List of Signatures

Gerda og Victor B Strand Holding - Årsrapport 2021.pdf

Name	Method	Signed at
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Annual Report 2021
Gerda og Victor B. Strand Holding A/S

The Annual Report was adopted at
the Annual General Meeting on
18 March 2022

Marianne Philip
Chairman

Registration no.: 35 04 30 55
Toms Allé 1, 2750 Ballerup
Denmark

2021

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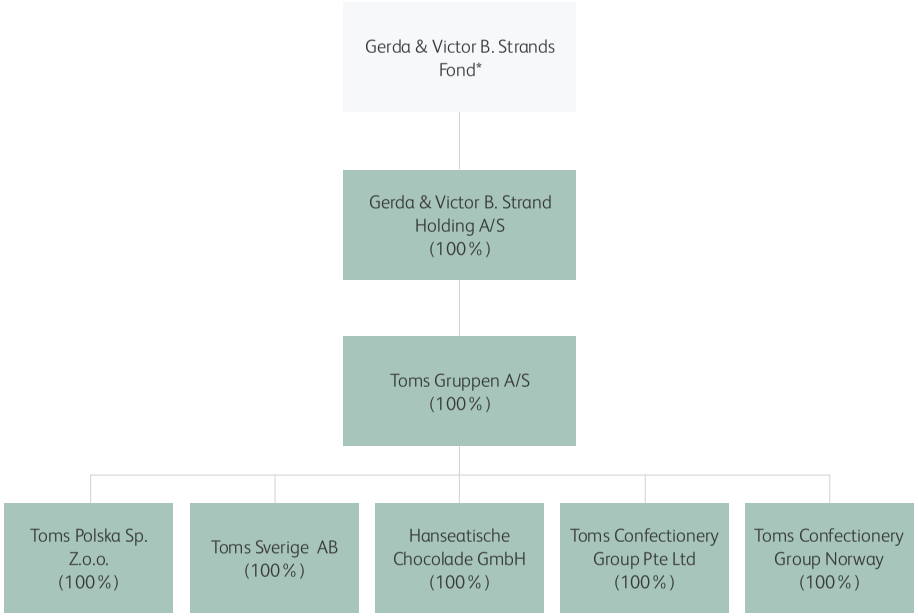
Company Details

Gerda og Victor B. Strand Holding A/S
Toms Allé 1
2750 Ballerup, Denmark

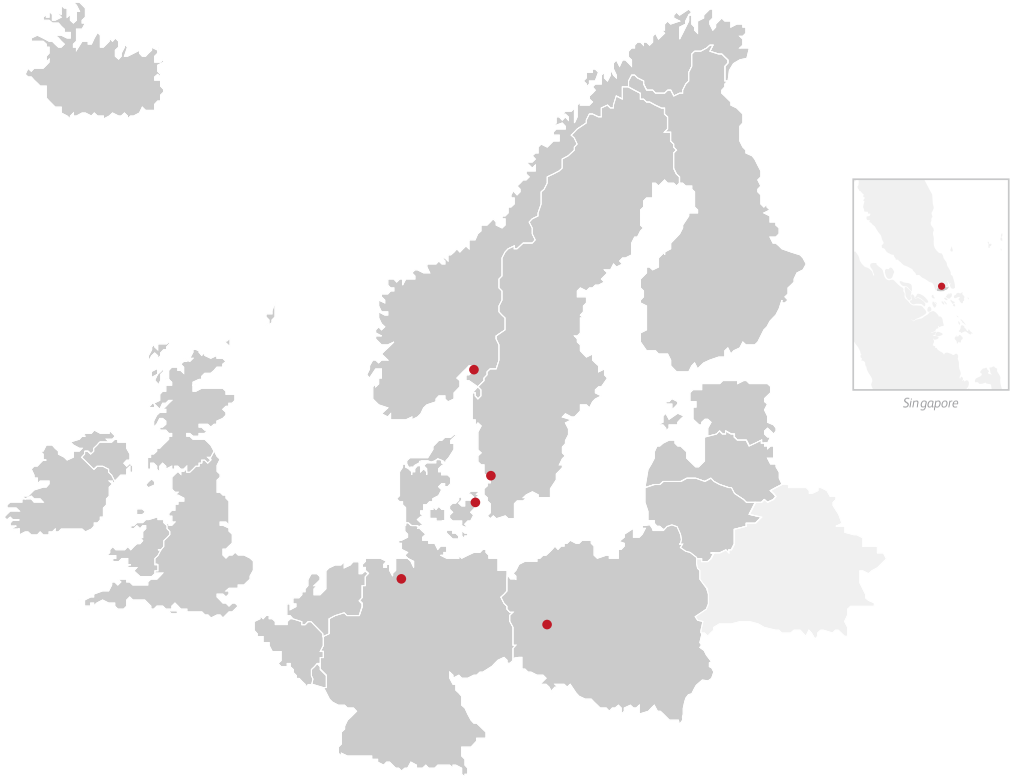
Telephone:	+45 44 89 10 00
Fax:	+45 44 89 10 99
E-mail:	info@toms.dk
Website:	www.tomsgroup.com
Registered office:	Ballerup
Registration no.:	35 04 30 55
Established:	1 February 2013
Financial year:	1 January - 31 December

Ownership

Gerda og Victor B. Strand Holding A/S is a fully owned subsidiary of Gerda og Victor B. Strands Fond.



*) This entity is not included in this Annual Report.



Group Companies

please refer to page 47 for complete list of subsidiaries

Toms Gruppen A/S
Toms Allé 1
2750 Ballerup
Denmark

Toms Sverige AB
Hamngatan 17
302 43 Halmstad
Sweden

Toms Polska Sp. z o.o.
Ul. Okrezna 27
64-100 Leszno
Poland

Hanseatische Chocoladen Kontor GmbH & Co. KG
Westerstrasse 32
28199 Bremen
Germany

Toms Confectionery Group Norway
Delitoppen 7
1540 Vestby
Norway

Toms Confectionery Group Pte. Ltd.
(Incorporated in Singapore)
103 Defu Lane 10, #06-01
FNA Group Building
Singapore 539223

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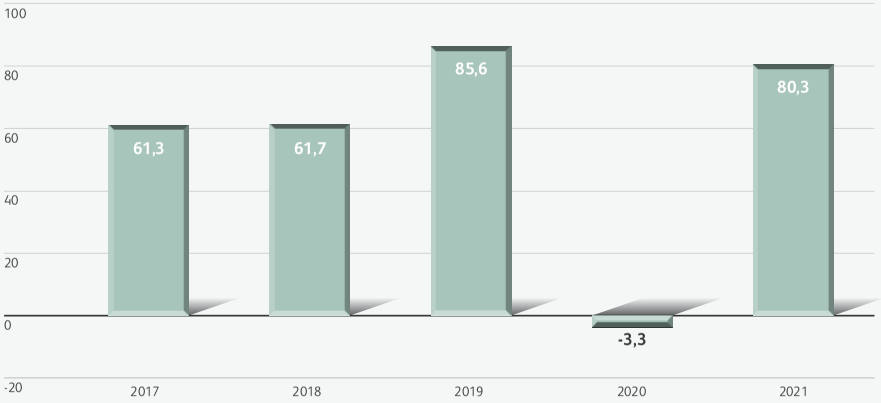
Financial Highlights

