

**NORDIC SEAFOOD A/S
SØREN NORDBYSVEJ 15
9850 HIRTSHALS**

ANNUAL REPORT

2025

1 JANUARY – 31 DECEMBER 2025

38th FINANCIAL YEAR

**The Annual Report was presented
and adopted at the Annual General
Meeting of the Company on**

20 April 2026

Lars Hermes Olsen

Chairman of the Meeting

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MANAGEMENT'S STATEMENT

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Nordic Seafood A/S for the financial year 1 January - 31 December 2025.

The Annual Report is 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 financial position at 31 December 2025 and of the results of the Group's and the Parent Company's operations and cash flows for 2025.

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

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

Hirtshals 20 April 2026

Executive board:

Lars Hermes Olsen

Carl Højrup

Thomas Buus Christensen

Board of Directors:

Terutaka Kuraishi
Chairman

Sato Naoto

Keith Moores

Colin Douglas Paulin

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of Nordic Seafood A/S

Opinion

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2025, and of the results of the Group's and the Parent Company's operations and cash flows for the financial year 1 January - 31 December 2025 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Nordic Seafood A/S for the financial year 1 January - 31 December 2025, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company, as well as consolidated statement of cash flows ("the Financial Statements").

Basis for Opinion

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

Statement on Management's Review

Management is responsible for Management's Review.

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

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

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

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

INDEPENDENT AUDITOR'S REPORT

Management's Responsibilities for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

INDEPENDENT AUDITOR'S REPORT

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

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

Aalborg 20 April 2026

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR-no. 33 77 12 31

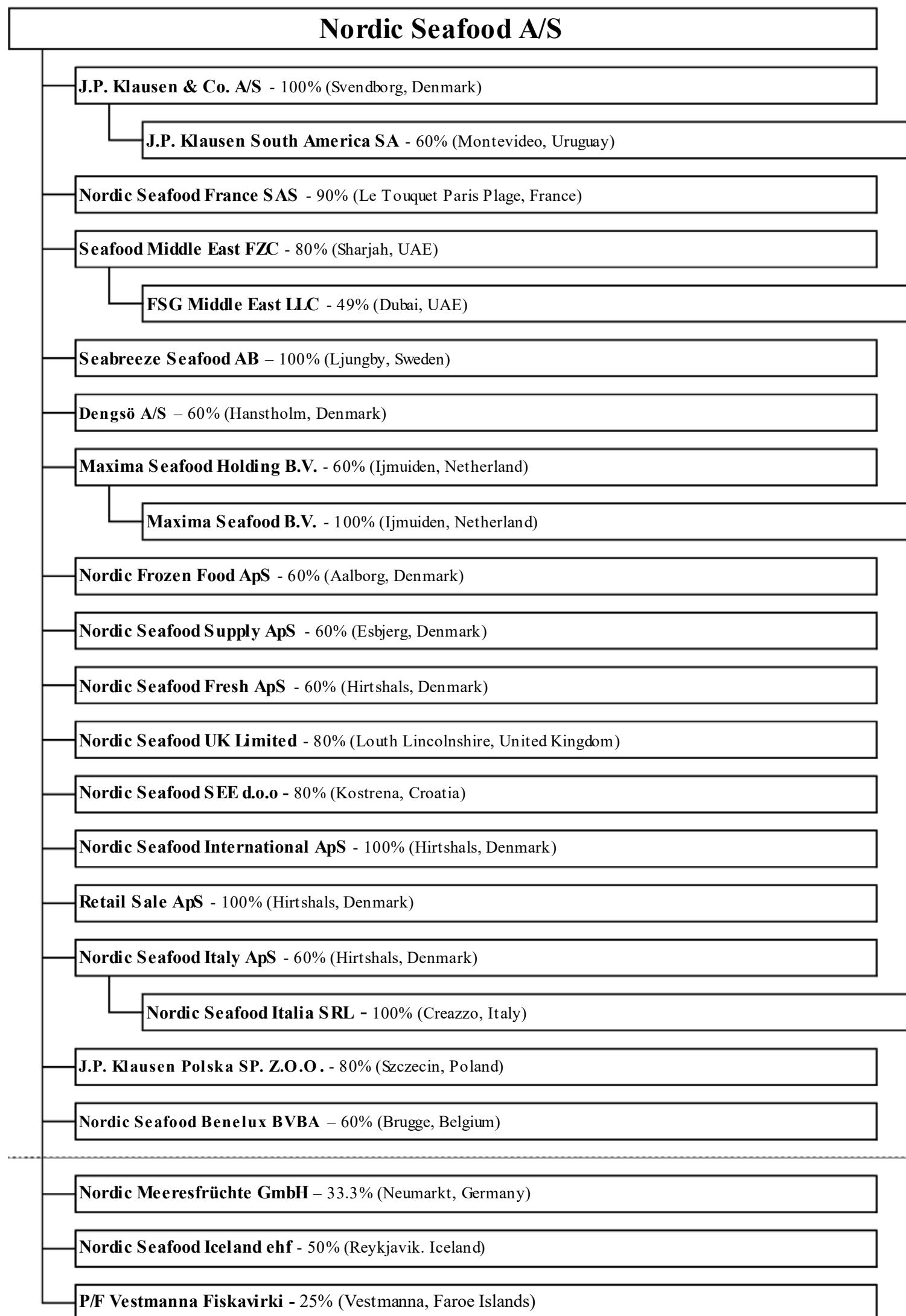
Line Borregaard
State Authorised Public Accountant
mne34353

Morten Porup
State Authorised Public Accountant
mne47816

COMPANY INFORMATION

Company	Nordic Seafood A/S Søren Nordbysvej 15 9850 Hirtshals
	Telephone: +45 98 94 15 33
	Website: www.nordicseafood.com
	E-mail: mail@nordicseafood.com
	CVR No: 11 14 21 41
	Established: 1. June 1987
	Registered Office: Hirtshals
	Financial Year: 1. January – 31. December
Board of Directors	Terutaka Kuraishi, Chairman Sato Naoto Keith Moores Colin Douglas Paulin
Executive Board	Lars Hermes Olsen Carl Højrup Thomas Buus Christensen
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Skibsbyggerivej 5, 4. sal DK-9000 Aalborg
Bankers	Spar Nord Bank A/S Skelagervej 15 9000 Aalborg
	Danske Bank Albani Torv 2 5000 Odense C

