

# **Arla Foods Distribution A/S**

Sønderhøj 14

8260 Viby J

CVR No. 62384514

## **Annual Report 2024**

The Annual Report was presented and approved at the Annual General Meeting of the Company on 22 May 2025

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Jonas Buur  
Chairman

## **Arla Foods Distribution A/S**

### **Contents**

Management's Statement	3
Independent auditor's report	4
Company details	6
Management's Review	7
Key Figures and Financial Ratios	8
Accounting Policies	9
Income Statement	14
Balance Sheet	15
Statement of changes in Equity	17
Notes	18

## **Management's Statement**

Today, Management has considered and approved the Annual Report of Arla Foods Distribution 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, 22 May 2025

### **Executive Board**

Hasse Fensman

### **Board of Directors**

Henrik Lilballe Hansen  
Chairman

Uffe Pedersen

Morten Holm

## Independent Auditor's report

To the shareholders of Arla Foods Distribution A/S

### Opinion

We have audited the financial statements of Arla Foods Distribution 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.
- \* 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

## Independent Auditor's report

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, 22 May 2025

### EY Godkendt Revisionspartnerselskab

CVR-no. 30700228

Jan Krarup Mortensen  
State Authorised Public Accountant  
mne40030

## Arla Foods Distribution A/S

### Company details

<b>Company</b>	Arla Foods Distribution A/S Sønderhøj 14 8260 Viby J
Telephone	89381000
CVR No.	62384514
Registered office	Aarhus
<b>Board of Directors</b>	Henrik Lilballe Hansen Uffe Pedersen Morten Holm
<b>Executive Board</b>	Hasse Fensman
<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 handling and distribution of dairy products in Denmark.

### 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 47.440 and the Balance Sheet at 31 December 2024 a balance sheet total of kDKK 239.373 and an equity of kDKK 102.734. The profit before tax and revenue for the year are as expected, which was in the range of 60 and 70 mDKK for profit before tax and in the range of 950 and 1.050 mDKK for revenue, respectively. The positive development is, as last year, a result of higher inflation that is also impacting the company's operation costs. Furthermore, a slight increased activity level is affecting this year's result. The expectation is that we see a further increase next year with road tax starting.

### Environmental conditions

Our Biogas fleet has been further expanded as we are continuing the journey to improve our environmental footprint. This means investing in 8 electric trucks for our Copenhagen operation end 2025. Furthermore, we are preparing an investment to utilize biogas in Jutland early 2026. For our suppliers we have taken the decision to work with engagement target on SBTi, and such this is an expectation going forward. Furthermore, we have also initiated a focus on Eco-driving for our outbound operation, after having seen the significant improvements.

### CSR reporting

The Danish Financial Statements Act §99 a.

In accordance with §99 a of the Danish Financial Statements Act, we have not included a statement of our corporate social responsibility in this Annual report, as this is covered by Arla Foods a.m.b.a.'s (CVR-nr. 25313763) CSR report, which is a part of the consolidated 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/>

### 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 for the future

The Company expects a profit before tax in the range of 50 and 60 mDKK and a revenue in the range of 950 and 1.050 mDKK for the coming year.

## Key Figures and Financial Ratios

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

*Numbers appear in kDKK*

	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Revenue	1.005.933	910.543	862.483	779.118	749.028
Operating profit	45.825	39.543	38.780	33.934	31.957
Net financials	14.591	20.229	15.092	14.486	12.524
Profit for the year	47.440	49.647	43.979	40.293	36.599
Investment in tangible assets	18.666	40.849	16.066	2.704	7.117
Total assets	239.373	357.302	261.750	300.035	316.026
Total equity	102.734	135.294	125.647	121.668	161.455
Profit margin (%)	4,56	4,34	4,5	4,36	4,26
Return on equity (ROE) (%)	39,86	38,05	35,57	28,46	24,43
Return on capital employed (%)	15,36	12,78	13,81	11,02	11,03
Solvency ratio (%)	42,92	37,87	48	40,55	53,26
Avg. number of full-time employees	1.040	996	978	955	925

Profit margin (%):

Operating profit (EBIT) X 100 / Revenue

Return on equity (%):

Profit/loss for the year X 100 / Avg. equity

Return on capital employed (%):

Operating profit X 100 / Avg. assets

Solvency ratio (%):

Total equity X 100 / Total liabilities

## **Arla Foods Distribution A/S**

### **Accounting Policies**

#### **Reporting Class**

The Annual Report of Arla Foods Distribution 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 accounting policies used in the preparation of the financial statements are consistent with those of last year.

