

Breeders of Denmark A/S

Lysbjergvej 6, 1., Hammelev, 6500 Vojens

CVR no. 26 03 92 82

Annual report 2024

Approved at the Company's annual general meeting on 11 July 2025

Chair of the meeting:

.....
Niels Henrik Reventlow

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Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Breeders of Denmark A/S for the financial year 1 January - 31 December 2024.

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

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

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

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

Hammelev, 11 July 2025
Executive Board:

.....
Jeroen van de Camp

Board of Directors:

.....
Rafael Jacobus Henri
Gerard Beeren
Chairman

.....
Niels Henrik Reventlow

.....
Jeroen van de Camp

Independent auditor's report

To the shareholders of Breeders of Denmark A/S

Opinion

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

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements and the parent Company financial statements" (hereinafter collectively referred to as "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 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.

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

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

Independent auditor's report

- ▶ 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 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 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 group 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.

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 Statements Act. We did not identify any material misstatement of the Management's review.

Aabenraa, 11 July 2025
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Michael Anker
State Authorised Public Accountant
mne32128

Management's review

Company details

Name	Breeders of Denmark A/S
Address, Postal code, City	Lysbjergvej 6, 1., Hammelev, 6500 Vojens
CVR no.	26 03 92 82
Established	25 April 2001
Registered office	Haderslev
Financial year	1 January - 31 December
Website	www.breedersofdenmark.dk
Telephone	+45 70 26 06 16
Board of Directors	Rafael Jacobus Henri Gerard Beeren, Chairman Niels Henrik Reventlow Jeroen van de Camp
Executive Board	Jeroen van de Camp
Auditors	EY Godkendt Revisionspartnerselskab Skibbroen 16, 6200 Aabenraa, Denmark
Bankers	Sydbank A/S

Management's review

Financial highlights for the Group

DKK'000	2024	2023	2022	2021	2020
Key figures					
Gross profit	7,726	36,785	14,315	44,159	18,177
Operating profit/loss	-33,517	-4,461	-30,825	-906	5,666
Net financials	-3,586	-2,637	-1,844	459	-262
Profit/loss for the year	-29,068	-3,219	-23,824	-407	4,210
Balance sheet					
Total assets	77,415	97,290	116,062	119,946	136,676
Investments in property, plant and equipment	1,206	216	5,831	20,648	4,901
Equity	-24,083	4,904	8,340	22,124	21,931
Financial ratios					
Return on assets	-38.4%	-4.2%	-26.1%	-0.7%	4.5%
Equity ratio	-31.1%	5.1%	7.4%	18.4%	16.0%
Operational metrics					
Average number of full-time employees	58	54	60	66	69

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

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

Management's review

Business review

The Group's principal activity is still the purchase and sale of breeding pigs from Danish Pig Generics' breeding and amplification herds as well as purchase and sale of semen from KS-stations. In addition, the Group sells advisory services on the optimisation of pig production. The Group's sales activities are primarily effected abroad.

Financial review

The income statement for 2024 shows a loss of DKK 29,068 thousand against a loss of DKK 3,219 thousand last year, and the balance sheet at 31 December 2024 shows a negative equity of DKK 24,083 thousand.

Profit/loss for 2024 is significantly, negatively affected by special items relating to inventory write-down, etc. as stated in note 5. In the aggregate, special items have negatively affected profit/loss for the year before tax by DKK 24,772 thousand. Management does not find the profit/loss for the year satisfactory, as it is below the Group's expectations of positive results of operation in the range of DKK 1-2 million, due to revenue below expectations.

The Company forms part of the aggregate acquisition by which the Dutch genetics group, Hendrix Genetics, with closing mid-January 2025, acquired the majority of the activities in Danish Pig Genetics and the shares in Breeders of Denmark A/S. As part of the aggregated take-over of Danish Pig Genetics and Breeders of Denmark A/S, the Company's new owners have paid all interest-bearing debt in Breeders of Denmark A/S. It has been decided to convert the intra-group loan, which arose in that connection, into equity. The debt conversion totals DKK 40 million and will be effected before the end of 2025. The new owners have also undertaken to maintain and inject the capital required at least until the end of 2025.

Knowledge resources

The Group's employees have developed qualifications and a knowledge base which are material for the Group's activities and the Group therefore continuously focus on recruiting, training and maintaining its employees.

Financial risks and use of financial instruments

Operating risks

Export of breeding animals requires a high health status. Outbreak of diseases in Denmark or other parts of the world may imply a shutdown or limitation of export and/or transport of breeding animals. In that respect, the Group has no financial risk higher than the usual risks for the industry.

Interest rate risks

The Group's interest-bearing debt relates primarily to lease agreements regarding vehicles and the financing of the Group's properties. Lease agreements as well as property financing carry floating interests. At present, the Group is not deemed to be exposed to any material interest risk.

Impact on the external environment

A part of the Group's activity relates to live animal transport with own vehicles. Transport lives up to current legislation, and the Group aims at using vehicles that minimise the environmental impact and ensures the animals' well-being and health.

Management's review

Events after the balance sheet date

In January 2025, the Company and Danish Genetics P/S and partners merged with the breeding company, Hypor, which forms part of the global multi-genetics company Hendrix Genetics.

The merger of the two companies is intended to help fulfil ambitions for a strengthened presence in the global market for pig genetics.

No other events have occurred after the balance sheet date that materially affect the Company's financial position.