GROUP CHART



KEY FIGURES AND RATIOS OF THE GROUP

	2025	2024	2023	2022	2021
	DKK '000	DKK '000	DKK '000	DKK '000	DKK '000
Income statement					
Net revenue	3.653.644	3.504.668	3.280.453	3.703.662	3.174.060
Gross profit.....	283.572	264.684	192.194	233.223	221.081
Operating profit.....	136.897	129.225	84.258	117.320	107.950
Profit/loss of financial income and expenses	-15.068	-23.263	-26.496	-16.107	-7.574
Profit before tax.....	121.829	105.962	57.762	101.213	100.376
Profit for the year	94.743	83.230	45.612	82.485	80.074
Balance sheet					
Fixed assets	172.796	179.528	184.477	73.224	63.316
Current assets	1.282.973	1.117.606	1.205.853	1.384.778	1.176.927
Balance sheet total.....	1.455.769	1.297.134	1.390.330	1.458.002	1.240.243
Equity	570.837	533.742	470.029	497.016	462.052
Provision for liabilities	57.189	60.150	49.119	2.520	4.353
Long-term liabilities.....	24.043	27.439	48.392	24.537	26.219
Current liabilities.....	803.700	675.803	822.790	933.929	747.619
Liabilities.....	827.743	703.242	871.182	958.466	773.838
Cash flows					
Cash flows from:					
- operating activities	-61.108	254.636	264.279	-130.274	-79.047
- investing activities	-7.980	-10.695	-132.378	-14.070	-5.615
including investment in tangible fixed assets.....	-13.209	-11.850	-13.811	-6.101	-8.439
- financing activities	49.821	-151.931	-122.660	122.337	40.437
Change in cash and cash equivalents for the year.....	-19.267	92.010	9.241	-22.007	-44.225
Ratios					
Gross margin	7,76%	7,55%	5,86%	6,30%	6,97%
(gross profit as % of revenue)					
Profit margin	3,75%	3,69%	2,57%	3,17%	3,40%
(operating profit as % of net revenue)					
Rate of return.....	9,95%	9,62%	5,92%	8,70%	9,64%
(operating profit as % of aver. balance sheet total)					
Equity ratio (solvency ratio).....	39,21%	41,15%	33,81%	34,09%	37,25%
(equity as % of assets, end of year)					
Return on equity	22,06%	21,11%	11,95%	21,11%	23,57%
(profit before tax as % of aver. equity)					
Number of employees	209	201	176	173	173
Index for net revenue.....	115	110	103	117	100
Index for gross profit.....	128	120	87	105	100
Index for profit before tax	121	106	58	101	100

MANAGEMENT'S REVIEW

Principal activities

Like previous years the principal activities comprise import, packing and sale of seafood.

The Group is also responsible for the sale of Nissui controlled companies' products in the European market.

Development in the financial year and results for the year

In the financial year 2025 the Group realized a profit for the year of DKK 94.7 million compared to DKK 83.2 million in 2024. The expected profit going into the financial year 2025 was in the range DKK 75-85 million.

The outlook going into 2025 was dominated by the uncertainty of the world's political situation with unrest, possible trade wars and economic instability which was expected to have a negative impact on consumer behavior in general and the related potential negative effect on the Group's sales.

Despite the uncertainties going into the financial year, the overall financial performance in 2025 turned out to be better than expected. In challenging times, the business diversification of Nordic Seafood Group, has once again proven very positive. Supplying all market segments like foodservice, industry and retail - with a full range of Seafood products, has given us strong positions in different markets. Continuous focus on strengthening our global supply chain, and continuous integration of our fresh fish operations, has been beneficial. The year has showed good results across all segments, and especially in markets like Italy, Denmark, Sweden and the UK. Despite a strong start to the year, we have experienced lower demand, in the second half of the year, in the European foodservice sector. The downward trend in European fresh fish landings also seems to continue.

Future prospects

The Group expects 2026 to start in the same manner as 2025 ended. Continuous geopolitical issues in the world is a concern, as it can affect the consumer confidence, and have a negative effect on the Group's sales.

The Group expects a result for the financial year 2026 in the range DKK 80-90 million.

Statutory statement on CSR in accordance with Section 99b of the Danish financial statement act

Sustainable development of the seafood business is imperative and necessary for seafood to continue to feed the world. Nordic Seafood recognizes this responsibility and as a large player in the seafood market try to impose a sustainable transformation of the supply chain from farm / fishing to consumer.

Business model

Nordic Seafood is an international supplier of seafood and other food items. Sale is facilitated both from Hirtshals and through several sales offices, strategically located around Europe. Purchase is handled from our sales offices in cooperation with several hubs that handle quality control at the sites of production.

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 Nordic Seafood 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.

MANAGEMENT’S REVIEW

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.

Assessment of risks related to our business model

Nordic Seafood 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 Nordic Seafood to use its knowledge and monetary power, to push suppliers in a sustainable direction. Business grants influence.

Policies and social responsibility

Nordic Seafood 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.

As a part of Nissui Europe we are required to report on material topics from the CSR directive. With regards to social policies on ESRS S1 “Own workforce” and ESRS S2 “Workers in the value chain” an alignment process is ongoing. In coordination with Nissui Japan, Nissui Europe and our European sister companies we are improving and expanding our existing policies and aligning to common goals and standards

As it stands, 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 of 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. The focus of our existing setup is predominantly towards our value chain, KPIs will be added for our own workforce as part of our alignment process. It is the ambition that we are fully ready to report on all material topics for the financial year 2027.

2025 – Results

The results are categorized to match the Nordic Seafood policies.

Human rights and Labour

In our Company, we are all equally entitled to our human rights without discrimination. These rights are all inter-related. 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.

MANAGEMENT'S REVIEW

We have invested in a BSCI (Business social compliance Initiative) membership and established a registration and monitoring programme for our relevant suppliers. BSCI operate a system of country classification into risk or low risk countries (AMFORI countries risk classification, 2022). The classification is based on key governance indicators and serve as a guideline to where your efforts should be directed. It was our 2022 goal, to increase the purchase volume percentage of suppliers in risk countries, that hold a 3rd party validated social standard. Nordic Seafood accept BSCI, SMETA and SA8000 as valid social standards – this is in line with most of our customers. In 2023 we have started to engage directly in the certification process of BSCI and now hold RSP for several of our suppliers. In 2025 We have continued this effort. Currently Nordic Seafood Purchase 38% of its volume in risk countries. This is the same as last year. 58% of the volume from risk countries comes from suppliers that holds a Social standard. This is a slight decrease from 2024 from 62%. It is our expectation and goal, to increase the volume of products produced by suppliers that hold a social standard in 2026.

Nordic Seafood 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.

Nordic Seafood Occupational Health and Safety:

Nordic Seafood administration does not hold significant physical risks. In our factory and in our cold store, 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 2025, there have been no accidents.

Environment / Climate change

Nordic Seafoods policy on environment and Climate change covers in-house and value chain elements, ranging from waste management and energy conservation to Soy footprint and carbon emission reduction.

Nordic Seafoods main energy source is electricity. Since primo 2022 all purchased electricity comes from renewable sources. In 2023 and 2024 Nordic Seafood has been working on initiatives that reduces our energy usage at our HQ, cold store and factory. In 2023 Nordic Seafood has installed a heat reclamation system on our cold store compressors and supply 60-70% warm water and heat needs for the company. Approximating a 30 ton CO₂-E carbon reduction. In 2025 we investigated the potential for expanding the system, pending investigations into establishing the necessary infrastructure by Port of Hirtshals – this investigation is ongoing.

During 2025 we have replaced 4 fossil fueled company cars with electric cars.

MANAGEMENT'S REVIEW

Sustainable fishing / aquaculture

It is our continued aim to further improve and extend our sustainable product range. In 2025 the number of certified sustainable species remain stable at 38 species.