#### **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.

### **General Information**

#### **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 exclusive of VAT duties and net of sales discounts.

##### **Cost of goods & services**

Costs of goods and services comprise the cost of goods purchased less discounts, costs to subcontractors and change in inventories for the year.

##### **Other operating income**

Other operating income comprises items of a secondary nature to the activities of the enterprises, including profits on sale of intangible and tangible assets.

##### **Other external costs**

Other external costs include costs for distribution, sales, advertising, administration, premises, loss of debtors, operational leases etc.

##### **Staff costs**

Staff costs comprise wages, salaries and other pay-related costs, such as sickness benefits for enterprise employees less wage/salary reimbursement, pensions and social security costs.

Other staff costs are recognised in the external costs.

## Accounting Policies

### Depreciation, amortisation and impairment of tangible and intangible assets

Depreciation, amortisation and impairment of tangible and intangible assets has been performed based on a continuing assessment of the useful life of the assets in the company.

Profit or loss resulting from the sale of intangible or tangible assets is determined as the difference between the selling price less selling costs and the carrying amount at the date of sale, and is recognised in the Income Statement under other operating income or costs.

### Income from investments in associates

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

### Financial income and costs

Financial income and costs are recognised in the income statement based on the amounts that concern the financial year. Financial income and costs include interest revenue and costs, realised and unrealised capital gains and losses regarding securities, accounts payable and transactions in foreign currencies.

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

### Intangible assets

Development projects that are clearly defined and identifiable, and where the degree of technical utilization, sufficient resources and a potential future market or development potential in the Company are provable and where the intention is to manufacture, market or use the product or process are recognised as intangible assets if the value in use can be determined reliably and it is sufficiently certain that future earnings can cover production, sales and administration costs as well as total development costs.

Other development costs are recognised as costs in the income statement as they incur.

Development costs comprise costs, including wages, salaries and amortization, that are directly or indirectly attributable to the development activities of the enterprise and meet the recognition criteria.

IT and other development projects are amortised over a period of 5 years.

### Tangible assets

Tangible assets 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 date 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.

## **Accounting Policies**

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 components differ.

Depreciation is calculated using the straight-line method over the following estimated useful lives of the individual assets:

Buildings	20-30 years
Fixtures, fittings, tools and equipment:	3-5 years

Land is not depreciated.

All leasing contracts are classified as operational leasing. All payments are recognized in the income statement through out the contract period. The liability in regards to leasing and rent are published in the notes.

The carrying amounts of intangible assets and property plant and equipment are tested annually to determine whether there is any indication of impairment other than what is expressed by amortisation and depreciation. If so, the assets are tested for impairment to determine whether the recoverable amounts are lower than the carrying amounts and the relevant assets are written down to such lower recoverable amounts. An impairment test is carried out annually of ongoing development projects, whether or not there is any indication of impairment.

The recoverable amount of an asset is determined as the higher of the net sales price and the value in use. Where the recoverable amount of the individual assets cannot be determined, the assets are grouped together into the smallest group of assets that can be estimated to determine an aggregate reliable recoverable amount for those units.

### **Investments in associates**

Investments in associates are recognized in the balance sheet at the proportionate share of the equity value of the enterprises, calculated according to the parents accounting policies with the deduction or addition of unrealised intercompany profits or losses.

Entities having a negative equity value are recognised at kDKK 0, and any amounts receivable from those entities are written down by the parents 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 has a legal or constructive obligation to cover the negative balance of the relevant entity.

### **Inventories**

Inventories are measured at cost on the basis of the FIFO principle. Where the net realisable value is lower than cost, the inventories are written down to this lower value.

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

### **Receivables**

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

## **Accounting Policies**

Write-down for bad and doubtful debts is made when there is objective evidence that a receivable or a portfolio of receivables has been impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

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 of the individual receivable or portfolio is used as discount rate.