Outlook

In 2025, the Group expects to generate topline growth due to the merger and positive results of operation in the range of DKK 20-25 million due to the topline growth, a gain on the sale of building and lower financial expenses due to the capital contribution from the new owners.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Income statement

Note	DKK	Group		Parent company	
		2024	2023	2024	2023
	Gross profit	7,726,370	36,785,059	1,972,376	30,856,584
6	Staff costs	-31,513,005	-28,393,734	-28,001,214	-26,007,559
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-7,988,800	-9,148,054	-6,733,098	-7,824,793
	Other operating expenses	-107,450	-945,075	0	-799,177
	Profit/loss before net financials	-31,882,885	-1,701,804	-32,761,936	-3,774,945
	Income from investments in group entities	0	0	-1,502,484	1,123,231
	Income from participating interests	1,041,089	587,101	1,041,089	587,101
7	Financial income	99,015	383,947	672,507	435,603
8	Financial expenses	-4,726,060	-3,608,030	-4,242,520	-2,988,711
	Profit/loss before tax	-35,468,841	-4,338,786	-36,793,344	-4,617,721
9	Tax for the year	6,400,531	1,119,603	7,725,033	1,222,765
	Profit/loss for the year	-29,068,310	-3,219,183	-29,068,311	-3,394,956
	Specification of the Group's results of operations:				
	Shareholders in Breeders of Denmark A/S	-29,068,310	-3,394,956		
	Non-controlling interests	0	175,773		
		-29,068,310	-3,219,183		

Consolidated financial statements and parent company financial statements 1 January - 31 December

Balance sheet

Note	DKK	Group		Parent company	
		2024	2023	2024	2023
		EQUITY AND LIABILITIES			
		Equity			
15	Share capital	2,500,000	2,500,000	2,500,000	2,500,000
	Net revaluation reserve according to the equity method	0	0	1,356,329	819,722
	Translation reserve	-218,555	-197,569	0	0
	Retained earnings	-26,364,101	2,704,209	-27,938,988	1,686,916
	Shareholders in Breeders of Denmark A/S' share of equity	-24,082,656	5,006,640	-24,082,659	5,006,638
	Non-controlling interests	0	-102,654	0	0
	Total equity	-24,082,656	4,903,986	-24,082,659	5,006,638
	Provisions				
	Other provisions	0	0	579,368	0
18	Total provisions	0	0	579,368	0
	Liabilities other than provisions				
17	Non-current liabilities other than provisions				
	Bank debt	4,274,262	17,554,469	596,001	13,344,548
	Lease liabilities	5,401,174	9,169,802	5,401,174	9,169,802
19	Subordinate loan capital	15,501,000	5,000,000	15,501,000	5,000,000
	Other payables	1,466,645	3,172,546	1,466,645	3,172,546
		26,643,081	34,896,817	22,964,820	30,686,896
	Current liabilities other than provisions				
17	Current portion of long-term liabilities	19,376,452	7,935,953	18,824,452	6,002,333
	Bank debt	14,327,571	10,135,794	13,018,617	10,135,280
	Prepayments received from customers	2,618,969	2,685,909	2,618,969	2,685,909
	Trade payables	36,078,422	33,677,215	32,361,734	30,199,907
	Payables to group entities	0	0	278,131	194,631
	Income taxes payable	146,462	0	0	0
	Deposits	25,300	25,300	0	0
	Other payables	2,281,779	2,976,584	1,984,626	2,274,742
	Deferred income	0	51,762	0	0
		74,854,955	57,488,517	69,086,529	51,492,802
	Total liabilities other than provisions	101,498,036	92,385,334	92,051,349	82,179,698
	TOTAL EQUITY AND LIABILITIES	77,415,380	97,289,320	68,548,058	87,186,336

- 1 Accounting policies
- 2 Recognition and measurement uncertainties
- 3 Capital ratio
- 4 Events after the balance sheet date
- 5 Special items
- 10 Appropriation of profit/loss
- 20 Contractual obligations and contingencies, etc.
- 21 Security and collateral
- 22 Related parties

Consolidated financial statements and parent company financial statements 1 January - 31 December

Statement of changes in equity

		Group					
Note	DKK	Share capital	Translation reserve	Retained earnings	Total	Non-controlling interests	Total equity
		2,500,000	-1,361	6,099,165	8,597,804	-257,540	8,340,264
		2,500,000	-1,361	6,099,165	8,597,804	-257,540	8,340,264
		0	0	-3,591,164	-3,591,164	175,771	-3,415,393
		0	-196,208	196,208	0	-20,885	-20,885
		2,500,000	-197,569	2,704,209	5,006,640	-102,654	4,903,986
		0	0	0	0	102,654	102,654
		0	0	-29,089,296	-29,089,296	0	-29,089,296
		0	-20,986	20,986	0	0	0
		2,500,000	-218,555	-26,364,101	-24,082,656	0	-24,082,656

		Parent company			
Note	DKK	Share capital	Net revaluation reserve according to the equity method	Retained earnings	Total
		2,500,000	671,241	5,426,560	8,597,801
		2,500,000	671,241	5,426,560	8,597,801
10	Transfer, see "Appropriation of profit/loss"	0	344,688	-3,739,644	-3,394,956
	Exchange adjustment	0	-196,208	0	-196,208
		2,500,000	819,722	1,686,916	5,006,638
10	Transfer, see "Appropriation of profit/loss"	0	557,593	-29,625,904	-29,068,311
	Exchange adjustment	0	-20,986	0	-20,986
		2,500,000	1,356,329	-27,938,988	-24,082,659