Our volume of certified sustainable products has increased from 36% to 44%. The increase is noteworthy, as we saw a slight decrease in 2024. Certified sustainable is defined as holding an GSSI (Global Sustainable Seafood Initiative) approved certification. The bulk of our certified volume is from ASC (Aquaculture stewardship council) or MSC (Marine Stewardship council).

It is our expectation that the volume of sustainable products will remain stable in 2026.

Anticorruption and bribery

Nordic Seafood Anticorruption and Bribery policy describe a zero tolerance towards corruption. Exceptions defined, include modest gifts (giving / receiving) and modest representation.

Nordic Seafoods 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 Nordic Seafood Anticorruption and Bribery policy. Training in anticorruption and bribery policy is part of Nordic Seafoods induction programme and also a subject at our recurring CSR courses for all relevant staff. In the financial year 2025 there have been no incidents. It is our expectations that we will have zero incidents in 2026.

Animal welfare and Biodiversity

The Animal welfare policy covers the animal welfare before, during and after the productive life of the animals. We recognize the accepted five freedoms for animal welfare as described in the UK Farm animal welfare council. Our biodiversity policy focuses on sustainable fishing (Marine stewardship council) and aquaculture (Aquaculture stewardship council) including sustainable soy sources for aquaculture feed.

Cropland expansion, mainly for soy, is the main driver of deforestation. Nordic Seafoods main consumption of soy is in aquaculture where it is a main component in feed. To offset the adverse impact, we have joined RTRS (Roundtable on Responsible Soy). Through their quota system we purchase credits and thus exchanging our calculated soy footprint with a sustainable one. For the financial year 2025 our calculated soy footprint is approximately 2.500 tons. We will purchase RTRS credits to cover this volume.

Data ethics

In a digitalized world, data processing has become a central part of the core business. In Nordic Seafood, 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 Nordic Seafood 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 behaviour. 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.

Branches abroad

The Group has a branch in the Netherlands.

MANAGEMENT'S REVIEW

Financial risks

Special risks

The Group considers the trade with high-quality food products and food safety to be of the highest priority. The import of food from third countries is constantly influenced by various legal measures from both local authorities as well as from the EU.

Price risks

The Group's products are purchased all over the world and consequently they have long transport time. Changes in prices during the transport and stock period might influence the profit of the Group, both positively and negatively.

Currency risks

As a consequence of foreign trade, profit and cash-flow are influenced by the development in the foreign exchange rates, especially USD, GBP, AED, CAD, NOK and SEK. It is Group policy to hedge the commercial foreign currency risks.

No speculative foreign currency positions are entered.

INCOME STATEMENT
1 JANUARY – 31 DECEMBER

	Note	Group		Parent Company	
		2025 DKK '000	2024 DKK '000	2025 DKK '000	2024 DKK '000
NET REVENUE	21	3.653.644	3.504.668	2.009.150	1.911.201
Cost of goods sold		-3.281.288	-3.155.283	-1.841.415	-1.748.499
Other external expenses.....		-89.583	-85.198	-33.667	-33.172
Other operating income.....		799	497	714	187
GROSS PROFIT		283.572	264.684	134.782	129.717
Staff expenses	1,17	-127.195	-115.985	-64.230	-57.639
Depreciation, amortisation and write-down.....	2	-19.414	-19.255	-5.623	-5.931
Other operating expenses		-66	-219	-12	0
OPERATING PROFIT		136.897	129.225	64.917	66.147
Income from investments in subsidiaries.	3	0	0	34.662	29.458
Income from investments in associates....	4	3.371	2.325	3.371	2.325
Interest income group enterprises		0	0	48	632
Other financial income.....		240	60	70	59
Interest expenses group enterprises.....		-1.862	-3.635	-1.862	-3.635
Other financial expenses		-16.817	-22.013	-11.266	-14.576
PROFIT BEFORE TAX		121.829	105.962	89.940	80.410
Tax on profit for the year	5	-27.086	-22.732	-11.471	-10.765
PROFIT FOR THE YEAR		94.743	83.230	78.469	69.645
PROPOSED DISTRIBUTION OF PROFIT					
Minority interests' share of profit in subsidiaries		16.274	13.585	0	0
Dividend for the financial year.....		39.000	35.000	39.000	35.000
Allocation to reserve for net revaluation under the equity method.....		0	0	24.522	19.652
Retained profit		39.469	34.645	14.947	14.993
TOTAL		94.743	83.230	78.469	69.645

BALANCE SHEET 31 DECEMBER

ASSETS	Note	Group		Parent Company	
		31/12 2025 DKK '000	31/12 2024 DKK '000	31/12 2025 DKK '000	31/12 2024 DKK '000
Other similar acquired rights.....		15.231	17.397	224	416
Goodwill.....		22.745	25.622	0	0
Intangible fixed assets.....	6	37.976	43.019	224	416
Land and buildings.....		81.142	84.023	34.570	36.335
Production plant and machinery.....		12.493	12.187	4.968	5.642
Other plants, fixtures and equipment.....		17.377	18.072	6.209	7.147
Tangible fixed assets.....	7	111.012	114.282	45.747	49.124
Investments in subsidiaries.....	8	0	0	247.778	230.398
Investments in associates.....	9	23.808	22.227	23.808	22.227
Fixed asset investments.....		23.808	22.227	271.586	252.625
FIXED ASSETS.....		172.796	179.528	317.557	302.165
Finished goods and goods for resale.....		656.131	495.373	463.891	345.775
Prepayments for goods.....		27.271	24.136	14.654	11.770
Inventories.....		683.402	519.509	478.545	357.545
Trade receivables.....		507.525	508.759	260.831	263.301
Receivables from group enterprises.....		1.288	1.246	73.389	85.716
Payables to associates.....		0	4.896	0	0
Other receivables.....	10	12.131	12.217	849	5.501
Corporation tax.....		0	0	0	3.937
Prepayments and accrued income.....	11	12.866	6.031	4.595	4.268
Accounts receivable.....		533.810	533.149	339.664	362.723
Current investments.....		65	65	65	65
Cash.....	12	65.696	64.883	52.735	58.063
CURRENT ASSETS.....		1.282.973	1.117.606	871.009	778.396
ASSETS.....		1.455.769	1.297.134	1.188.566	1.080.561

