

# **Arla Foods Holding A/S**

Sønderhøj 14

8260 Viby J

CVR No. 27466052

## **Annual Report 2024**

The Annual Report was presented and approved at the Annual General Meeting of the Company on 27th of June 2025

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Jonas Buur  
Chairman

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## **Management's Statement**

Today, Management has considered and approved the Annual Report of Arla Foods Holding A/S for the financial year 1 January 2024 - 31 December 2024.

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

In our opinion, the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 31 December 2024 and of the results of the Company's operations for the financial year 1 January 2024 - 31 December 2024.

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

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

Aarhus, 27 June 2025

### **Executive Board**

Carsten Just Andersen

### **Board of Directors**

Peder Tuborgh  
Chairman

Torben Dahl Nyholm

John Duus Andresen

## Independent auditor's report

### To the shareholders of Arla Foods Holding A/S

#### Opinion

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

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2024 and of the results of the Company's operations for the financial year 1 January 2024 - 31 December 2024 in accordance with the Danish Financial Statements Act.

#### Basis for opinion

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

#### Independence

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

#### Management's responsibilities for the financial statements

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

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

#### Auditor's responsibilities for the audit of the financial statements

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

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

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

## Independent auditor's report

- \* Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- \* Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- \* Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- \* Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- \* Plan and perform the audit of the financial statements to obtain sufficient appropriate audit evidence regarding the consolidated financial information of the entities or business units as a basis for forming an opinion on the financial statements. We are responsible for the direction, supervision and review of the audit work performed. We remain solely responsible for our audit opinion.

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

### Statement on the Management's review

Management is responsible for the Management's review.

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

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

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

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

Aarhus, 27 June 2025

### EY Godkendt Revisionspartnerselskab

CVR-no. 30700228

Henrik Kronborg Iversen  
State Authorised Public Accountant  
mne24687

## Arla Foods Holding A/S

### Company details

<b>Company</b>	Arla Foods Holding A/S Sønderhøj 14 8260 Viby J
CVR No.	27466052
<b>Board of Directors</b>	Peder Tuborgh Torben Dahl Nyholm John Duus Andresen
<b>Executive Board</b>	Carsten Just Andersen
<b>Auditors</b>	EY Godkendt Revisionspartnerselskab Værkmestergade 25 8000 Aarhus C CVR-no.: 30700228

## Management's Review

### The Company's principal activities

The Company's principal activities consist of the ownership of shares in subsidiaries and joint ventures.

### Development in activities and the financial situation

The Company's Income Statement of the financial year 1 January 2024 - 31 December 2024 shows a result of kDKK 60.554 and the Balance Sheet at 31 December 2024 a balance sheet total of kDKK 6.158.503 and an equity of kDKK 5.170.353.

The result before tax and excluding results from investments in subsidiaries amounting to a loss of 69 mDKK is slightly higher than expectations from 2023, which was a loss in the range of 35-55 mDKK. The deviation is caused by higher financial costs.

Merger with AF A/S. With effect from 1. January 2024 AF A/S has vertically merged into Arla Foods Holding A/S. AF A/S was a fully owned subsidiary of Arla Foods Holding A/S. AF A/S' only activity was shareholding in subsidiaries. The subsidiaries of AF A/S are now directly owned by Arla Foods Holding A/S. The merger has had no other financial consequences. Comparison numbers have been adjusted accordingly.

### Uncertainty related to recognition or measurement

In the annual report, there are no significant uncertainties in the calculations and measurement used.

### Post financial year events

After the end of the financial year, no events have occurred which may change the financial position of the entity substantially.

### Expectations to the future

The Company expects a loss before tax and excluding the results from investments in subsidiaries within a range of 35-55 mDKK in 2025 primarily due to interest on subordinated loans.

### Risks

The Company, is exposed to foreign currency exchange rate fluctuations when recognising foreign subsidiaries by equity valuation. The exposure concerns amongst other currencies USD and BHD.

### Corporate Social Responsibility

For information on Corporate Social Responsibility in accordance with section 99a of the Danish Financial Statements Act, Arla Foods Holding A/S is using the exemption provision for subsidiaries and is referring to the parent company Arla Foods a.m.b.a. Please refer to the Sustainability Statements in the Management Review of the group annual report.

<https://www.arla.com/company/investor/annual-reports/>

### Data Ethics

For information on Data Ethics in accordance with section 99d of the Danish Financial Statements Act, please refer to the Sustainability Statements in the Management Review of the group annual report.