Consolidated financial statements and parent company financial statements 1 January - 31 December

Cash flow statement

Note	DKK	Group	
		2024	2023
	Profit/loss for the year	-29,068,310	-3,219,183
23	Adjustments	767,384	7,427,884
	Cash generated from operations (operating activities)	-28,300,926	4,208,701
24	Changes in working capital	21,006,191	-2,781,434
	Income taxes paid	0	-4,501
	Cash flows from operating activities	-7,294,735	1,422,766
	Additions of intangible assets	0	-87,759
	Additions of property, plant and equipment	-661,620	-215,985
	Disposals of property, plant and equipment	481,396	383,307
	Cash flows to investing activities	-180,224	79,563
	Proceeds on subordinate loan	10,000,000	5,000,000
	Repayments, long-term liabilities	0	-263,065
	Repayments, debt to credit institutions	696,714	-2,743,826
	Repayments, finance leases	-3,827,717	-4,730,795
	Other adjustments	0	-196,208
	Cash flows from financing activities	6,868,997	-2,933,894
	Net cash flow	-605,962	-1,431,565
	Cash and cash equivalents at 1 January	832,218	2,263,783
25	Cash and cash equivalents at 31 December	226,256	832,218

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

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

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

Reporting currency

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

Consolidated financial statements

Preparation of consolidated financial statements

The consolidated financial statements are prepared as a consolidation of the parent company's and the individual group entities' financial statements, which are prepared according to the group's accounting policies. On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends, and realised and unrealised gains on intra-group transactions are eliminated. Unrealised gains on transactions with associates are eliminated in proportion to the group's interest in the entity. Unrealised losses are eliminated in the same way as unrealised gains if they do not reflect impairment.

In the consolidated financial statements, the accounting items of group entities are recognised in full. Non-controlling interests' share of the profit/loss for the year and of the equity of group entities which are not wholly-owned are included in the group's profit/loss and equity, respectively, but are disclosed separately.

Acquisitions and disposals of non-controlling interests which are still controlled are recognised directly in equity as a transaction between shareholders.

The consolidated financial statements only include one subsidiary with deviating financial year compared to the parent company's balance sheet date. As the deviation is less than three months, no separate financial statements must be prepared for this subsidiary, cf. section 116(2) of the Danish Financial Statements Act. The subsidiary's financial data will be adjusted to be consistent with the Parent Company's financial year. This means that adjustments will be made for any transactions between the subsidiary's balance sheet date and the Parent Company's balance sheet date, where the subsidiary's balance sheet date is earlier. No material events have occurred between the two balance sheet dates, which affect the subsidiary's assets and liabilities, its financial position or results of operation.

The group's activities in joint operations are recognised on a line-by-line basis.

Non-controlling interests

On initial recognition, non-controlling interests are measured at the fair value of the non-controlling interests' equity interest.

Goodwill relating to the non-controlling interests' share of the acquiree is recognised.

External business combinations

Recently acquired entities are recognised in the consolidated financial statements from the date of acquisition. Entities sold or otherwise disposed of are recognised up to the date of disposal. Comparative figures are not restated to reflect newly acquired entities. Discontinued operations are presented separately, see below.

The date of acquisition is the date when the group actually obtains control of the acquiree.

The acquisition method is applied to the acquisition of new entities of which the group obtains control. The acquirees' identifiable assets, liabilities and contingent liabilities are measured at fair value at the date of acquisition. Identifiable intangible assets are recognised if they are separable or arise from a contractual right. Deferred tax related to the revaluations is recognised.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Positive differences (goodwill) between, on the one hand, the consideration for the acquiree, the value of non-controlling interests in the acquired entity and the fair value of any previously acquired equity investments and, on the other hand, the fair value of the assets, liabilities and contingent liabilities acquired are recognised as goodwill under "Intangible assets". Goodwill is amortised on a straight-line basis in the income statement based on an individual assessment of the economic life of the asset.

Negative differences (negative goodwill) are recognised in the income statement at the date of acquisition.

Upon acquisition, goodwill is allocated to the cash-generating units, which subsequently form the basis for impairment testing. Goodwill and fair value adjustments in connection with the acquisition of a foreign entity with a functional currency different from the presentation currency used in the consolidated financial statements are accounted for as assets and liabilities belonging to the foreign entity and are, on initial recognition, translated into the foreign entity's functional currency using the exchange rate at the transaction date.

The consideration paid for an entity consists of the fair value of the agreed consideration in the form of assets transferred, liabilities assumed and equity instruments issued. If part of the consideration is contingent on future events or compliance with agreed terms, such part of the consideration is recognised at fair value at the date of acquisition. Subsequent adjustments of contingent considerations are recognised in the income statement.

Expenses incurred to acquire entities are recognised in the income statement in the year in which they are incurred.

Where, at the date of acquisition, the identification or measurement of acquired assets, liabilities or contingent liabilities or the determination of the consideration is associated with uncertainty, initial recognition will take place on the basis of provisional amounts. If it turns out subsequently that the identification or measurement of the consideration transferred, acquired assets, liabilities or contingent liabilities was incorrect on initial recognition, the statement will be adjusted retrospectively, including goodwill, until 12 months after the acquisition, and comparative figures will be restated. Hereafter, any adjustments are recognised as misstatements.

Gains or losses from disposal of group entities which result in loss of control are calculated as the difference between, on the one hand, the fair value of the selling price less selling expenses and, on the other hand, the carrying amount of net assets.