BALANCE SHEET 31 DECEMBER

EQUITY AND LIABILITIES	Note	Group		Parent Company	
		31/12 2025 DKK '000	31/12 2024 DKK '000	31/12 2025 DKK '000	31/12 2024 DKK '000
Share capital		1.650	1.650	1.650	1.650
Reserves for net revaluation under the equity method		0	0	115.859	96.178
Reserves for fair value of hedging instruments.....		-1.428	7.514	-1.229	6.598
Reserves for foreign currency translation		-3.287	1.159	0	0
Retained profit		485.933	443.340	386.297	372.070
Proposed dividend for the year		39.000	35.000	39.000	35.000
Capital and reserves attributable to owners		521.868	488.663	541.577	511.496
Minority interests.....		48.969	45.079	0	0
EQUITY		570.837	533.742	541.577	511.496
Deferred tax		8.802	12.204	2.619	3.630
Provision for pensions and similar liabilities.....		59	58	0	0
Provision for other liabilities		48.328	47.888	0	0
PROVISION FOR LIABILITIES	13	57.189	60.150	2.619	3.630
Long-term liabilities	14	24.043	27.439	19.408	21.131
Current portion of long-term liabilities....	14	3.731	3.760	1.723	1.709
Debt to banks.....	12	445.588	352.438	445.588	352.438
Trade payables.....		198.284	207.253	85.787	109.323
Payables to group enterprises.....		90.034	68.752	64.328	55.339
Payables to associates.....		2.309	3.649	2.309	2.403
Corporation tax		16.732	3.348	3.903	0
Other payables	10	47.022	36.603	21.324	23.092
Current liabilities.....		803.700	675.803	624.962	544.304
LIABILITIES		827.743	703.242	644.370	565.435
EQUITY AND LIABILITIES		1.455.769	1.297.134	1.188.566	1.080.561
Contingencies etc.....	15				
Mortgages and securities.....	16				
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Fee to auditors appointed by the General Meeting	20				
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STATEMENT OF CHANGES IN EQUITY

DKK '000	Group						Total
	Share capital	Reserve for hedging transactions	Reserve for foreign currency translation	Retained profit	Proposed dividend	Minority interests	
Equity at 1 January	1.650	7.514	1.159	443.340	35.000	45.079	533.742
Dividend distributed					-35.000	-6.249	-41.249
Net profit/loss for the year.....				39.469	39.000	16.274	94.743
Currency translation			-4.446			-2.477	-6.923
Adjustment hedging instruments ..		-8.942				-96	-9.038
Purchase obligation towards minority shareholders				3.124		-3.562	-438
Equity at 31 December.....	1.650	-1.428	-3.287	485.933	39.000	48.969	570.837

DKK '000	Parent Company						Total
	Share capital	Net revaluation under the equity method	Reserve for hedging transactions	Retained profit	Proposed dividend		
Equity at 1 January	1.650	96.178	6.598	372.070	35.000		511.496
Dividend distributed					-35.000		-35.000
Net profit/loss for the year.....		24.522		14.947	39.000		78.469
Currency translation		-4.445					-4.445
Transfer reserves.....		720		-720			0
Adjustment hedging instruments		-1.116	-7.827				-8.943
Equity at 31 December.....	1.650	115.859	-1.229	386.297	39.000		541.577

31/12 2025 31/12 2024
DKK '000 DKK '000

Share capital

1.650.007 shares in the denomination of DKK 1.650 1.650

CASH FLOW STATEMENT 1 JANUARY – 31 DECEMBER

	Note	Group		Parent Company	
		2025 DKK '000	2024 DKK '000	2025 DKK '000	2024 DKK '000
Profit for the year		94.743	83.230	78.469	69.645
Reversed depreciation of the year		19.414	19.255	5.623	5.931
Other adjustments		-14.738	8.654	-10.736	9.952
Profit from subsidiaries, associates and current investment		-3.371	-2.325	-38.033	-31.783
Reversed tax on profit for the year		27.086	22.732	11.471	10.765
Corporation tax paid		-14.516	-16.021	-2.434	-13.894
Change in inventory		-163.416	180.331	-121.000	103.288
Change in accounts receivable		-8.054	-57.036	6.816	-6.404
Change in current liabilities		1.744	15.816	-25.327	19.934
Cash flows from operating activities ..		-61.108	254.636	-95.151	167.434
Purchase of tangible fixed assets		-13.209	-11.850	-3.306	-2.032
Sale of tangible fixed assets		3.488	787	1.955	374
Dividend received in the financial year ..		1.741	368	13.511	12.131
Cash flows from investing activities ...		-7.980	-10.695	12.160	10.473
Repayments of long-term loans		-1.831	-21.364	-1.709	-1.696
Repayments from short-term borrowing		68.105	-28.646	68.105	-28.646
Payables to group enterprises		21.240	-74.579	21.316	-88.184
Payables to associates		3.556	-4.036	-94	-184
Dividend paid to non-controlling interesting subsidiaries		-6.249	-4.306	0	0
Dividend paid to company's shareholders		-35.000	-19.000	-35.000	-19.000
Cash flows from financing activities ...		49.821	-151.931	52.618	-137.710
Change in cash and cash equivalents..		-19.267	92.010	-30.373	40.197
Cash and cash equivalents at 1 January .		62.038	-34.042	55.218	15.021
Exchange adjustment of cash and cash equivalents		-4.965	4.070	0	0
Cash and cash equivalents at 31 December	12	37.806	62.038	24.845	55.218

NOTES

	Group		Parent Company		Note
	2025	2024	2025	2024	
	DKK '000	DKK '000	DKK '000	DKK '000	
Staff expenses					1
Number of employees	209	201	93	89	
Amount of total staff expenses:					
Wages and salaries	109.756	102.444	54.591	51.016	
Pensions	12.285	8.585	8.321	5.381	
Other social security expenses	5.154	4.956	1.318	1.242	
	127.195	115.985	64.230	57.639	
Depreciation, amortisation and write-down					2
Licenses and other rights	2.166	2.323	192	192	
Goodwill	2.877	2.782	0	0	
Properties	4.464	4.443	1.884	1.900	
Production plant and machinery	3.933	3.785	1.377	1.323	
Other plants, fixtures and equipment	5.974	5.922	2.170	2.516	
	19.414	19.255	5.623	5.931	
Income from investments in subsidiaries					3
Share of profit before tax	0	0	45.915	38.120	
Share of tax in subsidiaries	0	0	-11.253	-8.662	
	0	0	34.662	29.458	
Income from investments in associates					4
Share of profit before tax	4.161	3.007	4.161	3.007	
Share of tax in associates	-790	-682	-790	-682	
	3.371	2.325	3.371	2.325	

NOTES

	Group		Parent Company		Note
	2025	2024	2025	2024	
	DKK '000	DKK '000	DKK '000	DKK '000	
Tax on profit for the year					5
Computed tax on taxable income of the year.....	27.909	23.553	10.283	12.028	
Adjustment of deferred tax	-932	-758	1.197	-1.266	
Adjustment of tax previous years	109	-63	-9	3	
	27.086	22.732	11.471	10.765	
Intangible fixed assets					6
	Group		Parent Company		
	Other similar acquired rights	Goodwill	Other similar acquired rights	Goodwill	
	DKK'000	DKK'000	DKK'000	DKK'000	
Cost at 1 January	23.559	68.710	3.191	0	
Exchange adjustments.....	0	-101	0	0	
Additions.....	0	0	0	0	
Disposals.....	-238	0	-238	0	
Cost at 31 December	23.321	68.609	2.953	0	
Amortisation at 1 January	6.162	43.088	2.775	0	
Exchange adjustments.....	0	-101	0	0	
Amortisation	2.166	2.877	192	0	
Amortisation sold assets	-238	0	-238	0	
Amortisation at 31 December	8.090	45.864	2.729	0	
Carrying amount at 31 December	15.231	22.745	224	0	

