

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

ANNUAL REPORT

2023

1 JANUARY – 31 DECEMBER 2023

36th FINANCIAL YEAR

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

22 April 2024

Lars Hermes Olsen

Chairman of the Meeting

CONTENTS

| | Page |
|---|-------------|
| Statement and Report | |
| Management’s Statement..... | 2 |
| Independent Auditors’ Report | 3-5 |
| Management’s Review | |
| Company Information..... | 6 |
| Group Chart | 7 |
| Key Figures and Ratios..... | 8 |
| Management’s Review | 9-13 |
| Consolidated and Parent Company Financial Statements 1 January – 31 December | |
| Income Statement | 14 |
| Balance Sheet..... | 15-16 |
| Statement of Changes in Equity | 17 |
| Cash Flow Statement | 18 |
| Notes | 19-29 |
| Accounting Policies | 30-38 |

MANAGEMENT'S STATEMENT

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Nordic Seafood A/S for the financial year 1 January - 31 December 2023.

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

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the Group's and the Parent Company's financial position at 31 December 2023 and of the results of the Group's and the Parent Company's operations and cash flows for 2023.

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

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

Hirtshals 22 April 2024

Executive board:

Lars Hermes Olsen

Carl Højrup

Thomas Buus Christensen

Board of Directors:

Terutaka Kuraishi
Chairman

Masahide Asai

Keith Moores

Colin Douglas Paulin

Sato Naoto

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Nordic Seafood A/S

Opinion

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2023, and of the results of the Group's and the Parent Company's operations and cash flows for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Nordic Seafood A/S for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company, as well as statement of cash flows ("financial statements").

Basis for Opinion

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

Statement on Management's Review

Management is responsible for Management's Review.

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

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

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

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

INDEPENDENT AUDITOR'S REPORT

Management's Responsibilities for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

INDEPENDENT AUDITOR'S REPORT

- 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.

Aalborg 22 April 2024

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR-no. 33 77 12 31

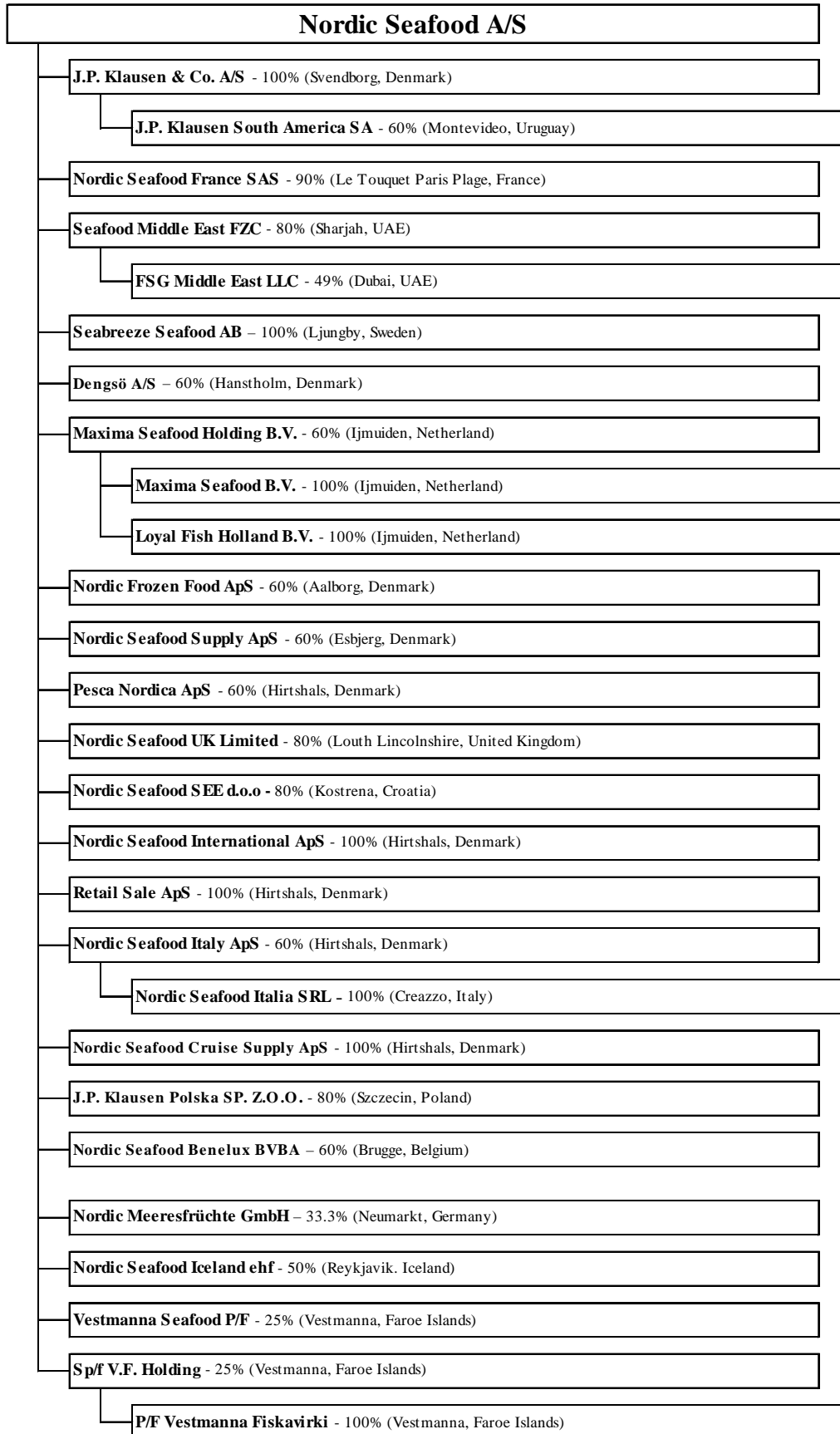
Line Borregaard
State Authorised Public Accountant
mne34353