Foreign currency translation

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

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

Foreign group entities

Foreign subsidiaries and associates are considered separate entities. The income statements are translated at the average exchange rates, and the balance sheet items are translated at the exchange rates at the balance sheet date. Foreign exchange differences arising on the translation of the opening equity of foreign subsidiaries at the exchange rates at the balance sheet date and on translation of the income statements from average exchange rates to the exchange rates at the balance sheet date are recognised directly in equity.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Income statement

Revenue

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

Income from sale is recognised in revenue at the time of delivery and when the risk passes to the buyer, provided that the income can be made up reliably and is expected to be received.

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

Gross profit

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

Other operating income

Other operating income comprises items of a secondary nature relative to the Company's core activities, including gains or losses on the sale of non-current assets.

Cost of sales

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

Other external expenses

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

Staff costs

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

Amortisation/depreciation

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

The cost of intellectual property rights acquired is amortised on a straight-line basis over the expected useful life. Intellectual property rights acquired comprise IT software.

Goodwill is amortised over the expected economic life of the asset, measured by reference to Management's experience in the individual business segments. Goodwill is amortised on a straight-line basis over the amortisation period, which is 5 years.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

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

Acquired intangible assets	5 years
Goodwill	5 years

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

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

Buildings	33-50 years
Other fixtures and fittings, tools and equipment	3-10 years
Leasehold improvements	5 years

Depreciation is based on the residual value of the asset and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the acquisition date and are reassessed annually. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

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

Land is not depreciated.

Other operating expenses

Other operating expenses comprise items of a secondary nature relative to the Company's core activities, including losses on the sale of fixed assets.

Profit/loss from investments in group entities and participating interests

The income statement includes the proportional share of the underlying companies' profit or loss after elimination of internal profit/loss and after tax. In group entities, the full elimination of internal profit and loss is carried out without regard to ownership shares. In participating interests, only proportional elimination of profit and loss is carried out, taking into account ownership shares.

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Tax

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

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Balance sheet

Intangible assets

Goodwill is amortised over the expected economic life of the asset, measured by reference to Management's experience in the individual business segments. Goodwill is amortised on a straight-line basis over the amortisation period, which is 5 years.

Other intangible assets include acquired intangible rights.

Other intangible assets are measured at cost less accumulated amortisation and impairment losses.

Property, plant and equipment

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

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

Leases

The Company has chosen IAS 17 as interpretation for classification and recognition of leases.

On initial recognition, leases for assets that transfer substantially all the risks and rewards incident to the ownership to the Company (finance leases) are measured in the balance sheet at the lower of fair value and the present value of the future lease payments. In calculating the net present value, the interest rate implicit in the lease or the incremental borrowing rate is used as the discount factor. Assets held under finance leases are subsequently accounted for in the same way as the Company's other assets.

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

Leases that do not transfer substantially all the risks and rewards incident to the ownership to the Company are classified as operating leases. Payments relating to operating leases and any other rent agreements are recognised in the income statement over the term of the lease. The Company's aggregate liabilities relating to operating leases and other rent agreements are disclosed under "Contingent liabilities".

Deposits, investments

Deposits are recognised as costs less accumulated depreciation and impairment losses. If cost exceeds the net realisable value, a write-down is made to this lower value.

Investments in group entities and participating interests

Equity investments in group entities in the parent company financial statements and equity investments in the parent company financial statements and the consolidated financial statements are measured according to the equity method. The Group and the Company have chosen to consider the equity method as a consolidation method.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

On initial recognition, equity investments in group entities and participating interests are measured at cost, i.e. plus transaction costs. The cost is allocated in accordance with the acquisition method.

Equity investments in group entities with a negative net asset value are measured at DKK 0, and any receivable is written down by the Parent Company's share of the negative net asset value insofar as it is considered irrecoverable. If the negative net asset value exceeds receivables, the remaining amount is recognised under provisions if the Parent Company has a legal or a constructive obligation to cover the subsidiary's deficit.

The cost is adjusted by shares of profit/loss after tax calculated in accordance with the Group's accounting policies less or plus unrealised intra-group gains/losses.

Identified increases in value and goodwill, if any, compared to the underlying entity's net asset value are amortised in accordance with the accounting policies for the assets and liabilities to which they can be attributed. Negative goodwill is recognised in the income statement.

Dividend received is deduced from the carrying amount.

Equity investments in group entities and participating interests measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

Net revaluation of equity investments is recognised under equity in the net revaluation reserve according to the equity method to the extent that the carrying amount exceeds cost.

Impairment of fixed assets

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

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

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

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

Inventories

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

The cost comprises the cost of acquisition plus delivery costs as well as other costs directly attributable to the acquisition.

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

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

Goods for resale are measured at cost, which comprises the cost of acquisition plus delivery costs as well as other expenses directly attributable to the acquisition.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Receivables

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

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

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

Equity

Reserve for net revaluation according to the equity method

Net revaluation according to the equity method in the parent company financial statements comprises net revaluation of equity investments in group entities, associates and participating interests compared to cost. The reserve can be eliminated in case of losses, realisation of equity investments or changes in accounting estimates. The reserve cannot be recognised at a negative amount.