NOTES

Note

Tangible fixed assets

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	Group		
	Land and buildings	Production plant and machinery	Other plants, fixtures and equipment
	DKK'000	DKK'000	DKK'000
Cost at 1 January	132.508	43.318	40.465
Exchange adjustments	-1	0	64
Additions	1.580	4.238	7.978
Disposals	0	0	-8.093
Cost at 31 December	134.087	47.556	40.414
Depreciation at 1 January	48.485	31.131	22.393
Exchange adjustments	-4	-1	9
Depreciation	4.464	3.933	5.974
Depreciation sold assets	0	0	-5.339
Depreciation at 31 December	52.945	35.063	23.037
Carrying amount at 31 December	81.142	12.493	17.377
Including assets under finance leases amounting to	991	1.081	2.145
	Parent Company		
	Land and Buildings	Production plant and Machinery	Other plants, fixtures and equipment
	DKK'000	DKK'000	DKK'000
Cost at 1 January	78.499	25.673	19.961
Additions	119	702	2.485
Disposals	0	0	-3.893
Cost at 31 December	78.618	26.375	18.553
Depreciation at 1 January	42.164	20.031	12.814
Adjustments	0	-1	0
Depreciation	1.884	1.377	2.170
Depreciation sold assets	0	0	-2.640
Depreciation at 31 December	44.048	21.407	12.344
Carrying amount at 31 December	34.570	4.968	6.209
Including assets under finance leases amounting to	-	-	-

NOTES

	Parent Company		Note
	31/12 2025	31/12 2024	
	DKK '000	DKK '000	
Investments in subsidiaries			8
Cost at 1 January	144.372	183.396	
Transfer	0	-39.024	
Additions	0	0	
Disposals	-720	0	
Cost at 31 December	143.652	144.372	
Revaluation at 1 January	86.026	25.642	
Transfer	0	39.024	
Exchange adjustments	-4.396	2.292	
Dividend to parent company	-11.770	-11.763	
Profit for the year	34.662	29.458	
Adjustment of equity in subsidiaries	-1.116	1.373	
Write off on equity	0	0	
Revaluation, disposal	720	0	
Revaluation at 31 December	104.126	86.026	
Carrying amount at 31 December	247.778	230.398	

Positive differences arising on initial measurement of subsidiaries at net asset value 67.795 DKK'000

NOTES

Note

Investments in subsidiaries

8

Investments are specified as follows (DKK '000):

Name and registered office	Equity	Profit for the year	Ownership	Parent Company	
				Equity	Profit for the year
J.P. Klausen & Co A/S, Svendborg, Denmark.....	58.583	6.876	100%	58.583	6.876
Nordic Seafood France SAS, Le Touquet Paris Plage, France	8.574	1.533	90%	7.717	1.379
Seafood Middle East FZC, Dubai, UAE.....	42.646	2.456	80%	34.117	1.965
Seabreeze Seafood AB, Ljungby, Sweden.....	32.988	6.697	100%	32.988	6.697
Dengsö A/S, Hanstholm, Denmark.....	9.609	983	60%	5.765	590
Maxima Seafood Holding BV, IJmuiden, Holland	61.937	10.361	60%	37.162	6.216
Nordic Frozen Food ApS, Hirtshals, Denmark.....	9.158	3.705	60%	5.495	2.223
Nordic Seafood Fresh ApS, Hirtshals, Denmark ..	7.998	2.669	60%	4.799	1.601
Nordic Seafood International, Hirtshals, Denmark	945	15	100%	945	15
Retail Sale ApS*), Hirtshals, Denmark	2.944	891	100%	100	0
Nordic Seafood Italy ApS, Hirtshals, Denmark	25.686	7.001	60%	15.412	4.201
Nordic Seafood UK Ltd, Louth Lincolnshire, United Kingdom.....	7.328	3.993	80%	5.862	2.453
Nordic Seafood SEE d.o.o, Rijeka, Croatia.....	5.177	1.017	80%	4.142	814
J.P. Klausen Polska Sp. z.o.o., Szczecin, Poland..	8.790	1.082	80%	7.032	865
Nordic Seafood Supply ApS, Esbjerg, Denmark..	5.867	1.650	60%	3.520	990
Nordic Seafood Benelux BVBA Brugge, Belgium	2.325	1.088	60%	1.394	654
				225.033	37.539
Goodwill at 31 December 2025.....				22.745	
Goodwill, amortisation of the year					-2.877
				247.778	34.662

*) The Parent Company own the majority shareholding in Retail Sale ApS, but can't claim dividend, for which reason the shareholding is valuated at cost price.

NOTES

	Group		Parent Company		Note
	31/12 2025	31/12 2024	31/12 2025	31/12 2024	
	DKK '000	DKK '000	DKK '000	DKK '000	
Investments in associates					9
Cost at 1 January	12.075	12.075	12.075	12.075	
Additions	0	0	0	0	
Disposals	0	0	0	0	
Cost at 31 December	12.075	12.075	12.075	12.075	
Revaluation at 1 January	10.152	8.091	10.152	8.091	
Exchange adjustment at closing rate	-49	104	-49	104	
Dividend to parent company	-1.741	-368	-1.741	-368	
Profit for the year	3.371	2.325	3.371	2.325	
Revaluation disposal	0	0	0	0	
Revaluation at 31 December	11.733	10.152	11.733	10.152	
Carrying amount at 31 December	23.808	22.227	23.808	22.227	

Investments are specified as follows (DKK '000):

Name and registered office.	Equity	Profit for the year	Ownership	Parent Company	
				Equity	Profit for the year
Nordic Meeresfrüchte G.m.b.H, Neumarkt, Germany	984	608	33,3%	328	203
Nordic Seafood Iceland ehf. Reykjavik, Iceland	3.348	795	50,0%	1.674	398
P/F Vestmanna Fiskavirki Vestmanna, The Faroe Islands	75.205	13.084	25,0%	18.801	3.271
				20.803	3.872
Goodwill at 31 December 2025.....				3.005	
Goodwill, amortisation of the year					-501
				23.808	3.371

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Note

Derivative financial instruments

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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:

	Group		Parent Company	
	31/12 2025	31/12 2024	31/12 2025	31/12 2024
	DKK '000	DKK '000	DKK '000	DKK '000
Assets	0	5.841	0	4.699
Liabilities	1.252	0	1.043	0

Forward exchange contracts have been concluded to hedge future purchase and sale of goods in foreign currencies. At the balance sheet date, the nominal value of the exchange contracts amounts to DKK 230 million for the Parent Company and DKK 289 million for the Group. According to group foreign currency policy all purchases and sales are hedged when it is likely that the underlying contract will be fulfilled. Purchase contracts have been hedged for a period of 0-11 months and sales contracts for a period of 0-5 months.

Prepayments and accrued income

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Prepayments consist of prepaid expenses concerning rent, leasing, software, insurance, sales promotion cost as well as financial charges.