Morten Porup
State Authorised Public Accountant
mne47816

COMPANY INFORMATION

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

GROUP CHART



KEY FIGURES AND RATIOS OF THE GROUP

| | 2023 | 2022 | 2021 | 2020 | 2019 |
|--|-----------|-----------|-----------|-----------|-----------|
| | DKK '000 | DKK '000 | DKK '000 | DKK '000 | DKK '000 |
| Income statement | | | | | |
| Net revenue | 3.280.453 | 3.703.662 | 3.174.060 | 2.665.835 | 2.924.258 |
| Gross profit..... | 192.194 | 233.223 | 221.081 | 149.976 | 172.638 |
| Operating profit | 84.258 | 117.320 | 107.950 | 55.110 | 76.481 |
| Profit/loss of financial income and expenses | -26.496 | -16.207 | -7.574 | -6.628 | -10.159 |
| Profit before tax..... | 57.762 | 101.213 | 100.376 | 48.482 | 66.322 |
| Profit for the year | 45.612 | 82.485 | 80.074 | 39.397 | 53.378 |
| Balance sheet | | | | | |
| Fixed assets | 184.477 | 73.224 | 63.316 | 65.056 | 71.143 |
| Current assets | 1.205.853 | 1.384.778 | 1.176.927 | 934.404 | 1.037.875 |
| Balance sheet total..... | 1.390.330 | 1.458.002 | 1.240.243 | 999.460 | 1.109.018 |
| Equity | 470.029 | 497.016 | 462.052 | 389.687 | 381.582 |
| Provision for liabilities | 49.119 | 2.520 | 4.353 | 1.747 | 3.182 |
| Long-term liabilities | 48.392 | 24.537 | 26.219 | 27.888 | 29.544 |
| Current liabilities..... | 822.790 | 933.929 | 747.619 | 580.138 | 694.710 |
| Liabilities..... | 871.182 | 958.466 | 773.838 | 608.026 | 724.254 |
| Cash flows | | | | | |
| Cash flows from: | | | | | |
| - operating activities | 264.279 | -130.274 | -79.047 | 84.929 | 64.638 |
| - investing activities | -132.378 | -14.070 | -5.615 | -970 | -2.628 |
| including investment in tangible fixed assets..... | -13.811 | -6.101 | -8.439 | -4.329 | -4.555 |
| - financing activities | -122.660 | 122.337 | 40.437 | -79.207 | -53.894 |
| Change in cash and cash equivalents for the year..... | 9.241 | -22.007 | -44.225 | 4.752 | 8.116 |
| Ratios | | | | | |
| Gross margin | 5,86% | 6,30% | 6,97% | 5,63% | 5,90% |
| (gross profit as % of revenue) | | | | | |
| Profit margin | 2,57% | 3,17% | 3,40% | 2,07% | 2,62% |
| (operating profit as % of net revenue) | | | | | |
| Rate of return..... | 5,92% | 8,70% | 9,64% | 5,23% | 6,92% |
| (operating profit as % of aver. balance sheet total) | | | | | |
| Equity ratio (solvency ratio)..... | 33,81% | 34,09% | 37,25% | 38,98% | 34,41% |
| (equity as % of assets, end of year) | | | | | |
| Return on equity | 11,95% | 21,11% | 23,57% | 12,57% | 17,89% |
| (profit before tax as % of aver. equity) | | | | | |
| Number of employees | 176 | 173 | 173 | 158 | 164 |
| Index for net revenue..... | 112 | 127 | 109 | 91 | 100 |
| Index for gross profit..... | 111 | 135 | 128 | 87 | 100 |
| Index for profit before tax | 87 | 153 | 151 | 73 | 100 |