Translation reserve

The translation reserve comprises the share of foreign exchange differences arising on translation of financial statements of entities that have a functional currency other than DKK, foreign exchange adjustments of assets and liabilities considered part of the Company's net investments in such entities and foreign exchange adjustments regarding hedging transactions that hedge the Company's net investments in such entities. The reserve is dissolved on the sale of foreign entities or if the conditions for effective hedging no longer exist. When equity investments in group entities and associates in the parent company financial statements are subject to the limitation requirement in the net revaluation reserve according to the equity method, foreign exchange adjustments will be included in this equity reserve instead.

Provisions

Provisions regarding equity investments in group entities comprise the Group's liability for negative equity investments in group entities in the form of comfort letters.

Provisions are measured at net realisable value or at fair value if the obligation is expected to be settled far into the future.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Income taxes

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

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

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

Liabilities

The Company has chosen IAS 39 as interpretation for liabilities.

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

Other liabilities are measured at net realisable value.

Lease liabilities

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

Subordinate loan capital

Liabilities where the creditors have stated they are willing to subordinate their claim to rank after all the entity's other creditors are presented as subordinate loan capital. Subordinate loan capital is recognised using the same method as applies to liabilities.

Deferred income

Deferred income recognised as a liability comprises payments received concerning income in subsequent financial reporting years.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Cash flow statement

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

Cash flows from operating activities are calculated as the profit/loss for the year adjusted for non cash operating items, changes in working capital and paid corporate income tax.

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

Cash flows from financing activities comprise changes in the size or composition of the Company's share capital and related expenses as well as raising of loans, repayment of interest bearing debt and payment of dividends to shareholders.

2 Recognition and measurement uncertainties

Mid-January 2025, the genetics group, Hendrix Genetics, acquired the company as part of the acquisition of the activities in Danish Pig Genetics, and Breeders of Denmark A/S then became part of the global genetics group Hendrix Genetics. As part of the acquisition of Danish Pig Genetics, Hendrix Genetics has integrated the Company in its global strategy, and therefore, there are positive expectations of synergy effects and an increased level of activity and earnings going forward. As part of this restructuring, extraordinary write-downs have been made of inventories, which affected profit for the year negatively and increased the Company's tax loss carryforwards.

The Parent Company and the Group have recognised deferred tax assets of DKK 12,083 thousand and DKK 11,017 thousand, respectively. The deferred tax asset is attributable to tax loss carryforwards and write-downs of inventories for accounting purposes.

As stated in the first paragraph, there are positive expectations of future results of operation, and based on budgets prepared and expectations expressed in the budgets, Management expects that the deferred tax assets can be utilised in the coming 2-3 years. The utilisation of the tax assets is dependent on expectations of the level of activity and earnings. Therefore, an uncertainty is naturally embedded in the measurement of the tax assets.

3 Capital ratio

The Parent Company realised a loss of DKK 29,068 thousand in the financial year, and the Parent Company's equity was negative by DKK 24,083 thousand at 31 December 2024.

In connection with the transfer to Hendrix Genetics, all interest-bearing debt was repaid by purchaser. The Company's new owners will carry out a debt conversion of their temporary lending of approx. DKK 40 million before the end of 2025 and thus re-establish the share capital.

The Company is dependent on group companies providing credit in the form of loans and internal balances and injecting the liquidity required to settle the Company's liabilities.

The Company's new owners will undertake to maintain and inject the capital required at least until the end of 2025.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

4 Events after the balance sheet date

Group

In January 2025, Breeders of Denmark A/S and Danish Genetics P/S and partners merged with the breeding company, Hypor, which forms part of the global multi genetic company Hendrix Genetics.

No other events have occurred after the balance sheet date that materially affect the Group and the Company's financial position.

5 Special items

DKK	Group		Parent company	
	2024	2023	2024	2023
Income				
Income recognition of long-standing receivables	0	1,081,637	0	1,081,637
	0	1,081,637	0	1,081,637
Expenses				
Settlement	0	-799,177	0	-799,117
Inventory write-down	-18,692,362	0	-18,692,362	0
Other provisions	-6,079,316	0	-6,079,316	0
	-24,771,678	-799,177	-24,771,678	-799,117
Special items are recognised in the below items of the financial statements				
Gross profit	-24,771,678	0	-24,771,678	0
Other operating income	0	1,081,637	0	1,081,637
Other operating expenses	0	-799,177	0	-799,117
Net profit/loss on special items	-24,771,678	282,460	-24,771,678	282,520

6 Staff costs

Wages/salaries	26,799,049	24,473,761	23,667,972	22,475,434
Pensions	3,521,900	2,778,462	3,520,427	2,733,038
Other social security costs	791,196	782,169	411,955	439,745
Other staff costs	400,860	359,342	400,860	359,342
	31,513,005	28,393,734	28,001,214	26,007,559

Average number of full-time employees	58	54	53	49
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Group

Total remuneration to group Management : 1,378,403 (2023: DKK 1,315,415)

Parent company

Total remuneration to Group Management: DKK 1,378,403 (2023: DKK 1,315,415)

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

11 Intangible assets

	Group		
	Acquired intangible assets	Goodwill	Total
DKK			
Cost at 1 January 2024	4,510,537	3,021,985	7,532,522
Exchange adjustment	0	-14,339	-14,339
Cost at 31 December 2024	4,510,537	3,007,646	7,518,183
Impairment losses and amortisation at 1 January 2024	2,741,013	1,709,170	4,450,183
Exchange adjustment	0	-14,332	-14,332
Amortisation/depreciation in the year	844,680	525,123	1,369,803
Impairment losses and amortisation at 31 December 2024	3,585,693	2,219,961	5,805,654
Carrying amount at 31 December 2024	924,844	787,685	1,712,529
			Parent company
DKK			Acquired intangible assets
Cost at 1 January 2024			4,510,537
Cost at 31 December 2024			4,510,537
Impairment losses and amortisation at 1 January 2024			2,741,013
Amortisation/depreciation in the year			844,680
Impairment losses and amortisation at 31 December 2024			3,585,693
Carrying amount at 31 December 2024			924,844