Mill DKK

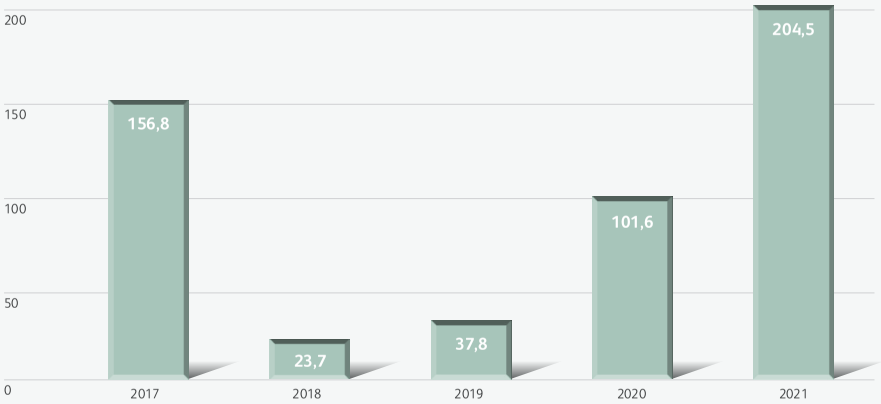
	2021	2020	2019	2018	2017
Revenue	1.602,3	1.398,7	1.529,7	1.764,5	1.763,1
Gross profit	570,8	427,4	479,0	602,3	603,2
Operating profit before special items **	**80,3**	**-3,3**	**85,6**	**61,7**	**61,3**
Operating profit	**75,1**	**-26,0**	**5,2**	**50,3**	**54,4**
Net financials	-22,4	-40,8	11,5	-4,7	0,7
Profit/loss before tax	52,6	-66,8	16,7	45,6	55,1
Profit/loss for the year	56,0	-58,6	1,1	44,5	41,1
Non-current assets	818,1	830,4	858,7	588,1	395,3
Current assets	564,9	486,4	533,0	817,5	744,8
Total assets	**1.383,0**	**1.316,8**	**1.391,7**	**1.405,6**	**1.140,1**
Share capital	10,0	10,0	10,0	10,0	10,0
Equity	**763,8**	**703,1**	**785,2**	**787,8**	**748,2**
Provisions	52,8	46,1	94,4	58,2	58,1
Non-current liabilities	178,7	187,2	186,0	201,2	0,0
Current liabilities	387,8	380,4	326,2	358,5	333,8
Total liabilities and equity	**1.383,0**	**1.316,8**	**1.391,7**	**1.405,6**	**1.140,1**
Cash flow from operating activities	204,5	101,6	37,8	23,7	156,8
Cash flow from investment activities	-49,7	-106,9	-330,2	-196,0	-116,7
Of this investments in property, plant and equipment	*-49,3*	*-106,0*	*-327,3*	*-196,9*	*-115,6*
Cash flow from financial activities	-63,8	4,6	29,9	210,5	0,0
Total increase/decrease in cash and cash equivalents	**91,0**	**-0,7**	**-262,5**	**38,2**	**40,1**
Average number of employees	**928**	**933**	**1.005**	**1.031**	**1.010**
Financial ratios*:					
Growth in operating profit before special items	2358,7%	-103,8%	38,6%	0,7%	-40,1%
Operating margin	4,7%	-1,9%	0,3%	2,9%	3,1%
Return on invested capital	8,2%	-3,0%	0,6%	7,5%	9,6%
Gross margin	35,6%	30,6%	31,3%	34,1%	34,2%
Current ratio	145,7%	127,8%	163,4%	228,0%	223,2%
Solvency ratio	55,2%	53,4%	56,4%	56,0%	65,6%
Return on equity	7,6%	-7,9%	0,1%	5,8%	5,6%

**) Refer to page 51 for definitions of financial ratios, etc.*
***) Special items are disclosed in note 1 to the financial statement.*

Operating profit before special items



Cash flow from operating activities



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MANAGEMENT'S REVIEW

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Management's Review

Financial highlights

Principal activities of the Company

Gerda & Victor B Strand Holding A/S manufactures, markets and sells confectionery.

Denmark is the largest market, including sales to Danish/German border shops. Mainly branded products are sold in Denmark, and Gerda & Victor B Strand Holding A/S is a market leader across the confectionery category as a total.

In Germany, sales mainly consist of premium chocolate under the brands of Hachez, Feodora and Anthon Berg.

In Sweden, sales consist of Pick-and-Mix sweets as well as branded products like Anthon Berg and Toms.

The international business unit primarily exports to the main markets in North America, China, United Kingdom, Australia, Eastern Europe and the Far and Middle East. In several markets, sale is handled through distributors. The business unit is also responsible for sales to the travel retail market.

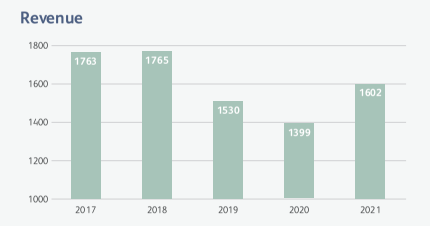
The Group's production takes place at the Group's own three factories in Denmark (2), and Poland (1) as well as a packaging facility in Poland.

Development in activities and financial position

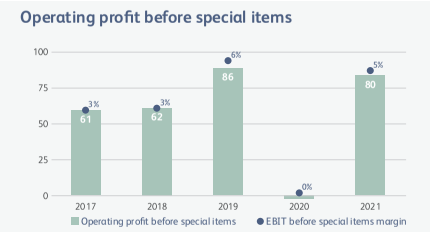
Key markets and sales channels negatively impacted by COVID-19 pandemic continued to be under pressure in 2021. Despite challenges topline grow 14 % and the operating profit before special items ended at DKK 80 million significantly above 2020 in line with the outlook and only 5 million below 2019. The cash flow ended significantly better than forecasted mainly supported by the VAT and social tax COVID-19 extended payment terms in Denmark and Sweden together with an improved net working capital.

Profit for the year

The Group's revenue for 2021 amounted to DKK 1.602 million compared to DKK 1.399 million in 2020. This increase is driven by all markets where the volume sold has increased despite continued challenges in some markets from COVID-19 close-downs.



The operating profit before special items ended at DKK 80 million which is significantly above the 2020 result of DKK -3 million. The positive impact is driven by higher sales in all markets together with a better production economy.



REVENUE 2021

989 mill	309 mill	304 mill
DENMARK/SWEDEN	GERMANY	OTHER
62 %	19 %	19 %

Net financials showed an expense of DKK 22 million in 2021 compared to an expense of DKK 41 million in 2020. The positive development compared to 2020 is due to a more constant rate of exchange of Polish Zlotys between 2020 and 2021.

The net result for 2021 amounted to DKK 56 million compared to DKK -59 million in 2020.

Balance sheet and equity development

The Group's total assets at year-end increased by DKK 66 million in 2021 to DKK 1.383 million. The development in total assets is driven by the positive result and cash inflow in 2021. The equity ended at DKK 764 million which is an increase of DKK 61 million driven by the positive result.

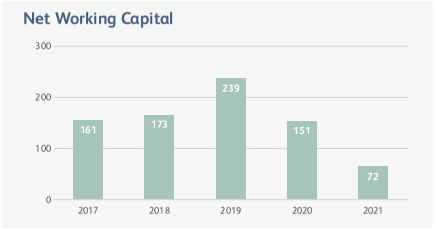
The increased equity and total assets increase the solvency ratio for 2021 to 55,2 % from 53,4 % in 2020.

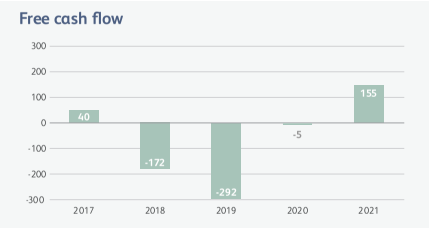
Investments and cash flow

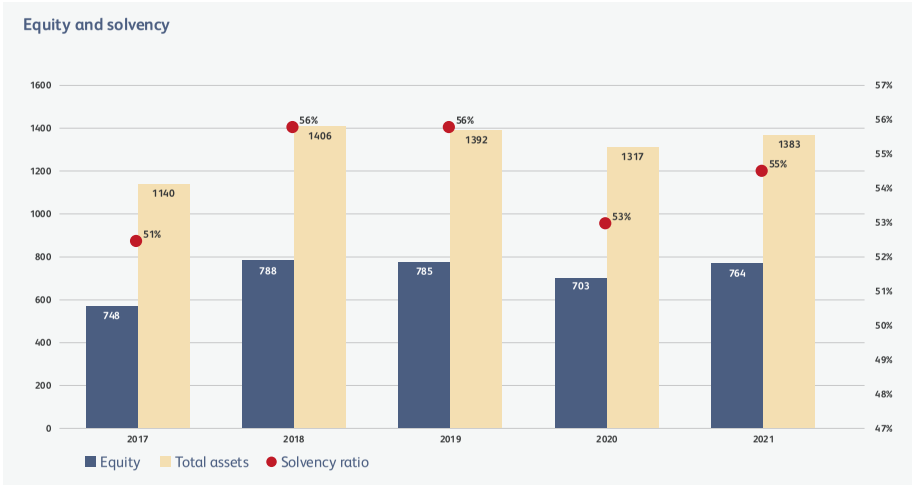
The cash flow from operating activities for the year was positive by DKK 205 million compared to DKK 101 million in 2020. This increase is mainly driven by the positive result in 2021 together with obtaining the VAT and social tax COVID-19 extended payment terms in Denmark and Sweden.