MANAGEMENT'S REVIEW

Principal activities

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

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

Development in the financial year and results for the year

In the financial year 2023 the Group realized a profit for the year of DKK 45.6 million compared to DKK 82.5 million in 2022. The expected profit going into the financial year 2023 was in the range DKK 65-70 million.

The Company's outlook going into 2023 was that 2023 would be a challenging year due to the high inflation in Europe, which was expected to have a negative impact on the consumers behavior.

The Group has been facing very difficult market condition with a negative impact on the performance in 2023. The overall demand in 2023 has been declining and despite higher prices the revenue has decreased in 2023 compared to 2022. Unusual and large price drops on core products have resulted in extraordinary losses and write-downs of in total approx. DKK 20 million in the subsidiary J.P. Klausen & Co A/S. Despite a significant reduction of the working capital the increasing interest rates has had a negative impact on the profit before tax of DKK 14 million compared to 2022.

Nordic Seafood A/S have invested in two new group companies. Dengsö A/S in Hanstholm, Denmark became a member of the Nordic Seafood Group 1st October 2023 and Maxima Seafood B.V. in IJmuiden, Netherland became a member of the Nordic Seafood Group 1st December 2023. It is expected that both companies will contribute very positively to the future growth of the Nordic Seafood Group.

Future prospects

The Group expect 2024 to be a challenging year as well due to the uncertainties linked to the European economies. The interest rates are expected to remain high, which will have an impact on the consumers behavior.

The Group expects a result for the financial year 2024 in the range DKK 60-70 million.

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

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

Business model

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

Assessment of risks related to our business model

We hold the highest standards of quality and food safety and we strive to do our business with respect for the natural resources and our supply chain. Global trade means global responsibilities and Nordic Seafood recognize this and act upon the inherent risks that come with the products purchased. Illegal fishing, overfishing, unsustainable farming and socially unacceptable productions to name the most important ones.

MANAGEMENT'S REVIEW

We are conscious of our responsibilities and integrate this in our policies on both practical and strategic levels of our activities. We have a close dialogue with our customers and other relevant stakeholders to ensure compliance with both market standards and customer expectations. We strive to present as wide a sustainable product range as feasibly possible.

Assessment of risks related to our business model

Nordic Seafood applies a principle of “hands on” with suppliers and will engage in, and cooperate with suppliers of potential, even if there is room for improvement. It is the wish of Nordic Seafood to use its knowledge and monetary power, to push suppliers in a sustainable direction. Business grants influence.

Policies and social responsibility

Nordic Seafood has internal guidelines, policies and goals which ensure that our employees work in a healthy working environment and that they have the best possible working conditions. We prioritize work safety in our factory and hold the safety of our staff to the highest standard. We have established and uphold policies on:

- Human rights and Labour
- Environment / Climate change
- Anticorruption and bribery
- Animal welfare and Biodiversity

The policies lay out the framework of our social responsibilities and present our systematic approach to reducing the negative impact of our products upon work force, the environment and ecology. They contain both our very principal standpoints and the tools we use in our CSR workflows.

2023 – Results

The results are categorized to match the Nordic Seafood policies.