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Notes to the financial statements

12 Property, plant and equipment

DKK	Group			
	Land and buildings	Other fixtures and fittings, tools and equipment	Leasehold improvements	Total
Cost at 1 January 2024	23,498,461	56,265,619	4,153,121	83,917,201
Exchange adjustment	0	23,488	0	23,488
Additions in the year	102,983	1,103,037	0	1,206,020
Disposals in the year	0	-2,189,693	0	-2,189,693
Cost at 31 December 2024	23,601,444	55,202,451	4,153,121	82,957,016
Impairment losses and depreciation at 1 January 2024	2,772,075	36,314,220	2,728,059	41,814,354
Exchange adjustment	0	18,748	0	18,748
Depreciation in the year	611,430	5,349,348	658,219	6,618,997
Reversal of depreciation and impairment of disposals	0	-1,711,495	0	-1,711,495
Impairment losses and depreciation at 31 December 2024	3,383,505	39,970,821	3,386,278	46,740,604
Carrying amount at 31 December 2024	20,217,939	15,231,630	766,843	36,216,412
Property, plant and equipment include finance leases with a carrying amount totalling	0	12,122,969	0	12,122,969

Note 21 provides more details on security for loans, etc. as regards property, plant and equipment.

DKK	Parent company			
	Land and buildings	Other fixtures and fittings, tools and equipment	Leasehold improvements	Total
Cost at 1 January 2024	7,806,993	53,163,668	4,153,120	65,123,781
Additions in the year	102,983	1,065,654	0	1,168,637
Disposals in the year	0	-1,919,372	0	-1,919,372
Cost at 31 December 2024	7,909,976	52,309,950	4,153,120	64,373,046
Impairment losses and depreciation at 1 January 2024	1,009,715	34,402,355	2,728,058	38,140,128
Depreciation in the year	114,174	5,116,024	658,219	5,888,417
Reversal of depreciation and impairment of disposals	0	-1,441,174	0	-1,441,174
Impairment losses and depreciation at 31 December 2024	1,123,889	38,077,205	3,386,277	42,587,371
Carrying amount at 31 December 2024	6,786,087	14,232,745	766,843	21,785,675
Property, plant and equipment include finance leases with a carrying amount totalling	0	12,122,969	0	12,122,969

Note 21 provides more details on security for loans, etc. as regards property, plant and equipment.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

13 Investments

DKK	Group		
	Participating interests	Deposits, investments	Total
Cost at 1 January 2024	1,267,500	413,271	1,680,771
Additions in the year	0	52,150	52,150
Disposals in the year	0	-4,480	-4,480
Cost at 31 December 2024	1,267,500	460,941	1,728,441
Value adjustments at 1 January 2024	3,092,590	0	3,092,590
Dividend distributed	-145,068	0	-145,068
Share of the profit/loss for the year	1,041,089	0	1,041,089
Value adjustments at 31 December 2024	3,988,611	0	3,988,611
Carrying amount at 31 December 2024	5,256,111	460,941	5,717,052

Group

Group entities

Name	Legal form	Domicile	Interest	Equity DKK	Profit/loss DKK
Breeders Zucht	GmbH	Tarp	100.00%	-2,970,550	-1,074,813
Deutsche Breeders	GmbH	Schleswig	100.00%	-41,120	765,806
Bredebro Agro	A/S	Haderslev	100.00%	4,295,373	110,145
Breeders	EURL	Rennes	100.00%	-1,723,603	-122,039
Breeders Polska	Spółka Z.o.o.	Torun	100.00%	-1,720,492	-675,184
Breeders Management	ApS	Haderslev	100.00%	298,373	55,626

Participating interests

Name	Legal form	Domicile	Interest	Equity DKK	Profit/loss DKK
Danish Pig Genetic	P/S	Vejle	10.36%	49,644,538	10,005,747
Komplementarselskabet Danish Pig Genetics	ApS	Vejle	10.36%	1,080,321	41,431

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

13 Investments (continued)

DKK	Parent company			
	Investments in group entities	Participating interests	Deposits, investments	Total
Cost at 1 January 2024	8,013,706	1,267,500	413,271	9,694,477
Additions in the year	7	0	52,150	52,157
Disposals in the year	0	0	-4,480	-4,480
Cost at 31 December 2024	8,013,713	1,267,500	460,941	9,742,154
Value adjustments at 1 January 2024	-2,272,869	3,092,590	0	819,721
Exchange adjustment	-20,986	0	0	-20,986
Dividend distributed	0	-145,068	0	-145,068
Share of the profit/loss for the year	-1,502,484	1,041,089	0	-461,395
Value adjustments for the year	1,164,057	0	0	1,164,057
Value adjustments at 31 December 2024	-2,632,282	3,988,611	0	1,356,329
Carrying amount at 31 December 2024	5,381,431	5,256,111	460,941	11,098,483