	Group		Parent Company	
	31/12 2025	31/12 2024	31/12 2025	31/12 2024
	DKK '000	DKK '000	DKK '000	DKK '000
Cash and cash equivalents				
Cash	65.696	64.883	52.735	58.063
Debts to banks	-445.588	-352.438	-445.588	-352.438
	-379.892	-287.555	-392.853	-294.375
Reconciliation to cash flow statement				
Balances as above.....	-379.892	-287.555	-392.853	-294.375
Debt to bank not considered as cash equivalents	417.698	349.593	417.698	349.593
Cash and cash equivalents	37.806	62.038	24.845	55.218

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NOTES

	Group		Parent Company		Note
	31/12 2025	31/12 2024	31/12 2025	31/12 2024	
	DKK '000	DKK '000	DKK '000	DKK '000	
Deferred tax					13
Deferred tax liability at 1 January	12.204	10.310	3.630	2.650	
Amounts recognised in the income statement for the year	-932	-758	1.197	-1.266	
Amounts recognised in equity for the year	-2.470	2.652	-2.208	2.246	
Deferred tax liability at 31 December ..	8.802	12.204	2.619	3.630	
Deferred tax concerns:					
Fixed assets	10.321	10.344	1.753	1.708	
Current assets	-1.519	1.860	866	1.922	
	8.802	12.204	2.619	3.630	
Provision for pensions and similar liabilities					
Provision for pensions and similar liabilities at 1 January	58	158	0	0	
Amounts recognised in the income statement for the year	1	-100	0	0	
Provision for pensions and similar liabilities at 31 December	59	58	0	0	
Provision for pensions and similar liabilities concerns:					
Long terms	59	58	0	0	
	59	58	0	0	
Provision for other liabilities					
Provision for other liabilities at 1 January	47.888	38.651	0	0	
Amounts recognised in equity for the year	440	9.237	0	0	
Provision for other liabilities at 31 December	48.328	47.888	0	0	
Provision for other liabilities concerns:					
Long terms	48.328	47.888	0	0	
	48.328	47.888	0	0	

Provision for other liabilities includes provision for signed put-options in regards to shares in non-controlling interests.

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	Note				
	14				
	Long-term liabilities				
DKK '000	Total liabilities	Total liabilities	Repayment	Long-term liabilities	Debt outstanding
	1/1 2025	31/12 2025	next year	31/12 2025	after 5 years
Mortgage debt.....	22.840	21.131	1.723	19.408	12.378
Leasing debt.....	0	0	0	0	0
Parent company, total	22.840	21.131	1.723	19.408	12.378
Mortgage debt.....	24.982	23.151	1.846	21.305	13.824
Leasing debt.....	6.217	4.623	1.885	2.738	0
Group, total	31.199	27.774	3.731	24.043	13.824

Contingencies etc.

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The Parent Company has issued joint and several surety for J.P. Klausen Co. A/S', Seafood Middle East FZC' and Nordic Seafood France SAS' engagement with banks.

The Group's payments under operation leases concerning office premises is 808 DKK'000. The remaining terms is 1-18 months.

The Group's payments under operation leases concerning cars and equipment is 222 DKK'000. The remaining terms is 5-20 months.

Except as mentioned above, the Parent Company and the Group have no guarantee and warranty obligations, or 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.

Other financial liabilities

The Parent Company has opened letters of credit with a total value of 77.669 DKK'000. The Group has opened letters of credit with a total value of 81.152 DKK'000..

Mortgages and securities

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As security for the parent company's mortgage debt, a mortgage of 21.131 DKK'000 have been registered on property. The booked value of the property is 34.570 DKK'000.

As security for the Group's mortgage debt, mortgages have been registered on property of 23.151 DKK'000. The booked value of the property is 46.524 DKK'000.

NOTES

Note

Related parties

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Nordic Seafood A/S' related parties include:

Controlling interest

Nissui Europe B.V., Hoger Einde-Zuid 6, 1191 AG, Ouderkerk aan de Amstel, The Netherlands

Other related parties having performed transactions with the Company

Nordic Seafood A/S' related parties having a significant influence comprise subsidiaries and associates as well as the companies' Board of Directors, Board of Executives and executive officers. Additionally, companies within the broader Nissui Group are also considered related parties.

Transactions with related parties

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.

There has not been made any payments to the Board of Directors, neither in the financial year 2025 nor in the financial year 2024, however the remuneration for the Board of Directors is, for the time spent, estimated to be 400 DKK'000 in both 2025 and 2024. The payment (inclusive incentive payment) to the management amounts to 12.032 DKK'000 in the financial year 2025 against 11.284 DKK'000 in the financial year 2024.

Ownership

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The following shareholders are recorded in the Company's register of shareholders as owning more than 5% of the votes or the share capital:

Nissui Europe B.V.

Hoger Einde-Zuid 6, 1191 AG, Ouderkerk aan de Amstel, The Netherlands

The Company's ultimate parent is:

Nissui Corporation Ltd.,

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

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

Nishi-Shimbashi Square, Minato-ku, Tokyo 105-8676 Japan. www.nissui.co.jp

NOTES

	Group		Parent Company		Note
	2025	2024	2025	2024	
	DKK '000	DKK '000	DKK '000	DKK '000	
Proposed distribution of profit					19
Minority interests' share of profit in subsidiaries	16.274	13.585	0	0	
Dividend for the financial year.....	39.000	35.000	39.000	35.000	
Allocation to reserve for net revaluation under the equity method.....	0	0	24.522	19.652	
Retained profit	39.469	34.645	14.947	14.993	
	94.743	83.230	78.469	69.645	
Fee to auditors appointed by the General Meeting					20
Audit	729	718	418	405	
Other statement	47	36	47	36	
Tax and VAT consultancy	399	483	379	464	
Other services.....	61	120	12	49	
	1.236	1.357	856	954	
Segment details					21
Net revenue:					
Scandinavia	723.258	716.427	487.844	459.776	
Europe	2.607.346	2.260.630	1.487.862	1.398.629	
Other countries.....	323.040	527.611	33.444	52.796	
	3.653.644	3.504.668	2.009.150	1.911.201	

NOTES

Note

OECD Pillar Two model rules

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The group is within the scope for the OECD Pillar Two model rules. The group applies the IAS 12 exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income tax.

Under the legislation, the group, or the ultimate parent company of the group, is liable to pay a top-up tax for the difference between the GloBE effective tax rate for each jurisdiction and the 15% minimum rate. The group has effective tax rates that exceed 15% in all jurisdictions in which it operates, except for UAE where two of its subsidiaries operates and Uruguay where one of its subsidiaries operates. For 2025, the average effective tax rate of the entity's operating in UAE is 15% and for the entity operating in Uruguay is 2%

The group are in close cooperation with the ultimate parent company of the group in the process of assessing its exposure to the Pillar Two legislation. The assessment indicates that for the subsidiary operation in UAE and Uruguay, the average effective tax rate based on the accounting profit is below 15% for the annual reporting period ending 31 December 2025. However, although the average effective tax rate is below 15%, the group's exposure to paying Pillar Two income taxes might not be for the full difference in tax rates. This is due to the impact of specific adjustments envisaged in the Pillar Two legislation which give rise to different effective tax rates compared to those calculated in accordance with IAS 12.

In the annual report 31 December 2025 the group has made a provision of 734 DKK'000 to cover the difference between the average effective tax rate in Uruguay and the GloBE tax rate of 15%.