<https://www.arla.com/company/investor/annual-reports/>

## Key Figures and Financial Ratios

kDKK

The development in the Company's key figures and financial ratios can be described as follows:

	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Operating profit/loss	406	442	580	817	585
Net financial income and costs	-69.815	-54.895	-29.037	-32.541	-43.114
Profit/loss for the year	60.554	377.973	800.029	109.044	435.948
Investment in tangible assets	0	4.316	0	0	2.826
Total assets	6.158.503	6.020.512	4.205.913	4.608.104	4.464.774
Total equity	5.170.353	5.071.050	4.162.576	3.825.023	3.280.455
Average equity	5.120.701	4.616.813	3.993.800	3.552.739	3.628.264
Return on equity (ROE) (%)	1	8	20	3	12
Solvency ratio (%)	84	84	99	83	73

Financial ratios are calculated in accordance with the Danish Finance Society's guidelines:

Return on equity (ROE) (%) = Profit/loss for the year X 100 / Avg. equity

Solvency ratio (%) = Total equity X 100 / Total liabilities

As a consequence of the merge of AF A/S into Arla Foods Holding A/S the figures for 2020-2023 have been adjusted to reflect performance and financial positions as if AF A/S had always been an integral part of Arla Foods Holding A/S.

The figures for 2020 have been updated due to change in accounting policies and correction of material misstatements relating to amortisation of goodwill in 2018.

## Accounting Policies

### Reporting Class

The annual report of Arla Foods Holding A/S for 2024 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

The Company has decided not to include a cash flow statement due to Danish Financial Statements Act §86 (4). The Company's cash flows are included in the consolidated cash flows for the parent company Arla Foods a.m.b.a.

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

### Change in the Company's activities, including effect of intra-group business combinations

The company has merged with its subsidiary AF A/S. AF A/S was a fully owned subsidiary of Arla Foods Holding A/S. AF A/S' only activity was shareholding in subsidiaries. The subsidiaries of AF A/S are now directly owned by Arla Foods Holding A/S. As a result comparative figures have been restated. The merger has had no other financial consequences.

### Intra-group business combinations

For vertical and reverse intra-group mergers the group method is applied for the combination of the entities. Thereby, the entities are combined at the value recognised in the consolidated financial statements or which would have been recognised in the consolidated financial statements for the parent company included in the merger. The group method is applied as if the entities had been combined from the date when the parent company acquired the equity interests in the entities included in the merger, and therefore, the comparative figures are restated.

### Consolidated Financial Statements

With reference to § 112 (1) of the Danish Financial Statements Act, no Consolidated Financial Statement have been prepared because the Group enterprises are subsidiaries of a higher-ranking group.

### Reporting currency

The annual report is presented in thousand Danish kroner.

### Translation policies

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

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

Transactions in foreign currencies are translated into DKK at the exchange rate prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into DKK based on the exchange rates prevailing at the balance sheet day. Realised and unrealised foreign exchange gains and losses are included in the income statement under financial income and costs.

## Income statement

### Revenue

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Revenue is recognised in the income statement if the goods have been delivered and the risk has passed to the buyer before year-end and if the revenue can be reliably calculated and expected to be received. Revenue is recognised excluding VAT and all discounts granted are recognised in revenue.

## **Accounting Policies**

### **Other external expenses**

Other external expenses include expenses for sales, administration and premises etc.

### **Depreciation and impairment of tangible assets**

Depreciation and impairment of tangible assets has been performed based on a continuing assessment of the useful life of the assets in the Company. Non-current assets are amortised on a straight line basis, based on cost, on the basis of the following assessment of useful life.

### **Income from investments in subsidiaries**

Income from equity investments comprises the proportionate share of profit/loss after tax and any adjustment of internal profit/loss and less amortization of consolidated goodwill.

### **Financial income and costs**

Financial income and costs are recognised in the income statement based at the amounts that concern the financial year. Financial income and costs include interest revenue and costs, financial costs of finance leases, realised and unrealised capital gains and losses regarding securities, accounts payable and transactions in foreign currencies, repayment on mortgage loans, and surcharges and allowances under the advance-payment of tax scheme.

Dividends from other investments are recognised as income in the financial year in which the dividends are declared.

### **Tax on net profit for the year**

Tax on net profit for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

The Company and the Danish associates are taxed jointly. The Danish income tax is distributed between profit- and loss-making Danish enterprises in relation to their taxable income (full distribution).

## **Balance sheet**

### **Property, plant and equipment**

Property, plant and equipment are measured at cost on initial recognition and subsequently at cost less accumulated depreciation and impairment losses.