Parent company

Name	Legal form	Domicile	Interest	Equity DKK	Profit/loss DKK
Breeders Zucht	GmbH	Tarp	100.00%	-2,970,550	-1,074,813
Deutsche Breeders	GmbH	Schleswig	100.00%	-41,120	765,806
Bredebro Agro	A/S	Haderslev	100.00%	4,295,373	110,145
Breeders	EURL	Rennes	100.00%	-1,723,603	-122,039
Breeders Polska	Spółka Z.o.o.	Torun	100.00%	-1,720,492	-675,184
Breeders Management	ApS	Haderslev	100.00%	298,373	55,626

Participating interests

Name	Legal form	Domicile	Interest	Equity DKK	Profit/loss DKK
Danish Pig Genetic	P/S	Vejle	10.36%	49,644,538	10,005,747
Komplementarselskabet Danish Pig Genetics	ApS	Vejle	10.36%	1,080,321	41,431

14 Prepayments

DKK	Group		Parent company	
	2024	2023	2024	2023
Software subscriptions	394,411	353,916	394,411	353,916
Membership fees	611,707	461,729	611,707	461,729
Breeding supplements	978,603	1,310,574	0	0
Other prepaid costs	244,313	190,107	56,665	16,667
	2,229,034	2,316,326	1,062,783	832,312

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Notes to the financial statements

DKK	Parent company	
	2024	2023
15 Share capital		
Analysis of the share capital:		
2,500 shares of DKK 1,000.00 nominal value each	2,500,000	2,500,000
	<u>2,500,000</u>	<u>2,500,000</u>

DKK	Group		Parent company	
	2024	2023	2024	2023
16 Deferred tax				
Deferred tax at 1 January	-5,630,406	-4,505,653	-3,403,898	-2,224,559
Adjustment for the year of deferred tax	-6,454,290	-1,148,104	-7,642,997	-1,179,339
Foreign exchange adjustment	2,180	6,703	0	0
Adjustment, beginning of year	0	16,648	0	0
Deferred tax at 31 December	<u>-12,082,516</u>	<u>-5,630,406</u>	<u>-11,046,895</u>	<u>-3,403,898</u>

Deferred tax mainly comprises timing differences in intangible assets, property, plant and equipment and receivables as well as the tax value of tax loss carryforwards. The tax asset is mainly composed of tax loss carryforwards.

Based on the budgets until 2029, Management considers it likely that there will be future taxable income against which unutilised tax losses and tax deductions can be offset.

17 Non-current liabilities other than provisions

DKK	Group			
	Total debt at 31/12 2024	Short-term portion	Long-term portion	Outstanding debt after 5 years
Bank debt	17,730,068	13,455,806	4,274,262	0
Lease liabilities	9,241,020	3,839,846	5,401,174	0
Subordinate loan capital	15,501,000	0	15,501,000	0
Other payables	3,547,445	2,080,800	1,466,645	1,323,048
	<u>46,019,533</u>	<u>19,376,452</u>	<u>26,643,081</u>	<u>1,323,048</u>
	Parent company			
DKK	Total debt at 31/12 2024	Short-term portion	Long-term portion	Outstanding debt after 5 years
Bank debt	13,499,807	12,903,806	596,001	0
Lease liabilities	9,241,020	3,839,846	5,401,174	0
Subordinate loan capital	15,501,000	0	15,501,000	0
Other payables	3,547,445	2,080,800	1,466,645	1,323,048
	<u>41,789,272</u>	<u>18,824,452</u>	<u>22,964,820</u>	<u>1,323,048</u>

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Notes to the financial statements

18 Provisions

Provisions relating to investments in group entities comprise the group's liability for negative investments in group entities in the form of a comfort letter in favour of the subsidiary.

19 Subordinate loan capital

	<u>Group</u>
	<u>Amount outstanding</u>
DKK	
Subordinate loan capital	15,501,000
	<u>15,501,000</u>

Subordinated loan capital has been granted by shareholders and is subordinate to all other creditors. The loan is interest-only until 6 February 2026, after which repayments will occur only with the consent of the Group's credit institution.

	<u>Parent company</u>
	<u>Amount outstanding</u>
DKK	
Subordinate loan capital	15,501,000
	<u>15,501,000</u>

Subordinated loan capital has been granted by shareholders and is subordinate to all other creditors. The loan is interest-only until 6 February 2026, after which repayments will occur only with the consent of the Company's credit institution.

20 Contractual obligations and contingencies, etc.

Other contingent liabilities

Other financial obligations

Other rent liabilities:

	<u>Group</u>		<u>Parent company</u>	
DKK	2024	2023	2024	2023
Rent liabilities	1,396,474	1,891,590	1,396,474	1,891,590

Parent company

As management company, the Company is jointly taxed with other Danish subsidiaries. Together with the other jointly taxed entities in the Group, the Company is jointly and severally liable for the payment of corporation taxes and withholding taxes in the joint taxation unit.

The Parent Company has provided a guarantee for group entities' bank business in the amount of DKK 1,277 thousand.

The Parent Company has issued a letter of subordination of the full receivable from Breeders Zucht GmbH and Deutsche Breeders GmbH, which was written down to DKK 9 thousand and DKK 2,908 thousand, respectively, on 31 December 2024.

The Parent Company has issued a comfort letter vis-à-vis Breeders Zucht GmbH.

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Notes to the financial statements

21 Security and collateral

Group

The Group has concluded finance leases, which are recognised as fixed assets and liabilities, see notes 11 and 16.