Human rights and Labour

In our Company, we are all equally entitled to our human rights without discrimination. These rights are all inter-related. The principles are: Universal and inalienable, interdependent and indivisible, equal and non-discriminatory, and both rights and obligations.

Our company is strongly against child labour, forced labour, discrimination and an unhealthy working environment.

In alignment with our goal for 2022 and 2023 we have invested in a BSCI (Business social compliance Initiative) membership and established a registration and monitoring programme for our relevant suppliers. BSCI operate a system of country classification into risk or low risk countries (countries risk classification 2022). This is based on key governance indicators and serve as a guideline to where your efforts should be directed. It was our 2022 goal to increase the purchase volume percentage of suppliers in risk countries that hold a 3rd party validated social standard. Nordic Seafood accept BSCI, SMETA and SA8000 as valid social standards – this is in line with most of our customers. In 2023 our goal was to engage directly in the certification process of BSCI and now hold RSP for a handful of our suppliers. Currently Nordic Seafood purchase 38% of its volume in risk countries, as defined on BSCIs “countries risk classification 2022”. This is a reduction from last year from 43%. 38% of the volume from risk countries comes from suppliers that holds a Social standard. This is an improvement from 36% in 2021. It is our expectation, to increase the volume products produced by suppliers that hold a social standard in 2024.

Nordic Seafood operates in countries where human rights and Labour protection are a fully integrated part of national legislation. Furthermore we have a low-hierarchical and open organisation that facilitates easy access to management.

MANAGEMENT'S REVIEW

Nordic Seafood Occupational Health and Safety:

Nordic Seafood administration does not hold significant physical risks. In our factory and in our cold store, several functions hold an inherent risk of injury. The risks are managed through our Occupational Health and safety team and through our APVs. The APVs are also our tool for managing our psychological work environment.

Our staff policies are communicated to all new staff as a part of their induction program. The policies are also available on Nordic Seafoods intranet. Factory staff receive the policies in a folder as a part of their induction. The policies are revised and updated continuously.

In the financial year 2023, there have been 2 accidents. An employee had a minor cut wound from portioning fish and one was hit by an automated door to the freezer. It is our expectation that our continued focus on prevention will maintain our very low level of incidents.

Environment / Climate change

In 2023 Nordic Seafood has been working on initiatives that reduces our scope 1 and 2 carbon footprint in our HQ, cold store and factory. In 2023 Nordic Seafood has installed a heat reclamation system on our cold store compressors and supply 60-70% warm water and heat needs for the company. Approximating a 30 ton CO₂-E carbon reduction.

In 2024 We are planning to invest in solar panels on our cold store and factory roofs. As part of our coming reporting obligations defined in the CSRD we are going to invest significant resources into ensuring that Nordic Seafood is compliant when reporting within the new framework. Nordic Seafood will report from the financial year 2025.

Sustainable fishing / aquaculture

It is our continued aim to further improve and extend our sustainable product range. From 2022 to 2023 the number of certified sustainable species has seen a small reduction to 38 species.

Our volume of certified sustainable products has decreased from 39% to 37%. Certified sustainable is defined as holding an GSSI (Global Sustainable Seafood Initiative) approved certification. The bulk of our certified volume is from ASC (Aquaculture stewardship council) or MSC (Marine Stewardship council).

It is our expectation that the volume of sustainable products will remain stable or slightly increase in 2024.

Anticorruption and bribery

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

Nordic Seafoods Risk profile on corruption and bribery is notable as we have activities in countries wherein corruption is more common. The risk is managed by training our staff in Nordic Seafood Anticorruption and Bribery policy. Training in anticorruption and bribery policy is part of Nordic Seafoods induction programme and also a subject at our recurring CSR courses for all relevant staff. In the financial year 2023 there have been no incidents. It is our expectations that we will have zero incidents in 2024.

MANAGEMENT'S REVIEW

Animal welfare and Biodiversity

Cropland expansion, mainly for soy, is the main driver of deforestation. Nordic Seafoods main consumption of soy is in aquaculture where it is a main component in feed. To offset the adverse impact, we have joined RTRS (Roundtable on Responsible Soy) Through their quota system we purchase credits and thus exchanging our calculated soy footprint with a sustainable one. For the financial year 2023 our calculated soy footprint is approximately 2.500 tons. We will purchase RTRS credits to cover this volume.