### **Receivable 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 companies.

### **Prepayments**

Prepayments recognised in assets comprises prepaid costs regarding subsequent financial years.

### **Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

### **Equity**

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

Proposed dividend for the year is recognised as a separate item in equity.

Reserve for net revaluation according to the equity method comprises the revaluation of the investments in associations from the cost price. The reserve can be eliminated through losses, realization of investments or changes in accounting estimates. The reserve cannot be recognized with a negative number.

### **Deferred tax**

Deferred tax and the associated adjustments for the year are determined according to the balance-sheet liability method as the tax base of all temporary differences between carrying amounts and the tax bases of assets and liabilities.

Deferred tax assets, including the tax base of tax losses allowed for carryforward, are recognised at the value at which they are expected to be used, either by elimination in tax on future earnings or by set-off against deferred tax liabilities in enterprises within the same legal entity and jurisdiction.

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

### **Current tax liabilities**

Current tax liabilities and current tax receivables are recognised in the Balance Sheet as calculated tax on the expected taxable income for the year, adjusted for tax on taxable income for previous years as well as for tax prepaid.

## **Accounting Policies**

### **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.

Other liabilities are measured at net realisable value.

## Arla Foods Distribution A/S

### Income Statement

	Note	2024 kDKK	2023 kDKK
Revenue	1	1.005.933	910.543
Cost of goods & services		-229.792	-205.629
Other operating income		1.520	1.379
Other external costs		-111.448	-109.814
<b>Gross profit</b>		<b>666.213</b>	<b>596.479</b>
Staff costs	2	-612.384	-549.803
Depreciation, amortisation and impairment losses		-8.004	-7.133
<b>Operating profit</b>		<b>45.825</b>	<b>39.543</b>
Income from investments in associates		11.534	16.279
Financial income	3	3.082	5.450
Financial costs	4	-25	-43
<b>Profit before tax</b>		<b>60.416</b>	<b>61.229</b>
Tax	5	-12.976	-11.582
<b>Profit for the year</b>	6	<b>47.440</b>	<b>49.647</b>

## Balance Sheet as of 31 December

	Note	2024 kDKK	2023 kDKK
<b>Assets</b>			
IT and other development projects	7	0	0
<b>Intangible assets</b>		<b>0</b>	<b>0</b>
Land and buildings	8	46.598	40.588
Fixtures, fittings, tools and equipment	9	18.183	18.483
Property, plant and equipment in progress	10	49.016	44.073
<b>Property, plant and equipment</b>		<b>113.797</b>	<b>103.144</b>
Investments in associates	11, 12	33.173	46.639
<b>Investments</b>		<b>33.173</b>	<b>46.639</b>
<b>Fixed assets</b>		<b>146.970</b>	<b>149.783</b>
Finished goods and goods for resale		3.832	3.274
<b>Inventories</b>		<b>3.832</b>	<b>3.274</b>
Trade receivables		6.599	10.739
Receivables from group companies	13	80.252	184.629
Other receivables		0	8.219
Prepayments	14	1.715	653
<b>Receivables</b>		<b>88.566</b>	<b>204.240</b>
<b>Cash and cash equivalents</b>		<b>5</b>	<b>5</b>
<b>Current assets</b>		<b>92.403</b>	<b>207.519</b>
<b>Assets</b>		<b>239.373</b>	<b>357.302</b>

## Balance Sheet as of 31 December

	Note	2024 kDKK	2023 kDKK
<b>Liabilities and equity</b>			
Contributed capital		10.001	10.001
Reserve for net revaluation according to equity method		0	12.139
Retained earnings		42.733	33.154
Proposed dividend recognised in equity		50.000	80.000
<b>Equity</b>		<b>102.734</b>	<b>135.294</b>
Deferred tax	15	2.538	2.941
<b>Provisions</b>		<b>2.538</b>	<b>2.941</b>
Trade payables		91.664	186.447
Payables to group companies		1.565	939
Current tax		13.379	11.648
Other payables		27.493	20.033
<b>Short-term liabilities</b>		<b>134.101</b>	<b>219.067</b>
<b>Liabilities other than provisions</b>		<b>134.101</b>	<b>219.067</b>
<b>Liabilities, provisions and equity</b>		<b>239.373</b>	<b>357.302</b>
Contingent liabilities	16		
Collaterals and assets pledged as security	17		
Related parties	18		
Events after the balance sheet date	19		