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Subsequent events

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

ACCOUNTING POLICIES

The Annual Report of Nordic Seafood A/S has been prepared in accordance with the provisions of the Danish Financial Statements Act as regards large reporting class C enterprises.

In order to give a more fair presentation of the Financial Statements, we have changed the comparative figures in some places. The change has not affected profit or equity. Otherwise, the accounting policies applied remain unchanged from last year.

Reporting currency

The Annual Report is presented in DKK'000.

General information about recognition and measurement

Income is recognised in the income statement as and when it is earned, including recognition of value adjustments of financial assets and liabilities. Any costs, including depreciation, amortisation and write-down, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is likely that future economic benefits 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 likely that future economic benefits will flow out of the company and the value of the liability can be measured reliably.

The initial recognition measures assets and liabilities at cost. Subsequently, assets and liabilities are measured as described in the following for each item.

Certain financial assets and liabilities are measured at amortised cost, recognising a constant effective interest over the term. Amortised cost is stated at initial cost less any deductions and with addition/deduction of the accumulated amortisation on the difference between cost and nominal amount.

The recognition and measurement takes into account predictable losses and risks arising before the year-end reporting and which prove or disprove matters that existed at the balance sheet date.

The carrying amount of tangible fixed assets should be estimated annually to determine if there is any indication of impairment in excess of the amount reflected by normal amortisation or depreciation. If this is the case, write-down should be made to the lower recoverable amount.

Consolidated financial statements

The consolidated financial statements include the parent company Nordic Seafood A/S and its subsidiary enterprises in which Nordic Seafood A/S directly or indirectly holds more than 50% of the voting rights or in any other way has a controlling influence. Enterprises in which the group holds between 20% and 50% of the voting rights and exercises significant, but not controlling influence, are considered associates, see the group chart.

The consolidated financial statements consolidate the financial statements of the parent company and the subsidiary enterprises by combining uniform accounts items. Intercompany income and expenses, shareholdings, internal balances and dividend, and realised and unrealised gains and losses arising from transactions between the consolidated enterprises are fully eliminated in the consolidation.

ACCOUNTING POLICIES

New acquired or established enterprises are recognised in the consolidated financial statements from the time of acquisition. Sold or wound up enterprises are recognised in the consolidated income statement up to the time of disposal. Comparative figures are not adjusted for new acquired, sold or wound up enterprises.

Investments in subsidiary enterprises are set off by the proportional share of the subsidiary enterprises' market value of net assets and liabilities at the acquisition date.

Positive differences between acquisition value and market value of acquired and identified assets and liabilities, inclusive of provision for liabilities for restructuring, are recognised in intangible fixed assets as goodwill and amortised systematically in the income statement under an individual assessment of the useful life. Negative differences which correspond to an expected unfavourable development in the enterprises are recognised as negative goodwill under accruals in the balance sheet and recognised in the income statement as and when the unfavourable development is realised.

Investments in associates are measured in the balance sheet at the proportional share of the value of the enterprises, calculated according to the accounting policies of the parent company and eliminating proportionally any unrealised intercompany gains and losses. The proportional share of the results of the associates is recognised in the income statement after elimination of the proportional share of internal gains and losses.

Minority interests

The accounting items of the subsidiary enterprises are recognised fully in the consolidated financial statements. The minority interests' proportional share of the results and equity of the subsidiary enterprises is adjusted annually and stated as separate items in the income statement and balance sheet.

Foreign currency translation

All companies in the group have determined a functional currency which is the currency that the relevant enterprise primarily is affected by when fixing prices for purchase and sale. All transactions are measured in the functional currency. Foreign currencies are all other currencies than the functional currency.

Transactions in foreign currencies are translated at the rate of exchange on the transaction date. Exchange differences arising between the rate on the transaction date and the rate on the payment date are recognised in the income statement as a financial income or expense.

Accounts receivable, payable and other monetary items in foreign currencies that are not settled on the balance sheet date are translated at the exchange rate on the balance sheet date. The difference between the exchange rate on the balance sheet date and the exchange rate at the time of occurrence of the receivable or payable is recognised in the income statement as financial income or expenses.

Associates are translated to the presentation currency of the group. The group's share of results is translated at an average exchange rate and the investment is translated at the rate on the balance sheet date. Exchange rate adjustments are recognised separately in the equity.

ACCOUNTING POLICIES

Business combinations

Acquisitions of subsidiaries are accounted for using the purchase method under which the identifiable assets and liabilities of the entity acquired are measured at fair value at the time of acquisition.

The time of acquisition is the time when the Group obtains control of the entity acquired.

The cost of the entity acquired is the fair value of the consideration agreed, including consideration contingent on future events. Transaction costs directly attributable to the acquisition of subsidiaries are recognised in the income statement as incurred.

Positive differences between the cost of the entity acquired and identifiable assets and liabilities are recognised as goodwill in intangible assets in the balance sheet and are amortised in the income statement on a straight-line basis over their estimated useful lives. Where the differences are negative, they are recognised immediately in the income statement.

Where the purchase price allocation is not final, positive and negative differences from acquired subsidiaries due to changes to the recognition and measurement of identifiable net assets may be adjusted for up to 12 months after the time of acquisition. These adjustments are also reflected in the value of goodwill or negative goodwill, including in amortisation already made.

Where cost includes contingent consideration, this is measured at fair value at the time of acquisition. Contingent consideration is subsequently measured at fair value. Any value adjustments are recognised in the income statement.

In respect of step acquisitions, any previously held investments in the entity acquired are remeasured at fair value at the time of acquisition. The difference between the carrying amount of the investment previously held and the fair value is recognised in the income statement.

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 Group'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 Group 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.

ACCOUNTING POLICIES

INCOME STATEMENT

Net revenue

Net revenue from sale of merchandise and finished goods is recognised in the income statement if supply and risk transfer to purchaser has taken place before the end of the year and if the income can be measured reliably and is expected to be received. Net revenue is recognised exclusive of VAT, duties and less discounts related to the sale. The Group applies IFRS 15 for recognition and measurement of revenue.

Costs of goods sold

Costs of goods sold comprise the raw materials and consumables consumed to achieve revenue for the year.

Other operating income and expenses

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

Government grants, such as economic stimulus packages, are recognised when it is reasonably certain that the Company complies with the conditions for receiving the grant, and it is reasonably certain that the Company will receive the grant. The grant is systematically recognised in the income statement over the period to which it relates, or immediately if the grant is not conditional upon incurrence of future costs or investments. Government grants are recognised as other operating income.

Other external expenses

Other external costs include expenses for distribution, sales, advertising, administration, premises, loss on bad debts, etc., production and quality assurance.

Staff expenses

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

Amortisation, depreciation and impairment losses

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

Investments in subsidiary enterprises and associates

The income statement of the parent company recognises the proportional share of the results of each subsidiary enterprise after full elimination of internal gains/loss and deduction of amortisation of goodwill.

The consolidated income statement and the parent company income statement recognise the proportional share of the results of each associate after elimination of the proportional share of internal gains/loss and deduction of amortisation of goodwill.