A company charge of nom. DKK 28,000 thousand has been provided as collateral for debt to credit institutions totalling DKK 26,713 thousand secured on the Group's acquired intangible assets, fixtures and fittings, tools and equipment, inventories and trade receivables, etc. at a carrying amount of DKK 39,516 thousand.

The Group has issued an owner's mortgage of DKK 15,100 thousand, secured on land and buildings, fixtures and fittings, tools and equipment with a carrying amount of DKK 20,365 thousand. The owner's mortgages have been provided as collateral for bank debt at a carrying amount of DKK 30,971 thousand.

Parent company

The Parent Company has concluded finance leases, which are recognised as fixed assets and liabilities, see notes 11 and 16.

A company charge of nom. DKK 28,000 thousand has been provided as collateral for debt to credit institutions totalling DKK 26,713 thousand secured on the Group's acquired intangible assets, fixtures and fittings, tools and equipment, inventories and trade receivables, etc. at a carrying amount of DKK 39,516 thousand.

The Parent Company has issued an owner's mortgage of DKK 7,100 thousand, secured on land and buildings, fixtures and fittings, tools and equipment with a carrying amount of DKK 6,933 thousand. The owner's mortgages have been provided as collateral for bank debt with a carrying amount of DKK 26,713 thousand.

As collateral for debt to credit institutions amounting to DKK 26,713 thousand, the Parent Company has pledged equity investments in all group companies with a carrying amount of DKK 5,381 thousand and has assigned receivables from all group companies with a carrying amount of DKK 9,565 thousand

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

22 Related parties

Breeders of Denmark A/S' related parties comprise the following:

Significant influence

<u>Related party</u>	<u>Domicile</u>	<u>Basis for significant influence</u>
NV-Randers A/S	Randers, Denmark	Ownership interest in company
Bidana Agro ApS	Haderslev, Denmark	Ownership interest in company
Joachim-Temme Struck	Struxdorf, Germany	Ownership interest in company

Related party transactions

DKK	<u>2024</u>	<u>2023</u>
Group		
Interest on subordinate loan from shareholders	316,000	185,000
Remuneration of the Executive Board and the Board of Directors	1,378,403	1,315,415
Subordinate loan from shareholders incl. interest payable	15,501,000	5,185,000
Parent Company		
Sale of group entity	54,000,206	54,197,893
Rent from group entities	2,540,331	1,423,200
Purchase of advisory services from group entities	1,487,004	304,838
Re-invoicing of salary to group entities	1,500,000	1,500,000
Re-invoicing of salary from group entities	39,719	548,787
Interest income from group entities	416,750	366,407
Interest expenses to group entities	15,682	5,407
Interest on subordinate loan from shareholders	316,000	185,000
Remuneration of the Executive Board and the Board of Directors	1,378,403	1,315,415
Receivables from group entities	8,435,515	10,297,826
Joint taxation contribution receivable	100,266	43,426
Payables to group entities	278,131	194,631
Subordinate loan from shareholders, incl. interest payable	15,501,000	5,185,000

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

DKK	Group	
	2024	2023
23 Adjustments		
Amortisation/depreciation and impairment losses	7,988,800	9,148,054
Gain/loss on the sale of non-current assets	-401,371	-271,000
Income from participating interests	-1,041,089	-587,101
Income from investments	145,068	72,534
Financial expenses	316,000	185,000
Tax for the year	-6,258,457	-1,119,603
Value adjustment	18,433	0
	<u>767,384</u>	<u>7,427,884</u>
24 Changes in working capital		
Change in inventories	18,098,279	7,822,729
Change in receivables	1,122,531	2,179,013
Change in trade and other payables	1,698,089	-12,783,176
Other changes in provisions	87,292	0
	<u>21,006,191</u>	<u>-2,781,434</u>
25 Cash and cash equivalents at year-end		
Cash according to the balance sheet	<u>226,256</u>	<u>832,218</u>
	<u>226,256</u>	<u>832,218</u>

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"By my signature I confirm all dates and content in this document."

Jeroen van de Camp

Executive Board

On behalf of: Breeders of Denmark AS

Serial number: henrik.reventlow@hendrix-genetics.com

IP: 176.20.xxx.xxx

2025-07-11 14:17:16 UTC



Niels Henrik Reventlow

Chairman

On behalf of: Breeders of Denmark AS

Serial number: 3adecf3c-5acf-47d8-af81-0f0e4e2d1e62

IP: 176.20.xxx.xxx

2025-07-11 14:22:42 UTC



Niels Henrik Reventlow

Board of Directors

On behalf of: Breeders of Denmark AS

Serial number: 3adecf3c-5acf-47d8-af81-0f0e4e2d1e62

IP: 176.20.xxx.xxx

2025-07-11 14:22:42 UTC



Niels Henrik Reventlow

Board of Directors

On behalf of: Breeders of Denmark AS

Serial number: 3adecf3c-5acf-47d8-af81-0f0e4e2d1e62

IP: 176.20.xxx.xxx

2025-07-11 14:23:55 UTC



RAFAEL JACOBUS HENRI GERARD BEEREN

Board of Directors

On behalf of: Breeders of Denmark AS

Serial number: 12592bd3-c53a-4bbd-bb6d-db12c6759041

IP: 217.104.xxx.xxx

2025-07-11 15:57:21 UTC



Michael Anker

EY Godkendt Revisionspartnerselskab CVR: 30700228

State Authorised Public Accountant

On behalf of: EY Godkendt Revisionspartnerselskab

Serial number: cc90b5a2-5b22-4345-9441-6607b55a293f

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