Out of this cash flow DKK 50 million was reinvested in property plant an equipment compared to DKK 107 million in 2020. This results in a free cash flow of DKK 155 million compared to DKK -5 million in 2020. The lower investment is a result of the finalization of the new production facility in Nowa Sól, Poland.

In total the cash flow for the year was positive by DKK 91 million compared to DKK -1 million in 2020.







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Development activities

Costs are continuously incurred for development of the product portfolio. Development activities include the development of new products as well as improvement of existing products and concepts. All development costs were expensed.

2022 Outlook

Management expects challenged local market conditions in 2022, while growing in international markets as the negative impact from COVID-19 is reduced. Continued increase of key production costs will put the margin under pressure and thereby Management expects revenue and operating profit to be slightly above the level in 2021.

Particular risks

General risks

The Group's main operating risks are attributable to the development of the competitive environment in the retail market. In addition, risks are associated with the development of world market prices of the key raw materials such as cocoa, cocoa butter, almonds, apricot kernels, gelatin and sugar, together with the development of the transportation and energy prices.

Data Ethics

The only activity in the company is to own all shares in Toms Gruppen A/S. As the company does not process or store data covered by the data ethics politics requirements, it has been decided not implement a data ethical politic.

Financial risks

Interest rate risks

Interest rate risks arise in relation to interest-bearing assets and liabilities. The Group is in a net debt position which is expected to continue into 2022. The Group expects in 2022 to be financed mainly through fixed interest rate mortgage loans. The interest rate risk will therefore be very limited.

Liquidity risks

The strategic investment in the supply chain footprint over recent years has been financed through excess cash, mortgage in Danish buildings as well as a committed overdraft facility. Despite COVID19, the Group stayed well within its financial covenants in 2021 and expects to likewise comply with covenants during 2022. On this basis, Management has concluded that the committed overdraft facility provides adequate liquidity for the Group.

Currency risks

The Group's currency risks occur partly because there is an imbalance between income and expenses in each currency (transaction risk), and partly because the Group includes companies with a functional currency other than DKK (translation risk).

Net investment risk: The Group incurs currency risk mainly due to net investments in Poland. The Group has decided not to hedge the currency risk related to net investments in foreign subsidiaries but monitor the effect closely.

Transaction risk: The Group incurs costs in foreign currency for the purchase of raw materials and investments, and the individual companies have revenues in foreign currencies. The Group's currency policy stipulates as a general rule that the net cash flows in the major currencies (SEK, PLN, USD and CAD) must be hedged according to policy. Hedging is mainly made by using forward contracts.

Translation risk: For 2021, the income statement and balance sheet were affected mainly by fluctuations in PLN and SEK.

Credit risks

The Group's credit risks are related to the primary financial assets. The Group's policy for undertaking credit risks means that all new major customers and other business partners must be credit rated. A large proportion of transactions with customers outside the local markets are insured. Furthermore, significant non-insured customers are reviewed on a periodic basis.

Corporate social responsibility

The Group has decided to publish the statutory report on social responsibility according to section 99a and 99b of the Danish Financial Statements Act on our website. The Global Compact Report can be found at ***http://toms-group.com/en/our_responsibility/results_policies/*** and is an integral part of the Management's review.

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FINANCIAL STATEMENTS

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Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the Annual Report of Gerda & Vicotr B Strand Holding A/S for the financial year 1 January – 31 December 2021

The Annual Report has been prepared in accordance with the Danish Financial Statements Act.
It is our opinion that the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the Company's financial position at 31 December 2021 and of the results of the Group's and the Company's operations and consolidated cash flows for the financial year 1 January – 31 December 2021.

Furthermore, in our opinion, the Management's review gives a fair review of the development in the Group's and the Company's operations and financial matters and the results of the Group's and the Company's operations and financial position.

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

Ballerup, 18 March 2022

Executive Board

Annette Zeipel
CEO

Lars Henrik Vejrup Hansen
CFO

Board of Directors

Marianne Philip
Chairman

Henrik Brandt

Jørgen Dirksen

Gregers Wedell-Wedellsborg

Tina Nina Steenberg

Hans Jørgen Flintenborg

Jannick Lindholdt

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Independent Auditor's Report

To the shareholder of Gerda & Victor B Strand Holding A/S

Opinion

We have audited the consolidated financial statements and the parent company financial statements of Gerda & Victor B Strand Holding A/S for the financial year 1 January – 31 December 2021, 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.

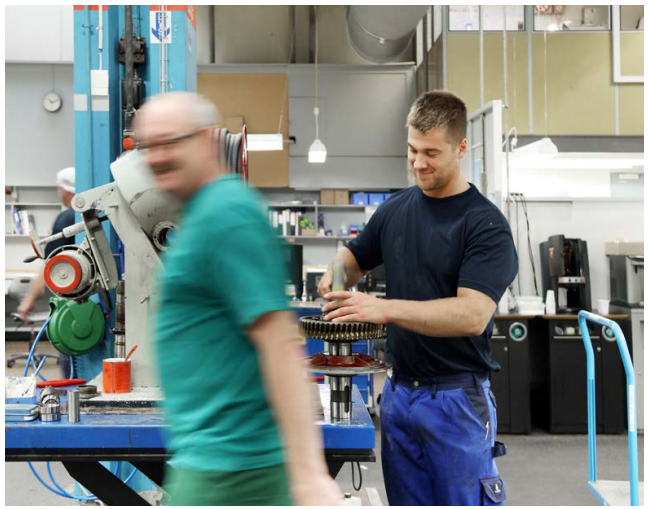
In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2021 and of the results of the Group's and the Parent Company's operations as well as the consolidated cash flows for the financial year 1 January – 31 December 2021 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 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 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.

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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 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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance 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.

Copenhagen, 18 March 2022
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Jens Thordahl Nøhr
State Authorised Public Accountant
mne32212

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Group and Parent Company Financial Statements

For the period 1 January – 31 December 2021

Accounting Policies

Compliance

The annual report of Gerda & Victor B Strand Holding A/S for 2021 has been prepared in accordance with the provisions applying to reporting class C enterprises (large) under the Danish Financial Statements Act.

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

Recognition and measurement

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the Group and the income can be measured reliably. Liabilities are recognised in the balance sheet when the Group as a result of a past event has a legal or constructive obligation and it is probable that future economic benefits will flow from the Group, and the value can be measured reliably.

In recognising and measuring assets and liabilities, any gains, losses and risks occurring prior to the presentation of the annual report that evidence conditions existing at the balance sheet date are taken into account.

Income is recognised in the income statement as it occurs, including value adjustments of financial assets and liabilities measured at fair value or amortised cost. In addition, costs incurred to generate the year's earnings, including depreciation, amortisation, provisions and reversals due to changes in accounting estimates of amounts previously recognised in the consolidated financial statements and the parent company financial statements.

Consolidated financial statements

The consolidated financial statements comprise the parent company, Gerda & Victor B Strand Holding A/S, and subsidiaries in which Gerda & Victor B Strand Holding A/S directly or indirectly holds more than 50 percent of the voting rights or which it, in some other way, controls. Enterprises in which the Group holds between 20 percent and 50 percent of the voting rights and over which it exercises significant influence, but which it does not control, are considered associates.

On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends, and realised and unrealised gains and losses on intra-group transactions are eliminated.

Investments in subsidiaries are set off against the proportionate share of the subsidiaries' fair value of net assets or liabilities at the acquisition date.

Foreign currency translation

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 at the date of payment are recognised in the income statement as financial income or financial expenses.

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 at 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 expenses.

Foreign subsidiaries and associates are considered separate entities. The income statements are translated at the average exchange rates for the month, and the balance sheet items are translated at the exchange rates at the balance sheet date. Foreign exchange differences arising on 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.

Foreign exchange adjustments of intra-group balances with independent foreign subsidiaries which are considered part of the investment in the subsidiary are recognised directly in equity. Foreign exchange gains and losses on loans and derivative financial instruments designated as hedges of foreign subsidiaries are also recognised directly in equity.

Derivative financial instruments

Derivative financial instruments are initially recognised in the balance sheet at cost and are subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are included in other receivables and payables, respectively.

Changes in the fair value of derivative financial instruments designated as and qualifying for recognition as a hedge of the fair value of a recognised asset or liability are recognised in the income statement together with changes in the fair value of the hedged asset or liability.