The depreciable amount is calculated taking into consideration the residual value of the asset at the end of its useful life, reduced by impairment losses, if any. The depreciation period and the residual value are determined at the data of acquisition. If the residual value exceeds the carrying amount of the asset, depreciation is discontinued.

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

Cost includes the purchase price and costs directly related to the acquisition until the time when the asset is ready for use. The cost of self-constructed assets includes costs for materials, components, subcontractors, direct payroll costs and indirect production costs.

The cost of composite asset is disaggregated into components, which are separately depreciated if the useful lives of the individual component differ.

Buildings

20-50 years

## Accounting Policies

### Investments in subsidiaries

Investments in group enterprises and associates are recognized in the balance sheet at the proportionate share of the equity value of the enterprises, calculated according to the parent Company's accounting policies with the deduction or addition of unrealised intercompany profits or losses and with the addition or deduction of the remaining value of positive or negative goodwill, calculated according to the purchase method.

Subsidiaries having a negative equity value are recognised at kDKK 0, and any amounts receivable from those enterprises are written down by the parent Company's share of the negative equity value to the extent that the amounts are deemed to be uncollectible.

If the negative equity value exceeds receivables, the remaining amount is recognised as a provision to the extent that the parent Company has a legal or constructive obligation to cover the negative balance of the relevant subsidiary.

### Receivables

Receivables are measured at amortized cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts. The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables.

Impairment of accounts receivables past due is established on individual assessment of receivables.

### Receivables from group companies

Considering the nature of the scheme, account balances relating to the Group's cash pool scheme are not considered cash and cash equivalents, but are included in the financial statement item receivables from group entities.

### Equity

Equity comprises the working capital and a number of equity items that may be statutory or stipulated in the articles of association.

### Provisions

Warranty commitments include obligations to remedy works within the warranty period of one to five years. Provisions are measured at value in use and are recognised to reflect the amount of work usually performed under warranties.

### Current tax receivables/ liabilities

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

### Liabilities

The company has chosen IAS 39 as interpretation for recognition and measurement of liabilities. Financial liabilities are recognised initially at the proceeds received net of transaction costs incurred. In subsequent periods, financial liabilities are measured at amortized cost, corresponding to the capitalized value using the effective interest method, so that the difference between the proceeds and the nominal value is recognised in the income statement over the life of the financial instrument.

Mortgage debt is accordingly measured at amortized cost, corresponding to the outstanding balance in case of cash loans. In case of bond loans, amortized cost corresponds to the outstanding balance determined as the underlying cash value of the loans at the time of borrowing adjusted for amortisation of capital losses on the loans over the repayment period.

Other liabilities are measured at net realisable value.

**Accounting Policies**

**Subordinate loans**

Subordinate loans and other lower-ranking creditors claims are recognised as independent liabilities in the balance sheet.

**Other payables**

Other payables are measured at amortized cost, which usually corresponds to the nominal value.

**Income Statement**

	<b>Note</b>	<b>2024 kDKK</b>	<b>2023 kDKK</b>
Revenue	1	688	680
Other external expenses		-148	-104
<b>Gross profit</b>		<b>540</b>	<b>576</b>
Depreciation and impairment losses		-134	-134
<b>Operating profit</b>		<b>406</b>	<b>442</b>
Income from investments in subsidiaries		113.575	433.444
Financial income	2	1.148	553
Financial costs	3	-70.963	-55.448
<b>Profit before tax</b>		<b>44.166</b>	<b>378.991</b>
Tax	4	16.388	-1.018
<b>Profit for the year</b>	5	<b>60.554</b>	<b>377.973</b>

## Balance Sheet as of 31 December

	Note	2024 kDKK	2023 kDKK
<b>Assets</b>			
Land and buildings	6	14.150	14.284
<b>Property, plant and equipment</b>		<b>14.150</b>	<b>14.284</b>
Investments in subsidiaries	7, 8	6.106.062	5.979.003
Other long-term investments	9	3.498	3.385
<b>Investments</b>		<b>6.109.560</b>	<b>5.982.388</b>
<b>Non-current assets</b>		<b>6.123.710</b>	<b>5.996.672</b>
Trade receivables		91	100
Receivables from group companies		12.955	13.010
Current tax		15.540	10.730
Other receivables		6.207	0
<b>Receivables</b>		<b>34.793</b>	<b>23.840</b>
<b>Current assets</b>		<b>34.793</b>	<b>23.840</b>
<b>Assets</b>		<b>6.158.503</b>	<b>6.020.512</b>