Report of the Gender Composition in Management, cf. Section 99b of the Danish Financial Statements Act

Target for the Board of Directors

Nordic Seafood is owned and controlled by Nippon Suisan Kaisha Ltd (Nissui) which is listed in Japan. Nordic Seafoods Board of directors is formed by executive board members and board of directors members appointed from companies within the Nissui group. All members have a direct and natural association with the Nordic Seafood Group's business area.

Currently there are no female Board of directors representatives. In consideration of the owners of the Company as described above, the Company has in 2015 stated an objective to appoint one female board member (or 40%) within the next 10 years.

| Board of Directors | 31/12 2023 | 31/12 2022 |
|-------------------------------|-------------------|-------------------|
| Target: | | |
| Underrepresented gender | 1 or 40% | 1 or 40% |
| Time frame | 2025 | 2025 |
| Status: | | |
| Number of members | 5 | 5 |
| Underrepresented gender..... | 0 | 0 |

No changes have been implemented in 2023.

Equality in other levels of management

Nordic Seafood A/S has prepared an equal opportunities policy applicable to all levels of management. Thereby the Company will focus on attracting female candidates at all levels however the right qualifications will always be the most important parameter when occupying positions at all levels.

| Other levels of management | 31/12 2023 | 31/12 2022 |
|-----------------------------------|-------------------|-------------------|
| Target: | | |
| Underrepresented gender | 40% | - |
| Time frame | 2030 | - |
| Status: | | |
| Number of members | 12 | - |
| Underrepresented gender..... | 3 | - |

No changes have been implemented as we haven't had any new recruitments for the Executive board or on other levels of management in 2023. In 2023 there are 3 underrepresented genders on other levels of management. Achieving our target of 40% of the underrepresented gender in 2030 is a focus point.

MANAGEMENT'S REVIEW

Data ethics

In a digitalized world, data processing has become a central part of the core business. In Nordic Seafood, we are aware of our responsibility for data processing and this applies to employees as well as partners, customers and suppliers. We know and uphold all relevant legislation on data processing and storage, including the General Data Protection Regulation (GDPR). Data beyond direct business related activities is considered confidential and cannot be shared with any external parties, pending approval by an executive board member.

It is the policy of the Nordic Seafood to store data responsibly, to continuously ensure that data is processed in a safe and sensible manner and to set a framework for ethical data behavior. We have no plans to share or sell our data. There is a continuous follow-up and our policy is adjusted as digitalization progresses in the business and in legislation.

Branches abroad

The Group has a branch in the Netherlands.

Financial risks

Special risks

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

Price risks

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

Currency risks

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

No speculative foreign currency positions are entered.

INCOME STATEMENT
1 JANUARY – 31 DECEMBER

| | Note | Group | | Parent Company | |
|---|------|------------------|------------------|------------------|------------------|
| | | 2023 DKK '000 | 2022 DKK '000 | 2023 DKK '000 | 2022 DKK '000 |
| NET REVENUE | 21 | 3.280.453 | 3.703.662 | 1.939.398 | 2.181.745 |
| Cost of goods sold | | -3.018.964 | -3.404.653 | -1.789.892 | -2.026.977 |
| Other external expenses..... | | -70.288 | -66.312 | -34.050 | -35.454 |
| Other operating income | | 993 | 526 | 496 | 70 |
| GROSS PROFIT | | 192.194 | 233.223 | 115.952 | 119.384 |
| Staff expenses | 1,17 | -95.002 | -107.870 | -50.793 | -54.901 |
| Depreciation, amortisation and write-down..... | 2 | -9.903 | -7.818 | -6.011 | -5.890 |
| Other operating expenses | | -3.031 | -215 | -3.001 | -28 |
| OPERATING PROFIT | | 84.258 | 117.320 | 56.147 | 58.565 |
| Income from investments in subsidiaries. | 3 | 0 | 0 | 6.639 | 28.517 |
| Income from investments in associates.... | 4 | 4.682 | 2.661 | 4.682 | 2.661 |
| Interest income group enterprises | | 0 | 0 | 551 | 245 |
| Other financial income | | 862 | 317 | 14 | 107 |
| Write down financial income | | 0 | -2.002 | 0 | 0 |
| Interest expenses group enterprises..... | | -3.978 | -1.958 | -3.978 | -2.126 |
| Other financial expenses | | -28.062 | -15.125 | -19.306 | -9.719 |
| PROFIT BEFORE TAX | | 57.762 | 101.213 | 44.749 | 78.250 |
| Tax on profit for the year | 5 | -12.150 | -18.728 | -7.984 | -10.389 |
| PROFIT FOR THE YEAR | | 45.612 | 82.485 | 36.765 | 67.861 |
| PROPOSED DISTRIBUTION OF PROFIT | | | | | |
| Minority interests' share of profit in subsidiaries | | 8.847 | 14.624 | 0 | 0 |
| Dividend for the financial year..... | | 19.000 | 33.000 | 19.000 | 33.000 |
| Allocation to reserve for net revaluation under the equity method..... | | 0 | 0 | -11.378 | 15.327 |
| Retained profit | | 17.765 | 34.861 | 29.143 | 19.534 |
| TOTAL | | 45.612 | 82.485 | 36.765 | 67.861 |