Changes in the fair value of derivative financial instruments designated as and qualifying for recognition as a hedge of future assets and liabilities are recognised in other receivables or other payables and in equity. If the forecast transaction results in the recognition of assets or liabilities, amounts previously recognised in equity are transferred to the cost of the asset or liability, respectively. If the forecast transaction results in income or expenses, amounts previously recognised in equity are transferred to the income statement in the period in which the hedged item affects profit or loss.

For derivative financial instruments that do not qualify for hedge accounting, changes in fair value are recognised in the income statement on a regular basis.

Income statement

Revenue

Income from the sale of goods for resale and finished goods is recognised in the income statement when delivery and transfer of risk to the buyer have taken place and provided that the income can be reliably measured and is expected to be received.

Revenue is measured at fair value of the agreed consideration ex. VAT and taxes charged on behalf of third parties. All discounts granted are recognised in revenue. The company uses IAS 18 as interpretation for the recognition of revenue.

Production costs

Production costs comprise costs, including depreciation and amortisation and salaries, incurred in generating the revenue for the year. Such costs include direct and indirect costs for raw materials and consumables, wages and salaries, rent and leases, and depreciation of production plants.

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Sales and distribution costs
Costs incurred in distributing goods sold during the year and in conducting sales campaigns, etc., during the year are recognised as sales and distribution costs. Also, costs relating to sales staff, advertising, exhibitions and depreciation are recognised as sales and distribution costs.

Administrative expenses
Administrative expenses comprise expenses incurred during the year for company management and administration, including expenses for administrative staff, management, office premises, office expenses and depreciation.

Other operating income
Other operating income comprises items secondary to the Company's activities, including gains on disposal of intangible assets and items of property, plant and equipment.

Other operating costs
Other operating cost comprises items secondary to the Company's activities, including losses on disposal of intangible assets and items of property, plant and equipment.

Share of profit/loss in subsidiaries after tax
The proportionate share of the results after tax of the individual subsidiaries is recognised in the income statement of the parent company after full elimination of intra-group profits/losses.

Financial income and expenses
Financial income and expenses comprise interest income and expense, gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Tax on profit/loss for the year
Tax for the year comprises current tax for the year and changes in deferred tax. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

As parent company, Gerda & Victor B. Strand Holding A/S, is covered by the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. Subsidiaries form part of the joint taxation from the date on which they are included in the consolidation of the consolidated financial statements and up to the date on which they exit the consolidation.

Gerda & Victor B. Strand Holding A/S is the administrative company for the joint taxation and consequently settles all corporate tax payments with the tax authorities.

The current Danish corporate tax is allocated by settlement of joint taxation contribution between the jointly taxed companies in proportion to their taxable income. In this relation, companies with tax loss carryforwards receive joint taxation contribution from companies that have used these losses to reduce their own taxable profits.

Tax for the year comprises current tax, joint taxation contributions for the year and changes in deferred tax for the year – due to changes in the tax rate. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

Balance sheet

Goodwill and trademarks
Goodwill and trademarks are amortised over the estimated useful life determined on the basis of Management's experience of the specific business areas. Goodwill and trademarks are amortised on a straight-line basis over a maximum amortisation period of 20 years, longest for strategically acquired enterprises with strong market positions and long-term earnings profiles.

Property, plant and equipment
Land and buildings, plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, subsuppliers, and wages and salaries.

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.

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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 are as follows:

Buildings	30-50 years
Installations in building	10 years
Fixtures and fittings, tools and equipment	5-20 years
Cars	3 years
It equipment	3-5 years

The depreciation period and the residual value are determined at the time of acquisition and are reassessed every year. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

Depreciation is recognised in the income statement as production costs, distribution costs and administrative expenses, respectively.

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

Investments in subsidiaries
Investments in subsidiaries are measured under the equity method.

Investments in subsidiaries are measured at the proportionate share of the enterprises' net asset values calculated in accordance with the Group's accounting policies minus or plus unrealised intra-group profits and losses and plus or minus any residual value of positive or negative goodwill determined in accordance with the acquisition method.

Investments in subsidiaries with negative net asset values are measured at DKK 0 (nil), and any amounts owed by such enterprises are written down if the amount owed is irrecoverable. If the parent company has a legal or constructive obligation to cover a deficit that exceeds the amount owed, the remaining amount is recognised under provisions.

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

On acquisition of subsidiaries, the acquisition method is applied, see consolidated financial statements above.

Impairment of non-current assets
The carrying amount of intangible assets and property, plant and equipment is subject to an annual test for indications of impairment other than the decrease in value reflected by amortisation or depreciation.

Impairment tests are conducted of individual assets or groups of assets (cash-generating units) when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

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

Other investments
Other investments recognised under non-current assets comprise unlisted shares measured at cost.

Loan receivable from affiliated companies
Loans to subsidiaries are measured at amortised cost.

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.

Goods for resale and raw materials and consumables are measured at cost, comprising purchase price plus delivery costs.

Finished goods and work in progress are measured at cost, comprising the cost of raw materials, consumables, direct wages and salaries and indirect production over

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heads. Indirect production overheads comprise indirect materials and wages and salaries as well as maintenance and depreciation of production machinery, buildings and equipment as well as factory administration and management. Borrowing costs are not included in cost.

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

Receivables
Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable or a receivable portfolio has been impaired. If there is an objective indication that an individual receivable has been impaired, a write-down is made on an individual basis.

The company uses IAS 39 as interpretation for the recognition of write-down of receivables.

Securities and investmens
Securities and investmens are measured at fair value at the balance sheet date.

Dividends
Proposed dividends are recognised as a liability at the date when they are adopted at the annual general meeting (declaration date). The expected dividend payment for the year is disclosed as a separate item under equity.

Corporation tax and deferred tax
Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Joint taxation contribution payable and receivable is recognised in the balance sheet as „Corporation tax receivable" or „Corporation tax payable".

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value 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 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 planned use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax value of tax loss carryforwards, 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 and jurisdiction.

Adjustment is made to deferred tax resulting from elimination of unrealised intra-group profits and losses.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. The change in deferred tax as a result of changes in tax rates is recognised in the income statement.

Provisions
Provisions are recognised when, as a result of past events, the Company has a legal or a constructive obligation and it is probable that there may be an outflow of resources embodying economic benefits to settle the obligation. Provisions are measured at net realisable value.

Defined benefit plans are measured at the discounted value of the net pension obligation calculated using actuarial assumptions. Actuarial gains and losses are recognised in equity. If the obligation is expected to be settled far into the future, the obligation is measured at net present value.

Financial Liabilities
Financial liabilities are recognised at the time of borrowing at the proceeds received after deduction of transaction costs. In subsequent periods financial liabilities are measured at amortised cost.
Other financial liabilities are measured at net realisable value.

Cash flow statement

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

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

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

Cash flows from financing activities
Cash flows from financing activities comprise the raising of loans, repayment of interest-bearing debt and payment of dividends to shareholders.

Cash and cash equivalents
Cash and cash equivalents comprise cash at bank and in hand and securities and investments with a maturity below three months.

Special items

Special items consists of restructuring and strategic project costs related to investments in the supply chain footprint program and which does not form part of the Group's ordinary operating activities.

Special items for the year are disclosed in note 1, including the line items in which they are recognised in the income statement.

Segment information

Information is provided on business segments and geographical markets. Segment information is based on the Company's internal financial management.