## Balance Sheet as of 31 December

	Note	2024 kDKK	2023 kDKK
<b>Liabilities and equity</b>			
Contributed capital		22.000	22.000
Retained earnings		5.088.353	4.969.050
Proposed dividend recognised in equity		60.000	80.000
<b>Equity</b>		<b>5.170.353</b>	<b>5.071.050</b>
Deferred tax	10	0	850
Provisions for investments in subsidiaries	7, 11	14.271	25.184
<b>Provisions</b>		<b>14.271</b>	<b>26.034</b>
Subordinated loan	12	700.000	700.000
<b>Long-term liabilities</b>		<b>700.000</b>	<b>700.000</b>
Trade payables		95	140
Payables to group companies	13	273.445	222.878
Other payables		339	410
<b>Short-term liabilities</b>		<b>273.879</b>	<b>223.428</b>
<b>Liabilities</b>		<b>973.879</b>	<b>923.428</b>
<b>Liabilities, provisions and equity</b>		<b>6.158.503</b>	<b>6.020.512</b>
Contingent assets and liabilities	14		
Employee costs	15		
Related parties	16		
Events after the balance sheet date	17		

**Statement of changes in Equity**

	<b>Contributed capital</b>	<b>Retained earnings</b>	<b>Proposed dividend recognised in equity</b>	<b>Total</b>
Equity 1 January 2024	22.000	4.969.050	80.000	5.071.050
Proposed dividend			60.000	60.000
Dividend paid			-80.000	-80.000
Change of investments through net exchange differences		172.464		172.464
Other adjustments of equity		-53.715		-53.715
Profit (loss)		554		554
<b>Equity 31 December 2024</b>	<b>22.000</b>	<b>5.088.353</b>	<b>60.000</b>	<b>5.170.353</b>

The capital increased by DKK 1 in 2023. Share capital amounts to DKK 22.000.001 as of the balance sheet date.

Besides the increase in 2023 the contributed capital has been unchanged in the last 5 years.

## Notes

	2024 kDKK	2023 kDKK
<b>1. Revenue</b>		
Rental income	688	680
	<b>688</b>	<b>680</b>
<b>2. Financial income</b>		
Other financial income	1.148	553
	<b>1.148</b>	<b>553</b>
<b>3. Financial costs</b>		
Financial costs regarding group companies	70.963	55.448
	<b>70.963</b>	<b>55.448</b>
<b>4. Tax</b>		
Current tax	-15.241	-11.951
Adjustment of deferred tax, current year	-850	850
Adjustment of current tax, previous years	-297	12.119
	<b>-16.388</b>	<b>1.018</b>
<b>5. Distributions of profit</b>		
Proposed dividend	60.000	80.000
Retained earnings	554	297.973
	<b>60.554</b>	<b>377.973</b>
<b>6. Land and buildings</b>		
Cost at the beginning of the year	14.742	10.426
Addition during the year	0	4.316
<b>Cost at the end of the year</b>	<b>14.742</b>	<b>14.742</b>
Depreciations at the beginning of the year	-458	-324
Depreciations for the year	-134	-134
<b>Depreciations at the end of the year</b>	<b>-592</b>	<b>-458</b>
<b>Carrying amount at the end of the year</b>	<b>14.150</b>	<b>14.284</b>

## Notes

	2024 kDKK	2023 kDKK
<b>7. Investments in subsidiaries</b>		
Cost at the beginning of the year	9.103.278	8.078.191
Addition during the year	10.166	1.025.087
<b>Cost at the end of the year</b>	<b>9.113.444</b>	<b>9.103.278</b>
Fair value adjustments at the beginning of the year	-3.124.275	-3.353.330
Dividends	-102.708	-46.847
Change due to foreign currency translation adjustment	172.463	-52.732
Profit for the year incl. amortisation of goodwill	111.766	433.442
Other equity transactions	-53.715	-116.760
Provision for negative equity	-10.913	11.952
<b>Fair value adjustments at the end of the year</b>	<b>-3.007.382</b>	<b>-3.124.275</b>
<b>Carrying amount at the end of the year</b>	<b>6.106.062</b>	<b>5.979.003</b>

Additions during the year relates to capital injection in the entity's subsidiary Arla Global Dairy Products Ltd.

The carrying amount of Investments in subsidiaries and associates includes a goodwill value of 1.115 mDKK. Goodwill amortisations for the year amount to mDKK 264, which are included in "Profit for the year incl. amortisation of goodwill" above.