ACCOUNTING POLICIES

Financial income and expenses in general

Financial income and expenses include interest income and expenses, financial expenses of financial leases, realised and unrealised gains and losses arising from investments in financial assets, debt and transactions in foreign currencies, amortisation of financial assets and liabilities as well as charges and allowances under the tax-on-account scheme etc. Financial income and expenses are recognised in the income statement by the amounts that relate to the financial year.

Tax on profit for the year

The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the income statement by the portion that can be attributed to the profit for the year, and is recognised directly in the equity by the portion that can be attributed to entries directly to the equity.

The parent and all Danish group enterprises are jointly taxed. The Danish income tax charge is allocated between profit-making and loss-making Danish enterprises in proportion to their taxable income (full allocation method)

BALANCE SHEET

Intangible fixed assets

Acquired goodwill is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over the expected useful life, which is estimated to 5-10 years.

Acquired licences and other rights are measured at cost less accumulated amortisation. Licences and other rights are amortised on a straight-line basis over the expected useful life, which is estimated to 5 years.

Tangible fixed assets

Land and buildings, production plant and machinery, other plants, fixtures and equipment are measured at cost less accumulated depreciation and write-down. No depreciation is provided on land.

The depreciation base is cost less estimated residual value after end of useful life.

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used. As regards self-manufactured assets, the cost price includes cost of materials, components, subcontractors, direct payroll and indirect production costs.

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value as follows:

	Useful life	Residual value
Buildings (administration).....	20 years	50% of cost
Buildings (Cold store and production)	20 years	0%
Production plant and machinery	3-10 years	0%
Other plants, fixtures and equipment	3-10 years	0%

Profit or loss on disposal of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the time of sale. Profit or loss is recognised as other operating income and expenses in the income statement.

ACCOUNTING POLICIES

Impairment of fixed assets

The carrying amounts of property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation. If so, the asset is written down to its lower recoverable amount.

Lease contracts

Lease contracts relating to tangible fixed assets, where the company bears all material risks and benefits attached to the ownership (financials lease), are recognised as assets in the balance sheet. The assets are at the initial recognition measured at calculated cost equal to the lower of fair value and present value of the future lease payments. The internal interest rate of the lease contract is used as discounting factor or an approximate value when calculating the present value. Finance lease assets are depreciated similarly to the company's other tangible fixed assets.

The capitalised residual lease liability is recognised in the balance sheet as a liability and the interest portion of the lease payment is recognised in the income statement over the term of the contract.

Fixed asset investments

Investments in subsidiary enterprises and associates are measured in the parent company balance sheet under the equity method.

Investments in subsidiary enterprises and associates are measured in the balance sheet at the proportional share of the enterprises' carrying equity value, calculated in accordance with the parent company's accounting policies with deduction or addition of unrealised intercompany profits or losses and with addition or deduction of the residual value of positive or negative goodwill calculated in accordance with the acquisition method.

Net revaluation of investments in subsidiary enterprises and associates is transferred under the equity to reserve for net revaluation under the equity value method to the extent that the carrying amount exceeds the acquisition value with deduction of amortisation of goodwill.

Inventories

Inventories are measured at cost based on weighted average prices. If the net realisable value is lower than cost, write-down is provided to the lower value.

The cost of inventories is calculated at acquisition price with addition of direct payroll costs, transportation and similar costs.

The cost of finished goods and work in progress includes cost of raw materials, consumables, direct payroll cost and indirect production cost. Indirect production costs include indirect materials, and payroll cost and maintenance and depreciation of the machines, factory buildings and equipment used in the production process, cost of factory administration and management.

The net realisable value of inventories is stated at sales price less completion costs and costs incurred to execute the sale and is determined with due regard to marketability, obsolescence and development in expected sales price.

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

ACCOUNTING POLICIES

Accounts receivable

Accounts receivable are measured at amortised cost, which usually corresponds to nominal value. Write-down is provided to meet expected losses.

Accruals

Accruals recognised as assets include costs incurred relating to the subsequent financial year.

Other securities and investments

Securities recognised as current assets are measured at the historical cost price.

Dividend

Dividends proposed for the reporting period are presented as a separate item under 'Equity'.

Tax payable and deferred tax

Current tax liabilities and receivable current tax are recognised in the balance sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the balance sheet date will be applicable when the deferred tax is expected to crystallise as current tax.

Provision for pensions and similar liabilities

The group has recognised provisions for pensions and liabilities of uncertain timing or amount including pension liabilities and legal disputes. The provision is measured at the best estimate of the expenditure required to settle the obligation at the reporting date, discounted at a pre-tax rate reflecting current market assessments of the time value of money and risks specific to the liability.

Provision for other liabilities

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

Provision for other liabilities includes provision for signed put-options in regards to shares in non-controlling interests. The liability linked to the put-options depends on the average performance in the years before utilization of the put option. The valuation model is stated in the shareholders agreements and we use the same formula each year to calculate the current liability.

Liabilities

Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less transaction costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the income statement over the term of loan.

Mortgage debt is measured at amortised cost which for cash loans is equal to the debt outstanding and for bond loans is equal to the debt outstanding, calculated on the basis of the underlying cash value of the loan at the time of borrowing.

ACCOUNTING POLICIES

Other liabilities which include debt to suppliers, subsidiaries and associates and other debt are measured at amortised cost which usually corresponds to the nominal value.

The capitalised residual lease liability on finance lease contracts is also recognised as financial liabilities.

Derivative financial instruments

Derivative financial instruments are recognised first time in the balance sheet at cost and are subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are included in other receivables or other debt. The fair value of derivative financial instruments is calculated based on market data received from the company's bank.

Change of the fair value of derivative financial instruments that are not classified as hedging instruments are recognized in the income statement as financial income or expenses.

Change of the fair value of derivative financial instruments, classified as and fulfilling the criteria for hedging of the fair value of a recognised asset or liability, is recognised in the income statement together with any changes in the fair value of the hedged asset or the hedged liability.

Change of the fair value of derivative financial instruments, classified as and fulfilling the criteria for hedging of future cash flows, is recognised temporarily in the equity until the hedged transaction is carried out. If the future transaction results in recognition in assets or liabilities, the value of the hedging instrument is to be transferred from equity to the cost of the asset or the liability. If the future transaction results in income or expenses, the value of the hedging instrument is to be transferred to the income statement

CASH FLOW STATEMENT

The cash flow statement shows the company's and the group's cash flows for the year for operating activities, investing activities and financing activities in the year, the change in cash and cash equivalents of the year and cash and cash equivalents at beginning and end of the year.

Cash flows from operating activities:

Cash flows from operating activities are computed as the results for the year adjusted for non-cash operating items, changes in net working capital and corporation tax paid.

Cash flows from investing activities:

Cash flows from investing activities include payments in connection with purchase and sale of intangible and tangible fixed asset and fixed asset investments.

Cash flows from financing activities:

Cash flows from financing activities include changes in the size or composition of share capital and related costs, and borrowings and repayment of interest-bearing debt and payment of dividend to shareholders.

Cash and cash equivalents:

Cash and cash equivalents include short-term bank overdraft and liquid funds, that are part of ongoing liquidity management, where there are only insignificant risks of impairment.

The cash-flow statement cannot be deduced from the published account material alone.