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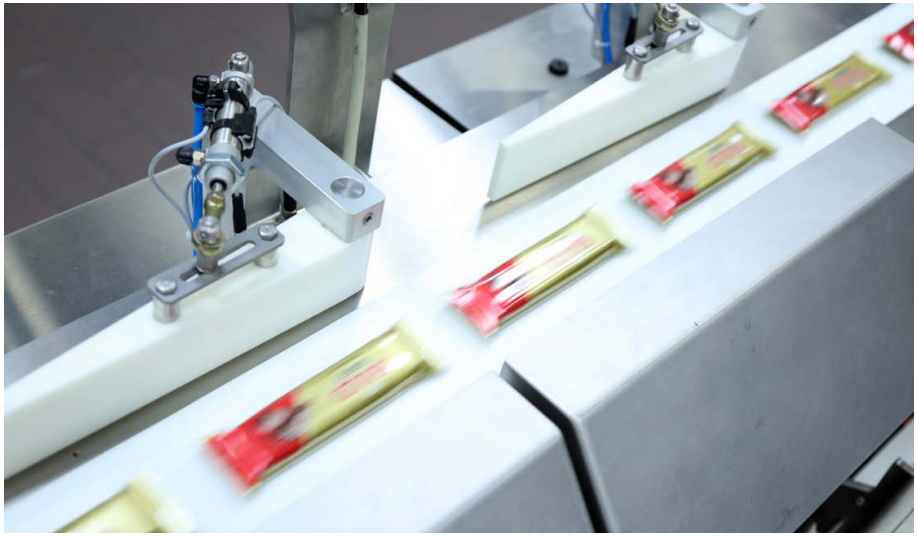

Income Statement 2021

DKK '000

Parent company				Group	
2020	2021	Note		2021	2020
0	0	2	**Revenue**	1.602.273	1.398.666
0	0	1/3/4	Production costs	-1.031.522	-971.296
0	0		**Gross profit**	570.751	427.370
0	0	1/3/4	Sales and distribution costs	-407.105	-379.119
-29	-42	1/3/4	Administrative expenses	-88.589	-74,245
-29	-42		**Operating profit**	75.057	-25.994
-58.573	56.080	6	Share of profit/loss in subsidiaries after tax	0	0
0	7	7	Financial income	7	67
-5	-7	8	Financial expenses	-22.425	-40.876
-58.607	56.038		**Profit before tax**	52.639	-66.803
0	0	9	Tax on profit/loss	3.399	8.196
-58.607	56.038		**Profit for the year**	56.038	-58.607
			Allocation of profit		
-58.607	56.038	30	Shareholders of Gerda og Victor B. Strand Holding A/S	56.038	-58.607

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Balance Sheet 31.12.2021

Assets
DKK '000

Parent company				Group	
2020	2021	Note		2021	2020
0	0	10	Goodwill	962	4.818
0	0	11	Trademarks etc.	4.596	6.100
0	0		**Total intangible assets**	5.558	10.918
0	0	12	Land and buildings	311.875	323.886
0	0	13	Plant and machinery	442.635	422.483
0	0	14	Fixtures and fittings, tools and equipment	17.833	12.092
0	0	15	Property, plant and equipment under construction	3.682	35.982
0	0		**Total property, plant and equipment**	776.025	794.443
0	0	16	Other investments	0	2.735
702.832	763.533	6	Investments in subsidiaries	0	0
0	0	17	Deferred tax assets	36.556	22.302
702.832	763.533		**Total other non-current assets**	36.556	25.037
702.832	763.533		**Total non-current assets**	818.139	830.398
0	0	18	**Inventories**	235.224	258.924
0	0		Trade receivables	203.244	198.421
220	220	19	Corporation taxes, receivable	3.803	8.502
0	0		Other receivables	24.761	13.678
220	220		**Total receivables**	231.808	220.601
0	0	20	**Securities and investments**	725	698
89	60		**Cash at bank and in hand**	97.113	6.139
309	280		**Total current assets**	564.870	486.362
703.141	763.813		**Total assets**	1.383.009	1.316.760

Balance Sheet 31.12.2021

Equity and liabilities
DKK '000

Parent company				Group	
2020	2021	Note		2021	2020
10.000	10.000	21	Share capital	10.000	10.000
143.088	203.788		Revaluation reserve according to the equity method	0	0
550.031	549.989		Retained earnings	753.777	693.119
703.119	763.777		**Equity**	763.777	703.119
0	0	22	Deferred tax	24.445	17.723
0	0	23	Credit institutions	163.985	172.507
0	0	24	Provisions	21.447	23.510
0	0	25	Other payables	14.691	14.663
0	0		**Non-current liabilities**	224.568	228.403
0	0	23	Credit institutions	8.342	8.199
0	0	24	Provisions	6.911	4.819
0	0		Bank loans and overdraft	0	55.462
0	0		Trade payables	222.734	192.441
6	1		Amounts owed to affiliated companies	0	50
0	0	26	Corporation taxes, payable	3.037	11.016
16	35	25	Other payables	153.640	113.251
22	36		**Current liabilities**	394.664	385.238
22	36		**Total liabilities**	619.232	613.641
703.141	763.813		**Total liabilities and equity**	1.383.009	1.316.760

27	Commitments, contingencies and pledged assets
28	Currency risks
29	Related parties
30	Proposed profit appropriation
31	Cash flow from investing activities
32	Cash and cash equivalents
33	Events after the balance sheet date

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Statement of Changes in Equity

DKK '000

Note	Parent company	Share capital	Revaluation reserve according to the equity method	Retained earnings	Total
	Equity at 1 January 2020	**10.000**	**225.108**	**550.065**	**785.173**
	Acturial loss on defined benefit plans, net of tax	0	-811	0	-811
30	Proposed profit appropriation	0	-58.573	-34	-58.607
	Foreign currency translation adjustments	0	-18.837	0	-18.837
	Value adjustments on hedging instruments, primo	0	3.612	0	3.612
	Value adjustments on hedging instruments, ultimo	0	-8.482	0	-8.482
	Deferred tax on value adjustments	0	1.071	0	1.071
	Equity at 1 January 2021	**10.000**	**143.088**	**550.031**	**703.119**
	Acturial loss on defined benefit plans, net of tax	0	996	0	996
30	Proposed profit appropriation	0	56.080	-42	56.038
	Foreign currency translation adjustments	0	-3.192	0	-3.192
	Value adjustments on hedging instruments, primo	0	8.482	0	8.482
	Value adjustments on hedging instruments, ultimo	0	256	0	256
	Deferred tax on value adjustments	0	-1.922	0	-1.922
	Equity at 31 December 2021	**10.000**	**203.788**	**549.989**	**763.777**

Note	Group	Share capital	Retained earnings	Total
	Equity at 1 January 2020	**10.000**	**775.173**	**785.173**
	Acturial loss on defined benefit plans, net of tax	0	-811	-811
30	Proposed profit appropriation	0	-58.607	-58.607
	Foreign currency translation adjustments	0	-18.837	-18.837
	Value adjustments on hedging instruments, primo	0	3.612	3.612
	Value adjustments on hedging instruments, ultimo	0	-8.482	-8.482
	Deferred tax on value adjustments	0	1.071	1.071
	Equity at 1 January 2021	**10.000**	**693.119**	**703.119**
	Acturial loss on defined benefit plans, net of tax	0	996	996
30	Proposed profit appropriation	0	56.038	56.038
	Foreign currency translation adjustments	0	-3.192	-3.192
	Value adjustments on hedging instruments, primo	0	8.482	8.482
	Value adjustments on hedging instruments, ultimo	0	256	256
	Deferred tax on value adjustments	0	-1.922	-1.922
	Equity at 31 December 2021	**10.000**	**753.777**	**763.777**

Cash Flow Statement

DKK '000

Note		Group 2021	Group 2020
	Operating profit/loss	75.057	-25.994
	Depreciation, amortisation and impairment losses	71.988	72.780
	Cash generated from operating activities before changes in working capital, etc	**147.045**	**46.786**
	Inventories	23.229	19.307
	Trade receivables	-4.823	28.025
	Other receivables	-12.276	2.959
	Trade payables	27.250	10.134
	Other payables	44.181	53.939
	Provisions	-7.503	-28.396
	Changes in working capital	**70.058**	**85.968**
	Value adjustments of financial instruments	6.816	-3.799
	Net financials	-19.501	-19.512
	Paid tax	120	-7.803
	Cash flow from operating activities	**204.538**	**101.640**
31	**Cash flow from investing activities**	**-49.694**	**-106.928**
	Borrowings, bank overdrafts	-55.463	12.517
	Repayment of borrowings	-8.380	-7.916
	Cash flow from financing activities	**-63.843**	**4.601**
	Increase/decrease in cash and cash equivalents, during the year	**91.001**	**-687**
32	**Cash and cash equivalents at 1 January**	**6.837**	**7.524**
32	**Cash and cash equivalents at 31 December**	**97.838**	**6.837**

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Notes

DKK '000

Parent company 2020	Parent company 2021	Note		Group 2021	Group 2020
		1	**Special items within operating profit**		
0	0		Other costs relating to closing of German factory	4.611	5.552
0	0		Factory commissioning costs	1.447	3.843
0	0		Transformation project cost	3.309	13.333
0	0		Transformation project income	-4.111	0
0	0		Total	5.256	22.728
			Special items are included in the following line items:		
0	0		Production costs	1.002	16.157
0	0		Sales and distribution cost	580	0
0	0		Administrative expenses	3.674	6.571
0	0		Total	5.256	22.728
		2	**Segment information**		
			Primary segment: Revenue in geographical area		
0	0		Denmark/Sweden, excl. Travel Retail	989.456	928.490
0	0		Germany, excl. Travel Retail	308.605	282.983
0	0		Other export, incl. Travel Retail	304.212	187.193
0	0		Total	1.602.273	1.398.666
			Secondary segment: Revenue split in activities		
0	0		Confectionery sales	1.602.273	1.398.666
0	0		Total	1.602.273	1.398.666