## 8. Disclosure of investments in subsidiaries

### Subsidiaries

Name	Registered office	Shares %
Arla Foods International A/S	Denmark	100,00
Arla Foods Distribution A/S	Denmark	100,00
Arla DP Holding A/S	Denmark	100,00
Arla Foods Belgien AG	Belgium	99,99
Arla Foods Ingredients GmbH	Germany	100,00
Tholstrup Cheese A/S	Denmark	100,00
Arla Foods Kuwait Company WLL	Kuwait	49,00
Arla Kallassi Foods Lebanon S.A.L.	Lebanon	50,01
Arla Foods Qatar WLL	Qatar	40,00
Arla Foods Sdn. Bhd.	Malaysia	100,00
Arla Foods Trading and Procurement Ltd.	Hong Kong	100,00
TG Arla Dairy Products LFTZ Enterprise	Nigeria	50,00
Arla Foods Investment A/S	Denmark	100,00
Arla Global Dairy Products Ltd.	Nigeria	100,00
Arla Foods W.L.L.	Bahrain	100,00
Arla Oy	Finland	100,00
Arl For General Trading Ltd.	Iraq	51,00
Arla Foods Corporation	Philippines	100,00
Arla Foods Limited	Ghana	100,00
Arla Foods Energy A/S	Denmark	100,00

## Arla Foods Holding A/S

### Notes

Arla Foods Finance A/S	Denmark	100,00
Arla Insurance Company Ltd.	Guernsey	100,00
Arla Foods Trading A/S	Denmark	100,00
AFIQ W.L.L.	Bahrain	51,00

	<b>2024</b>	<b>2023</b>
	<b>kDKK</b>	<b>kDKK</b>

### 9. Other long-term investments

Cost at the beginning of the year	3.498	3.385
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<b>Cost at the end of the year</b>	<b>3.498</b>	<b>3.385</b>
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<b>Carrying amount at the end of the year</b>	<b>3.498</b>	<b>3.385</b>
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### 10. Provisions for deferred tax

Deferred tax liabilities	0	850
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<b>Balance at the end of the year</b>	<b>0</b>	<b>850</b>
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### 11. Provisions for investments in subsidiaries

Provision for investments in subsidiaries amounted to 14.271 kDKK at 31 December 2024.

Since the provision related to negative capital share in subsidiary, the total amount of 14.271 kDKK was expected to be long term at 31 December 2024.

### 12. Subordinated loan

The subordinated loan of kDKK 700.000 is committed by the lender, Arla Foods amba, and matures 16 October 2028.

	<b>Due within 1 year kDKK</b>	<b>Due within 1-5 year kDKK</b>	<b>Due after 5 years kDKK</b>
Subordinated loan	0	700.000	0
	<b>0</b>	<b>700.000</b>	<b>0</b>

### 13. Payables to group companies

The Company participates in the cash pool arrangement for Arla Foods Group, managed by Arla Foods Finance A/S. As part of the cash pool, the Company participates in the In-House Bank and holds SAP bank accounts that is deemed as an external bank account from the Company's point of view with balances being booked as intercompany asset/liability.

The conditions outlined within the cash pooling agreement grant the right to mutually offset withdrawals and deposits, resulting in only the net balance of all pooled accounts being reflected as Arla Foods Finance A/S' balance within the In-House bank.

The amount recognized as payables to group companies relating to the cash pool agreement for Arla Foods Holding A/S amounts to 193.445 kDKK as of 31 December 2024 (2023: 218.382 kDKK).

## Notes

### 14. Contingent assets and liabilities

No contingent liabilities exist at the balance sheet date.

The company has joint and several tax liabilities with other Danish group companies for company taxes. This also includes withholding taxes on dividends, interest and royalties within the group.

### 15. Employee costs

In accordance with section 98b(3)(2) of the Danish Financial Statements Act, information on management remuneration is excluded from the report.

There are no employees in the company.

### 16. Related parties

The Company is a wholly owned subsidiary of Arla Foods amba, Viby J and is included in the consolidated financial statements. The consolidated financial statements can be obtained at the following address:

Arla Foods amba, Sønderhøj 14, 8260 Viby J.

Transactions with related parties:

<b>Other group companies</b>	<b>2024</b>	<b>2023</b>
	<b>kDKK</b>	<b>kDKK</b>
Interest costs on intercompany loans	9.037	396
Payables to group companies	193.445	218.382
Received dividends	102.708	46.847
<b>Parent company</b>		
Other internal cost recharges	23	22
Interest costs on intercompany loans	61.476	52.852
Payable to parent company (subordinated loan)	700.000	700.000
Payable to parent company (other)	80.000	182

### 17. Events after the balance sheet date

After the end of the financial year, no events have occurred which may change the financial position of the entity substantially.