**Statement of changes in Equity**

	<b>Contributed capital</b>	<b>Retained earnings</b>	<b>Reserve for net re- valuation ac- cording to equity method</b>	<b>Proposed dividend recognised in equity</b>	<b>Total</b>
Equity 1 January 2024	10.001	33.154	12.139	80.000	135.294
Dividend paid				-80.000	-80.000
Dividend received		25.000	-25.000		0
Profit (loss)		-15.421	12.861	50.000	47.440
<b>Equity 31 December 2024</b>	<b>10.001</b>	<b>42.733</b>	<b>0</b>	<b>50.000</b>	<b>102.734</b>

The Company's share capital is kDKK 10,001 divided into shares of kDKK 1 or any multiple thereof.

The share capital has remained unchanged for the last 5 years.

## Notes

	<b>2024</b>	<b>2023</b>
	<b>kDKK</b>	<b>kDKK</b>
<b>1. Revenue</b>		
Distribution and transportation of dairy goods	989.362	895.977
Sales of transportation services and non-dairy goods	16.571	14.566
	<b>1.005.933</b>	<b>910.543</b>
<b>2. Staff costs</b>		
Wages and salaries	549.578	496.455
Pension	60.492	51.215
Social security contributions	2.314	2.133
	<b>612.384</b>	<b>549.803</b>
Average number of employees	1.040	996
<p>In accordance with section 98b (3)(2) of the Danish Financial Statements act, information of remuneration for 2024 is excluded. In accordance with the section 98b (3) (1) of the Danish Financial Statements Act, information on management remuneration is given in total for all management levels. In 2023 the total remuneration amounts to kDKK 1.829.</p>		
<b>3. Financial income</b>		
Financial income from group companies	3.082	5.450
	<b>3.082</b>	<b>5.450</b>
<b>4. Financial costs</b>		
Other financial costs	25	43
	<b>25</b>	<b>43</b>
<b>5. Tax</b>		
Current income tax	13.379	11.648
Change in deferred tax	-362	19
Adjustment for current income tax of previous years	0	-85
Adjustment for deferred tax of previous years	-41	0
	<b>12.976</b>	<b>11.582</b>
<b>6. Distribution of profit</b>		
Proposed dividend	50.000	80.000
Reserve for net revaluation according to equity method	12.861	16.279
Retained earnings	-15.421	-46.632
	<b>47.440</b>	<b>49.647</b>

## Notes

	2024 kDKK	2023 kDKK
<b>7. IT and other development projects</b>		
Cost at 1 January	11.170	11.170
<b>Cost at 31 December</b>	<b>11.170</b>	<b>11.170</b>
Amortisation and impairments at 1 January	-11.170	-11.170
<b>Amortisation and impairments at 31 December</b>	<b>-11.170</b>	<b>-11.170</b>
<b>Carrying amount at 31 December</b>	<b>0</b>	<b>0</b>
<b>8. Land and buildings</b>		
Cost at 1 January	159.287	155.719
Addition during the year	2.249	3.017
Transfers during the year to other items	7.127	551
<b>Cost at 31 January</b>	<b>168.663</b>	<b>159.287</b>
Depreciation and impairments at 1 January	-118.699	-115.773
Depreciation for the year	-3.366	-2.926
<b>Depreciation and impairments at 31 December</b>	<b>-122.065</b>	<b>-118.699</b>
<b>Carrying amount at 31 December</b>	<b>46.598</b>	<b>40.588</b>
<b>9. Fixtures, fittings, tools and equipment</b>		
Cost at 1 January	320.265	313.491
Addition during the year	2.504	4.123
Transfers during the year from other items	1.842	2.651
<b>Cost at 31 December</b>	<b>324.611</b>	<b>320.265</b>
Depreciation and impairments at 1 January	-301.782	-297.575
Depreciation for the year	-4.646	-4.207
<b>Depreciation and impairments at 31 December</b>	<b>-306.428</b>	<b>-301.782</b>
<b>Carrying amount at 31 December</b>	<b>18.183</b>	<b>18.483</b>
<b>10. Property, plant and equipment in progress</b>		
Cost at 1 January	44.073	13.565
Addition during the year	13.912	33.710
Transfers during the year to other items	-8.969	-3.202
<b>Cost at 31 December</b>	<b>49.016</b>	<b>44.073</b>
<b>Carrying amount at 31 December</b>	<b>49.016</b>	<b>44.073</b>