Notes

DKK '000

Parent company 2020	Parent company 2021	Note		Group 2021	Group 2020
		3	**Staff costs**		
0	0		Wages and salaries*	352.961	341.871
0	0		Pensions	30.609	30.007
0	0		Other social security costs	10.650	9.348
0	0		Total	394.220	381.226
			The staff costs has been included in the following line items:		
0	0		Production costs	246.891	239.122
0	0		Sales and distribution costs	99.673	97.393
0	0		Administrative expenses	47.656	44.711
0	0		Total	394.220	381.226
0	0		Average number of employees	928	933
			Remuneration including incentive plans to:		
0	0		Parent company Executive Board*	10.063	11.767
0	0		Parent company Board of Directors	3.250	3.250
0	0		Parent company Executive Board and Board of Directors	13.313	15.017
			** Wages and salaries includes severance costs.*		
		4	**Depreciation/amortisation**		
0	0		Intangible assets	5.422	5.000
0	0		Property, plant and equipment	66.566	67.780
0	0		Total	71.988	72.780
			The total depreciation/amortisation (including goodwill) has been included in the following line items:		
0	0		Production costs	64.190	65.497
0	0		Sales and distribution costs	202	252
0	0		Administrative expenses	7.596	7.031
0	0		Total	71.988	72.780
		5	**Fee paid to auditors**		
			EY Godkendt Revisionspartnerselskab		
14	25		Fee regarding statutory audit	1.071	853
0	0		Tax and VAT related engagements	476	608
11	9		Other non-audit engagements	374	484
25	34		Total	1.921	1.945

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Notes

DKK '000

Parent company 2020	Parent company 2021	Note		Group 2021	Group 2020
		6	**Investments in subsidiaries**		
559.744	559.744		Cost at 1 January		
559.744	559.744		Cost at 31 December		
225.108	143.088		Value adjustment at 1 January		
-18.837	-3.192		Foreign currency translation adjustments		
-58.573	56.080		Profit/loss after tax		
-811	996		Acturial loss on defined benefit plans, net of tax		
-3.799	6.817		Value adjustment on hedging instruments, net of tax		
143.088	203.789		Value adjustment at 31 December		
702.832	763.533		Carrying amount at 31 December		

Subsidiaries	Registered office	Ownership
Toms Gruppen A/S	Ballerup, Denmark	100%

		7	**Financial income**		
0	7		Other financial income	7	67
0	7		Total	7	67
		8	**Financial expenses**		
0	0		Exchange rate losses, net	10.194	30.003
0	0		Write down of investment	2.735	0
5	7		Other financial expenses	9.496	10.873
5	7		Total	22.425	40.876

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Notes

DKK '000

Parent company 2020	Parent company 2021	Note		Group 2021	Group 2020
		9	**Tax**		
0	0		Tax on profit for the year	-5.887	-10.587
0	0		Adjustment of tax relating to previous years	-199	-2.191
0	0		Adjustment of deferred tax	9.485	20.974
0	0		Total	3.399	8.196
		10	**Goodwill**		
0	0		Cost at 1 January	133.054	133.284
0	0		Foreign currency translation adjustments	-32	-230
0	0		Cost at 31 December	133.022	133.054
0	0		Accumulated amortisation and impairment loss at 1 January	-128.236	-124.621
0	0		Foreign currency translation adjustments	21	230
0	0		Amortisation	-3.845	-3.845
0	0		Accumulated amortisation and impairment loss at 31 December	-132.060	-128.236
0	0		Carrying amount at 31 December	962	4.818
		11	**Trademarks and software**		
0	0		Cost at 1 January	15.440	9.737
0	0		Foreign currency translation adjustments	-5	-40
0	0		Transferred from assets under construction	0	3.824
0	0		Additions	74	2.529
0	0		Disposals	-7.481	-610
0	0		Cost at 31 December	8.028	15.440
0	0		Accumulated amortisation and impairment loss at 1 January	-9.340	-8.833
0	0		Foreign currency translation adjustments	4	38
0	0		Amortisation	-1.577	-1.155
0	0		Amortisation and impairment on disposals	7.481	610
0	0		Accumulated amortisation and impairment loss at 31 December	-3.432	-9.340
0	0		Carrying amount at 31 December	4.596	6.100

Notes

DKK '000

Parent company 2020	Parent company 2021	Note		Group 2021	Group 2020
		12	**Land and buildings**		
0	0		Cost at 1 January	537.186	546.860
0	0		Foreign currency translation adjustments	-2.597	-20.505
0	0		Transferred from assets under construction	926	8.176
0	0		Additions	1.298	3.823
0	0		Disposals	-723	-1.168
0	0		Cost at 31 December	536.090	537.186
0	0		Accumulated depreciation at 1 January	-213.300	-203.648
0	0		Foreign currency translation adjustments	223	1.041
0	0		Depreciation	-11.861	-11.861
0	0		Depreciation on disposals	723	1.168
0	0		Accumulated depreciation at 31 December	-224.215	-213.300
0	0		Carrying amount at 31 December	311.875	323.886
		13	**Plant and machinery**		
0	0		Cost at 1 January	1.322.483	1.306.332
0	0		Foreign currency translation adjustments	-2.399	-5.698
0	0		Transferred from assets under construction	46.786	159.424
0	0		Additions	28.249	65.415
0	0		Disposals	-86.011	-202.990
0	0		Cost at 31 December	1.309.108	1.322.483
0	0		Accumulated depreciation at 1 January	-900.000	-1.039.510
0	0		Foreign currency translation adjustments	513	2.401
0	0		Depreciation	-51.946	-53.384
0	0		Depreciation on disposals	84.960	190.493
0	0		Accumulated depreciation at 31 December	-866.473	-900.000
0	0		Carrying amount at 31 December	442.635	422.483

Notes

DKK '000

Parent company 2020	Parent company 2021	Note		Group 2021	Group 2020
		14	**Other fixtures and fittings, tools and equipment**		
0	0		Cost at 1 January	17.932	18.050
0	0		Foreign currency translation adjustments	-85	-257
0	0		Transferred from assets under construction	263	82
0	0		Additions	8.304	13.910
0	0		Disposals	-973	-13.853
0	0		Cost at 31 December	25.441	17.932
0	0		Accumulated depreciation at 1 January	-5.840	-16.949
0	0		Foreign currency translation adjustments	39	290
0	0		Depreciation	-2.759	-2.535
0	0		Depreciation on disposals	952	13.354
0	0		Accumulated depreciation at 31 December	-7.608	-5.840
0	0		Carrying amount at 31 December	17.833	12.092
		15	**Property, plant and equipment under construction**		
0	0		Cost at 1 January	35.982	214.444
0	0		Foreign currency translation adjustments	-258	-15.321
0	0		Additions	20.538	8.365
0	0		Disposals	-4.606	0
0	0		Transferred upon completion	-47.974	-171.506
0	0		Cost at 31 December	3.682	35.982
		16	**Other investments**		
0	0		Cost at 1 January	2.735	2.735
0	0		Cost at 31 December	2.735	2.735
0	0		Accumulated writedown at 1 January	0	0
0	0		Write down	-2.735	0
0	0		Accumulated writedown at 31 December	-2.735	0
0	0		Carrying amount at 31 December	0	2.735

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Notes

DKK '000

Parent company 2020	Parent company 2021	Note		Group 2021	Group 2020
		17	**Deferred tax assets**		
0	0		Deferred tax at 1 January	22.302	20.813
0	0		Adjustments of deferred tax, including write-downs and their reversal*	14.254	1.489
0	0		Deferred tax at 31 december	36.556	22.302
			Deferred tax relates to:		
0	0		Intangible assets	982	1.473
0	0		Property, plant and equiment	4.206	4.474
0	0		Loss carried forward	23.054	7.254
0	0		Provisions	8.314	9.101
0	0		Carrying amount at 31 December	36.556	22.302
			Timing of the reversal of deferred tax assets expected to be:		
0	0		0-1 year	7.440	13.550
0	0		1-5 year	23.866	5.085
0	0		After 5 years	5.250	3.667
0	0		Deferred tax at 31 December	36.556	22.302

The loss carried forward is expected to be reversed within 1-5 years.
Deferred tax of DKK 23,8 million relating to German subsidiaries is not recognised (2019: 39,8 million).

