>2,422</u>
Impairment losses and depreciation at 1 January	259	1,160
Depreciation for the year	261	429
Reversal of impairment and depreciation of sold assets	0	-156
Impairment losses and depreciation at 31 December	<u>520</u>	<u>1,433</u>
Carrying amount at 31 December	<u>630</u>	<u>989</u>
Amortised over	<u>3-5 years</u>	<u>3-5 years</u>
Including assets under finance leases amounting to	<u>630</u>	<u>744</u>

9. Investments in subsidiaries

	2024 TDKK	2023 TDKK
Cost at 1 January	<u>0</u>	<u>0</u>
Cost at 31 December	<u>0</u>	<u>0</u>
Value adjustments at 1 January	<u>0</u>	<u>0</u>
Value adjustments at 31 December	<u>0</u>	<u>0</u>
Carrying amount at 31 December	<u>0</u>	<u>0</u>

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Owner- ship	Equity	Net profit/loss for the year
J.P. Klausen South America SA	Uruguay	60%	26,494	2,394
			<u>26,494</u>	<u>2,394</u>

Notes to the Financial Statements

	2024	2023
	TDKK	TDKK
10. Deferred tax asset		
Deferred tax asset at 1 January	1,741	1,659
Amounts recognised in the income statement for the year	-1,538	435
Amounts recognised in equity for the year	-35	-353
Deferred tax asset at 31 December	168	1,741
Property, plant and equipment	3	6
Prepayments	17	45
Derivatives	540	-959
Leased assets and lease debts	-10	0
Tax loss carry-forward	-718	-833
Transferred to deferred tax assets	168	1,741
	0	0
Deferred tax asset		
Calculated tax assets	168	1,741
Carrying amount	168	1,741

The Company has a deferred tax asset of TDKK 168, which among other things, relates to tax losses carry forward. Management has recognized the full deferred tax asset of TDKK 168 as of 31 December 2024. The management expects a positive result in the coming years. Based on this, the management expects that the recognized deferred tax asset can be utilized within the coming years.

11. Prepayments

Prepayments consist of prepaid expenses concerning rent, leasing as well as uninvoiced freight.

12. Share capital

The share capital consists of 600 shares of a nominal value of TDKK 1. No shares carry any special rights.

There have been no changes in the share capital during the last 5 years.

Notes to the Financial Statements

2024	2023
TDKK	TDKK

13. Long-term debt

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

The debt falls due for payment as specified below:

Lease obligations

After 5 years	0	0
Between 1 and 5 years	823	944
Long-term part	823	944
Within 1 year	562	577
	<u>1,385</u>	<u>1,521</u>

2024	2023
TDKK	TDKK

14. Derivative financial instruments

Derivative financial instruments contracts in the form of forward exchange contracts have been concluded. At the balance sheet date, the fair value of derivative financial instruments amounts to:

Liabilities	0	253
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2024	2023
TDKK	TDKK

15. Cash flow statement - Adjustments

Financial income	0	-2,151
Financial expenses	8,154	11,793
Depreciation, amortisation and impairment losses, including losses and gains on sales	689	665
Income from investments in subsidiaries	0	-3,127
Tax on profit/loss for the year	968	-3,829
	<u>9,811</u>	<u>3,351</u>

Notes to the Financial Statements

	2024	2023
	TDKK	TDKK
16. Cash flow statement - Change in working capital		
Change in inventories	38,377	35,505
Change in receivables	-45,453	30,606
Change in trade payables, etc	19,588	-33,090
Fair value adjustments of hedging instruments	122	1,600
	<u>12,634</u>	<u>34,621</u>

	2024	2023
	TDKK	TDKK
17. Contingent assets, liabilities and other financial obligations		
Rental and lease obligations		
Lease obligations under operating leases. Total future lease payments:		
Lease obligations, period of non-terminability 3 months. (3-55 months)	169	165
	<u>169</u>	<u>165</u>

Other contingent liabilities

The Group's Danish companies are joint and several liable regarding tax on the Group's jointly taxed income etc. The total due corporation tax amount is shown in the Annual Report of Nordic Seafood A/S which is the administrative company in relation to the joint taxation. The Group's Danish companies are also joint and several liable for Danish tax at source in the form of dividend tax, tax on royalty, payments and tax on unearned income. Any subsequent corrections to corporation taxes and tax at source may result in the Company's liabilities constituting a larger amount.

Notes to the Financial Statements

18. Related parties and disclosure of consolidated financial statements

	<u>Basis</u>
Controlling interest	
Nissui Corporation Ltd.	Ultimate parent Company
Nordic Seafood A/S, Registration number. 11 14 21 41	Parent Company
Other related parties	
J.P. Klausen South America SA	Subsidiary, ownership 60 %

Transactions

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

Transactions with related parties have been performed on arm's length terms.

The payment to the management amounts to 2.261 DKK'000 in the financial year 2024 against 2.250 DKK'000 in the financial year 2023. The remuneration for the management is based on an estimate of the time spent by the Board of Directors and the Executive Board, as the management is included as a management member in several of the group's companies.

Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company of the largest and smallest group:

<u>Name</u>	<u>Place of registered office</u>
Nissui Corporation Ltd.	Nishi-Shimbashi Square, Minato-ku, Tokyo 105-8676, Japan
Nordic Seafood A/S	Søren Nordbysvej 15, DK-9850 Hirtshals

The Group Annual Report of Nissui Corporation Ltd. may be obtained at the following address:

Nishi-Shimbashi Square, Minato -ku, Tokyo 105-8676, Japan

The Group Annual Report of Nordic Seafood A/S may be obtained at the following address:

Søren Nordbysvej 15, DK-9850 Hirtshals

19. Fee to auditors appointed at the general meeting

The fee to the auditor appointed at the general meeting has not been disclosed, cf. ÅRL section 96, subsection 3, as this information is contained in Nordic Seafood A/S' consolidated Financial Statements.