## Notes

### 11. Disclosure of investments in associates

#### Associates

Name	Registered office	Share held in %	Equity	Profit
Cocio Chokolademælk A/S	Esbjerg	50,00	66.334	23.068
			<b>66.334</b>	<b>23.068</b>
			<b>2024</b>	<b>2023</b>
			<b>kDKK</b>	<b>kDKK</b>

### 12. Investments in associates

Cost at 1 January	34.500	34.500
<b>Cost at 31 December</b>	<b>34.500</b>	<b>34.500</b>
Fair value adjustments at 1 January	12.139	8.360
Adjustment to prior years	0	-628
Result of the year	11.534	16.907
Dividends	-25.000	-12.500
<b>Fair value adjustments at 31 December</b>	<b>-1.327</b>	<b>12.139</b>
<b>Carrying amount at 31 December</b>	<b>33.173</b>	<b>46.639</b>

### 13. Receivables from 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 receivables from group companies relating to the cash pool agreement for Arla Foods Distribution A/S amounts to 27.818 kDKK as of 31 December 2024 (2023: 94.437 kDKK).

### 14. Prepayments

Prepayments amounts to kDKK 1.715 in 2024, compared to kDKK 653 in 2023. Prepayments consist of prepaid warehouse rent.

### 15. Deferred tax

Deferred tax at the beginning of the year	2.941	2.922
Deferred tax adjustment for the year	-362	19
Deferred tax adjustment previous years	-41	0
<b>Balance at the end of the year</b>	<b>2.538</b>	<b>2.941</b>

## Notes

### 16. Contingent liabilities

Operational rent and lease contracts amounts to 80 mDKK, compared to 123 mDKK in 2023.

The company has joint and several tax liability, with other Danish group companies for company taxes. This also includes withholding taxes on dividends, interest and royalties within the group. The total known net tax liability of the jointly taxed companies is shown in the management company's annual accounts of, Arla Foods Holding A/S CVR no. 27466052. Any subsequent corrections to co-taxation income and withholding tax etc. could result in the company's liability being higher or lower.

### 17. Collaterals and securities

Arla Foods Distribution A/S owns buildings on leased land. The land is owned by Arla Foods amba. Arla Foods amba has provided security in land and buildings, to a value of 208 mDKK in 2024 compared to 208 mDKK in 2023. Included in this amount, is Arla Foods Distribution A/S' buildings book value of 47 mDKK in 2024 compared to 41 mDKK in 2023.

### 18. Related parties

The company is a wholly owned subsidiary of the Arla Foods Group. Arla Foods Holding A/S owns 100% of the shares in the company. The company is a part of the consolidated financial statements of Arla Foods amba. The consolidated financial statements can be obtained at the following address: Arla Foods amba, Sønderhøj 14, 8260 Viby J, Denmark.

Arla Foods Distribution A/S' related parties are the company's management, other companies in Arla Foods Group as well as the owners of the ultimate parent company and its management and directors.

Related party transactions:

<b>Other group companies</b>	<b>2024</b>	<b>2023</b>
	<b>kDKK</b>	<b>kDKK</b>
Sale of goods & services	113	0
Other internal cost recharged	138.862	228.960
Interest on intercompany loans	3.008	5.477
Receivable from group companies	80.252	184.629
Payables to group companies	1.565	939
Dividend received from associates	25.000	12.500
<b>Parent company</b>		
Sale of goods & services	886.200	796.630
Other internal cost recharged	45.829	47.895
Interest on intercompany loans	-2	-11
Receivable from group companies	0	0
Payables to group companies	0	0
Dividend paid	50.000	80.000

### 19. 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.