** The adjustment of deferred tax includes a reversal of deferred tax relating to German subsidaries amounting to DKK 15,8 million.*

Notes

DKK '000

Parent company 2020	Parent company 2021	Note		Group 2021	Group 2020
		18	**Inventories**		
0	0		Raw material and packaging	89.309	96.193
0	0		Work in progress	37.362	42.071
0	0		Manufactured goods and goods for resale	108.553	120.660
0	0		Carrying amount at 31 December	235.224	258.924
		19	**Corporation taxes, receivable**		
220	220		Company tax, receivable at 1 January	8.502	2.847
0	0		Paid/received during the year	-1.877	6.787
0	0		Company tax for the year	-2.822	-1.132
220	220		Company tax, receivable at 31 December	3.803	8.502
		20	**Securities and investments**		
0	0		Cost at 1 January	39	39
0	0		Cost at 31 December	39	39
0	0		Value adjustment at 1 January	659	579
0	0		Value adjustment during the year, recognized through profit and loss	27	80
0	0		Value adjustment at 31 December	686	659
0	0		Carrying amount at 31 December	725	698

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Notes

DKK '000

Parent company 2020	Parent company 2021	Note		Group 2021	Group 2020
		21	**Share capital**		
10.000	10.000		Share capital at 31 December		
			The share capital consists of:		
10.000	10.000		100,000 shares of DKK 100 each		
10.000	10.000		Total		
		22	**Deferred tax, liabilities**		
0	0		Deferred tax at 1 January	17.723	37.635
0	0		Adjustments of deferred tax	6.722	-19.912
0	0		Deferred tax at 31 december	24.445	17.723
			Deferred tax relates to:		
0	0		Property, plant and equipment	27.618	27.083
0	0		Intangible assets	-123	-122
0	0		Current assets	5.823	6.005
0	0		Items in equity	56	-1.866
0	0		Credit institutions	3.419	3.774
0	0		Provisions	1.800	1.063
0	0		Tax loss carry forward	-14.148	-18.214
0	0		Carrying amount at 31 December	24.445	17.723
			Timing of the reversal of deferred tax liabilities expected to be:		
0	0		0-1 year	-4.221	-17.027
0	0		1-5 year	1.380	6.231
0	0		After 5 years	27.286	28.519
0	0		Deferred tax at 31 December	24.445	17.723

Notes

DKK '000

Parent company 2020	Parent company 2021	Note		Group 2021	Group 2020
		23	**Credit institutions**		
0	0		Current, mortgage debt	8.342	8.199
0	0		Non-current, mortgage debt	163.985	172.507
0	0		Credit institutions at 31 December	172.327	180.706
0	0		Due within the next year	8.342	8.199
0	0		Due within 1 - 5 years	34.860	34.258
0	0		Due after 5 years	129.125	138.249
0	0		Credit institutions at 31 December	172.327	180.706
		24	**Provisions**		
			Movement during the year		
0	0		Other provisions at 1 January	28.329	56.725
0	0		Used	-6.409	-33.132
0	0		New provisions	6.438	4.736
0	0		Other provisions at 31 december	28.358	28.329
			The balance end of year		
0	0		Restructuring, Germany (severance pay etc.)	2.841	4.761
0	0		Defined benefit plans, Germany	19.916	21.975
0	0		Other, including onerous contracts	5.601	1.593
0	0		Other provisions at 31 december	28.358	28.329
0	0		Provisions due within the next year	6.911	4.819
0	0		Provisions due within 1-5 years	428	467
0	0		Provisions due after 5 years	21.019	23.043
0	0		Carrying amount at 31 December	28.358	28.329
		25	**Other payables**		
16	35		Current, other payables	153.639	113.251
0	0		Non-current, other payables	14.691	14.663
16	35		Other payables at 31 December	168.330	127.914
16	35		Due within the next year	153.639	113.251
0	0		Due within 1 - 5 years	533	405
0	0		Due after 5 years	14.158	14.258
16	35		Other payables at 31 December	168.330	127.914

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Notes

DKK '000

Parent company 2020	Parent company 2021	Note		Group 2021	Group 2020
		26	**Corporation taxes, payable**		
0	0		Company tax, payable at 1 January	11.016	386
0	0		Paid during the year	-11.021	1.394
0	0		Company tax for the year	3.042	9.236
0	0		Company tax, payable at 31 december	3.037	11.016
		27	**Commitments, contingencies and pledged assets**		
			Contingent liabilities		
0	0		Operating leases re. vehicles and IT equipment	17.559	15.872
			Commitments		
0	0		Contracts related to purchase of raw materials and construction contracts	274.002	227.082

Pledged assets: The Group has pledged assets with a net carrying value of DKK 53,2 million (DKK 54,7 million) in favor of the mortgage loans (refer to note 23).

Guarantee declaration: Toms Gruppen A/S undertakes to ensure that, by the end of the following financial year, Hanseatische Chocolade GmbH is managed and financially equipped in such a way that it is always in a position to meet all its liabilities incurred up until the balance sheet date of 31 December 2021 vis-à-vis their creditors in due time. This declaration shall be binding only in favour of Hanseatische Chocolade GmbH. An assignment of these claims to third parties is not permitted. The declaration is subject to German law. Place of jurisdiction is Bremen.

The following fully consolidated German Group companies made use of the exemption provisions in Section 264 Paragraph 3 and Section 264b HGB in 2021; Hanseatische Chokolade GmbH, Hanseatische Geschätsführungs GmbH, Hanseatische Chocolade Kontor GmbH & Co. KG, FHG Beteiligungs-gesellschaft mbH & Co. KG and Hawopral GmbH"

Toms Polska Sp. z o.o. has issued a gurantee of PLN 2 million towards the Tax Office in Zielona Góra.

Lawsuit: Oberlandesgericht Düsseldorf has ruled in the sugar cartel case (süssvarenverband) against the aquired subsidiary, Feodora Chocolade GmbH, and a number of other major producers in Germany. The lawsuite was filed in 2009 on Restrictive pratice and is on going. Total liablilities amount to DKK 3,7 million. The former owners of Hanseatische Chocolade GmbH have guaranteed to indemnify Toms Gruppen A/S and provided security in the form of bank guarantees.

28 **Currency risks and use of cash flow hedges**

Contract type	Currency	2021 Contract amount based on agreed rates	2021 Gain / Loss recognized in equity	2020 Contract amount based on agreed rates	2020 Gain / Loss recognized in equity
Group		Local currency	(DKK '000)	Local currency	(DKK '000)
Forward exchange contracts	SEK	246.092	1.678	265.000	-8.722
Forward exchange contracts	PLN	-45.000	-1.491	-44.000	-502
Forward exchange contracts	GBP	0	0	600	-38
Forward exchange contracts	USD	3.500	-181	2.000	723
Forward exchange contracts	CAD	500	7	1.300	56
Forward exchange contracts	CNY	-8.500	243	0	0

The Group hedges major currencies (SEK, PLN, USD, CAD, GBP and CNY) according to the group policies, which state that main currency risk within 6 months are 100 % covered. Currency risk between 6 - 12 months are in general covered from 50 - 90 %.

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Notes

DKK '000

Parent company 2020	Parent company 2021	Note		Group
		29	**Related parties**	**Basic**
			Gerda og Victor B. Strand Holding A/S' related parties are:	
			Control:	
			Gerda og Victor B. Strands Fond and its Board of Directors, Ballerup, Denmark	Ultimate parent company
			Other related parties:	
			Toms Gruppen A/S, Ballerup, Denmark	Subsidiary
			Toms Sverige AB, Halmstad, Sweden	Subsidiary
			Toms Polska Sp. z o.o., Leszno, Poland	Subsidiary
			Hanseatische Chocolade GmbH, Bremen, Germany	Subsidiary
			Hanseatische Geschäftsführungs GmbH, Bremen, Germany	Subsidiary
			Hanseatisches Chocoladen Kontor GmbH & Co. KG, Germany	Subsidiary
			FHG Beteiligungsgesellschaft mbH & Co. KG, Bremen, Germany	Subsidiary
			Hawopral GmbH, Bremen, Germany	Subsidiary
			Toms Confectionery Group Pte. Ltd., Singapore	Subsidiary
			Toms Confectionery Group AS, Vestby, Norway	Subsidiary

Related parties also include Board of Directors, the Executive Board and executive employees.