20. Subsequent events

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

Notes to the Financial Statements

21. Accounting policies

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

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2024 are presented in TDKK.

Consolidated financial statements

With reference to section 112 of the Danish Financial Statements Act and to the consolidated financial statements for 2024 of Nordic Seafood A/S, the Company has not prepared consolidated financial statements.

Recognition and measurement

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

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

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

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

Leases

Leases are recognised in the balance sheet at the calculated amount of the lease liability. The lease liability is calculated at the present value of the lease payments calculated by applying the interest rate implicit in the lease or the Company's incremental borrowing rate as discount rate if the interest rate implicit in the lease is not available. Lease assets are depreciated and written down for impairment under the same policy as for the Company's other fixed assets.

The Company has chosen to apply the exemptions concerning short-term and low-value leases. Therefore, such lease assets are not recognised as assets and liabilities in the balance sheet. The costs are recognised in the income statement on a straight-line basis over the lease term.

The lease liability is recognised in the balance sheet under debt and is adjusted for prepaid lease payments on a current basis. At the same time, interest is added on the liability. Interest expenses are charged to the income statement on a current basis.

Translation policies

Danish kroner is used as the presentation currency. All other currencies are regarded as foreign currencies. If currency positions are considered to hedge future cash flows, value adjustments are recognized directly in equity.

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

Notes to the Financial Statements

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

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

Derivative financial instruments

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

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

Hedge accounting

Changes in the fair values of financial instruments that are designated and qualify as fair value hedges of a recognised asset or a recognised liability are recognised in the income statement as are any changes in the fair value of the hedged asset or the hedged liability related to the hedged risk.

Changes in the fair values of derivative financial instruments that are designated and qualify as hedges of expected future transactions are recognised in the fair value reserve under equity as regards the effective portion of the hedge. The ineffective portion is recognised in the income statement. If the hedged transaction results in an asset or a liability, the amount deferred in equity is transferred from equity and recognised in the cost of the asset or the liability, respectively. If the hedged transaction results in an income or an expense, the amount deferred in equity is transferred from equity to the income statement in the period in which the hedged transaction is recognised. The amount is recognised in the same item as the hedged transaction.

Changes in the fair values of financial instruments that are designated and qualify as hedges of net investments in independent foreign subsidiaries or associates are recognised directly in equity as regards the effective portion of the hedge, whereas the ineffective portion is recognised in the income statement.

Segment information on revenue

Information on geographical segments is based on the Company's risks and returns and its internal financial reporting system.

Income statement

Revenue

Revenue from contracts with customers is recognised on the basis of transfer of control, which according to IFRS 15 takes place at the time when control of the product.

Control is considered passed to the customer when:

- a binding sales agreement has been made;
- delivery has been made before year end;
- the sales price has been determined; and
- payment has been received or may with reasonable certainty be expected to be received.

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

Expenses for raw materials and consumables

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

Notes to the Financial Statements

Other external expenses

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

Staff expenses

Staff costs include wages and salaries including compensated absence and pensions as well as other social security contributions etc. made to the entity's employees.

Amortisation, depreciation and impairment losses

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

Income from investments in subsidiaries

Dividends from subsidiaries are recognised as income in the income statement when adopted at the General Meeting of the subsidiary. However, dividends relating to earnings in the subsidiary before it was acquired by the Parent Company are set off against the cost of the subsidiary.

Financial income and expenses

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

Tax on profit/loss for the year

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

The Company is jointly taxed with Danish group enterprises. The tax effect of the joint taxation with the subsidiaries is allocated to Danish enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit for tax losses).

Balance sheet

Property, plant and equipment

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

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

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

Other buildings	3-5 years
Other fixtures and fittings, tools and equipment	3-5 years

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Notes to the Financial Statements

Impairment of fixed assets

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

The recoverable amount of the asset is calculated as the higher of net selling price and value in use. Where a recoverable amount cannot be determined for the individual asset, the assets are assessed in the smallest group of assets for which a reliable recoverable amount can be determined based on a total assessment.

Investments in subsidiaries

Investments in subsidiaries are measured at cost. Where cost exceeds the recoverable amount, write-down is made to this lower value.

Inventories

Inventories are measured at the lower of cost based on weighted average prices and net realisable value.

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

The cost of goods for resale are measured at cost which comprise purchase price plus landed cost.

Inventories and liabilities are recognised in the balance sheet when the goods physically are received on stock.

Receivables

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

Prepayments

Prepayments consist of prepaid expenses regarding the following year.

Equity

Dividend

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

Deferred tax assets and liabilities

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

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

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

Notes to the Financial Statements

Current tax receivables and liabilities

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

Financial liabilities

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

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

Cash Flow Statement

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

Cash flows from operating activities

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

Cash flows from investing activities

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

Cash flows from financing activities

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

Cash and cash equivalents

Cash and cash equivalents comprise "Cash at bank and in hand".

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

Financial Highlights

Explanation of financial ratios

Gross margin	$\text{Gross profit} \times 100 / \text{Revenue}$
Profit margin	$\text{Profit/loss of primary operations} \times 100 / \text{Revenue}$
Return on assets	$\text{Profit/loss of primary operations} \times 100 / \text{Total assets at year end}$
Solvency ratio	$\text{Equity at year end} \times 100 / \text{Total assets at year end}$
Return on equity	$\text{Net profit for the year} \times 100 / \text{Average equity}$