			Transactions with related parties
6	1		Amounts owed to affiliated companies

Notes

DKK '000

Parent company		Note		Group	
2020	2021			2021	2020
		30	**Proposed profit appropriation**		
-34	-42		Retained earnings		
-58.573	56.080		Revaluation reserve according to the equity method		
-58.607	56.038		**Profit/loss for the year**		
		31	**Cash flow from investing activities**		
			Purchase and sale of land and buildings	-1.298	-3.823
			Purchase and sale of plant and machinery	-27.198	-52.918
			Purchase and sale of other fixtures, tools and equipment	-8.283	-13.411
			Purchase and sale of Trademarks and software	-74	-2.529
			Purchase of Property, plant and equipment under construction	-15.932	-8.365
			Change in payables and other receivables related to investing activities	3.505	-24.964
			Foreign currency translation adjustments	-414	-918
			Total	-49.694	-106.928
		32	**Cash and cash equivalents**		
			Cash and cash equivaltents at 1 January consists of:		
			Cash at bank and in hand	6.139	6.906
			Securities and investments	698	618
			Cash and cash equivalents at 1 January	6.837	7.524
			Cash and cash equivaltents at 31 December consists of:		
			Cash at bank and in hand	97.113	6.139
			Securities and investments	725	698
			Cash and cash equivalents at 31 December	97.838	6.837
		33	**Events after the balance sheet date**		

After the balance sheet date a German subsidiary has entered a conditional sales agreement to dispose of a property.

No other events have occured after the balance sheet date of importance to the consolidated financial statements and the financial statements of the Parent Company

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Definition and Terms

Definitions

Return on invested capital:	Operating profit in percent of the average of total assets less cash less Current liabilities excluding interest bearing debt.
Working Capital:	Inventories and trade receivables plus other receivables minus trade payables and other payables
Free Cash Flow:	Cash flow from operating activites minus cash flow from investment in intangible assets and property, plant and equipment.
Operating margin:	Operating profit in percent of revenue
Return on equity:	Profit from ordinary activities after tax in percent of average equity
Current ratio:	Current assets in percent of current liabilities
Gross margin:	Gross profit in percent of revenue
Operating profit before special item:	Operating profit before impairments, restructuring cost and other cost not related to ordinary activities
Operating profit:	Operating profit before interest and tax.
Solvency ratio:	Equity at year end in percent of total equity and liabilities at year end

Terms

Sugar confectionery:	Wine gums, liquorice, toffees, sweets etc.
International:	Internal segment. Includes export (except Sweden and Travel Retail)
Travel Retail:	Ferry and airport sales
Special items:	Refer to note 1

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Board of Directors

Marianne Philip (FM)
Education: LL. M. from the University of Copenhagen and Duke University, US. In depth experience in corporate legal affairs, including corporate and foundation and trust law. Experience in governance work on boards of directors.

Partner at Kromann Reumert
Chairman of the Committee on Foundation Governance, Post-doctoral Lecturer (CBS)

Novo Nordisk Fonden	(VCH)
Bitten og Mads Clausens Fond	(VCH)
Brenntag Nordic A/S	(BM)
Brenntag Nordic AB	(BM)
Codan A/S	(BM)
Codan Forsikring A/S	(BM)
LIFE Fonden	(VCH)
LIFE A/S	(VCH)
Aktieselskabet af 1. januar 1987	(BM)
Investeringsforeningen Nordea Invest Bolig	(CH)
Investeringsforeningen Nordea Invest Engros	(CH)
Investeringsforeningen Nordea Invest Kommune	(CH)
Investeringsforeningen Nordea Invest	(CH)
Nordea Funds OY	(VCH)
Copenhagen Capacity, Fonden til Markedsføring og Erhvervsfremme i Region Hovedstaden	(CH)
Kirsten og Peter Bangs Fond	(BM)
Norli Pension Livsforsikring A/S	(VCH)
Alm. Brand Liv og Pension A/S*	(BM)
Gerda og Victor B. Strands Fond	(CH)
Bestyrelsesforeningens Center for Cyberkompetencer A/S	(CH)
Axcelfuture	(BM)
BioInnovation Institute Fonden	(VCH)
BII Holdings A/S	(VCH)
Nordic I&P DK ApS	(BM)
Chopin Forsikring A/S	(BM)
Scandi JV Co A/S	(BM)
Ingrid Zachariaes Fond	(CH)
Ferdinand Andersens Familielegat	(CH)

** Entered in 2022*

Other management positions:
Chairman of the nomination and remuneration committee at Codan A/S and Codan Forsikring A/S
Member of Audit & Risk Committee at Codan A/S and Codan Forsikring A/S

Henrik Brandt (BM)
Education: Msc (Econ.), Copenhagen Business School. MBA, Stanford University, California. Previous positions: President and CEO, Royal Unibrew A/S, Unomedical A/S and Sophus Berendsen A/S, etc. Extensive experience from executive and board positions in Danish and international companies. Long industrial experience and extensive expertise within FMCG and strategic business development.

Chairman & Non-Executive Director

Toms Gruppen A/S	(CH)
Danish Bake Holding ApS	(CH)
Nemlig.com og Intervare A/S	(CH)
Scandinavian Tobacco Group A/S	(VCH)
Fritz Hansen A/S	(CH)
Ferd Holding as, Norge	(BM)
Gerda og Victor B. Strands Fond	(BM)

Jørgen Dirksen (BM)
Education: HA (BSc) in Economics and Business Administration. Previous positions: CEO Rynkeby Foods A/S, CEO Unicare, Nordic Marketing Director Blumøller A/S, CEO Tomten A/S, CEO Sara Lee. Commercial Director Toms Gruppen A/S. Extensive experience from executive and board positions in Danish and international companies. Long industrial experience and extensive expertise within FMCG and strategic business development.

Good Food Group A/S (inclusive of 3 subsidiaries)	(CH)
Orana A/S	(BM)
Alsiano A/S	(BM)
Grathwol A/S	(CH)
Kryta A/S	(BM)
Helsemin A/S	(BM)
H P Therkelsen A/S	(BM)
Gerda og Victor B. Strands Fond	(BM)
MIE5 Datterholding 6 ApS	(CH)

Gregers Wedell-Wedellsborg (BM)
Education: Master of Science (MSc) in Political Science, University of Copenhagen, Master in Public Administration, Harvard University. Captain of the Reserve (Den Kongelige Livgarde). Previous positions: Group EVP COOP, Director Digital Media TV2 Danmark, Director Berlingske Media, Strategy Consultant Accenture. Extensive experience from executive and board positions in Danish companies. Extensive expertise within retail, digitalization, media and strategic business development.

CEO Matas A/S

Dansk Erhverv	(BM)
Gyldendal A/S	(VCH)
Vallø Stift	(BM)
Gerda og Victor B. Strands Fond	(BM)
Matas Operations A/S	(CH)
Matas Property A/S	(CH)

Tina Nina Steenberg (ER)
Production worker. Employed at Toms Gruppen A/S since 2000.

Gerda og Victor B. Strands Fond	(ER)
Fælles Samarbejdsudvalg	(BM)

Hans-Jørgen Filtenborg (ER)
Education: Mechanical Engineer from Copenhagen University College of Engineering. Employed at Toms Gruppen A/S since 1995. Senior Project Manager.

Gerda og Victor B. Strands Fond	(ER)
Toms Gruppen A/S´ Ferie- og Jubilæumsfond	(CH)

Jannick Lindholdt (ER)
Education: Operator and Automation technician. Maintenance/repair & service warehouse. Employed at Toms Gruppen A/S since 1995.

Occupational health & safety representative – repair/maintenance Ballerup. Member of Toms' occupational health & safety council.

Gerda & Victor B. Strands Fond	(ER)
Toms' Værkstedsklub Ballerup/Hvidovre	(BM)

Executive Board

Annette Zeipel
CEO

Lars Henrik Vejrup Hansen
CFO

Auditors

EY Godkendt Revisonspartnerselskab
Dirch Passers Allé 36
DK-2000 Frederiksberg

(CH) Chairman
(VCH) Vice Chairman
(BM) Board Member
(ER) Employee Representative

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Gerda og Victor B. Strand Holding A/S
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2750 Ballerup, Denmark

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E-mail:	info@toms.dk
Website:	www.tomsgroup.com
Registered office:	Ballerup
Registration no.:	35 04 30 55
Established:	1 February 2013
Financial year:	1 January - 31 December

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