BALANCE SHEET 31 DECEMBER

| ASSETS | Note | Group | | Parent Company | |
|--|-----------|------------------------|------------------------|------------------------|------------------------|
| | | 31/12 2023 DKK '000 | 31/12 2022 DKK '000 | 31/12 2023 DKK '000 | 31/12 2022 DKK '000 |
| Other similar acquired rights | | 19.719 | 741 | 608 | 741 |
| Goodwill | | 28.404 | 0 | 0 | 0 |
| Intangible fixed assets | 6 | 48.123 | 741 | 608 | 741 |
| Land and buildings | | 79.861 | 40.044 | 38.130 | 40.044 |
| Production plant and machinery..... | | 15.612 | 5.822 | 6.699 | 5.822 |
| Other plants, fixtures and equipment | | 20.715 | 10.212 | 8.188 | 5.844 |
| Tangible fixed assets..... | 7 | 116.188 | 56.078 | 53.017 | 51.710 |
| Investments in subsidiaries..... | 8 | 0 | 0 | 209.038 | 156.136 |
| Investments in associates..... | 9 | 20.166 | 16.405 | 20.166 | 16.405 |
| Fixed asset investments | | 20.166 | 16.405 | 229.204 | 172.541 |
| FIXED ASSETS..... | | 184.477 | 73.224 | 282.829 | 224.992 |
| Finished goods and goods for resale | | 669.380 | 811.724 | 446.940 | 578.947 |
| Prepayments for goods | | 30.925 | 45.279 | 13.893 | 21.727 |
| Inventories | | 700.305 | 857.003 | 460.833 | 600.674 |
| Trade receivables..... | | 461.879 | 510.774 | 260.939 | 295.625 |
| Receivables from group enterprises..... | | 0 | 0 | 71.526 | 140.266 |
| Other receivables | 10 | 4.050 | 3.491 | 1.804 | 880 |
| Corporation tax | | 4.165 | 0 | 2.074 | 0 |
| Prepayments and accrued income | 11 | 4.823 | 7.564 | 4.018 | 6.289 |
| Accounts receivable..... | | 474.917 | 521.829 | 340.361 | 443.060 |
| Current investments..... | | 65 | 65 | 65 | 65 |
| Cash..... | 12 | 30.566 | 5.881 | 22.301 | 21 |
| CURRENT ASSETS | | 1.205.853 | 1.384.778 | 823.560 | 1.043.820 |
| ASSETS | | 1.390.330 | 1.458.002 | 1.106.389 | 1.268.812 |

BALANCE SHEET 31 DECEMBER

| EQUITY AND LIABILITIES | Note | Group | | Parent Company | |
|--|------|------------------------|------------------------|------------------------|------------------------|
| | | 31/12 2023 DKK '000 | 31/12 2022 DKK '000 | 31/12 2023 DKK '000 | 31/12 2022 DKK '000 |
| Share capital | | 1.650 | 1.650 | 1.650 | 1.650 |
| Reserves for net revaluation under the equity method | | 0 | 0 | 33.733 | 86.422 |
| Reserves for fair value of hedging instruments..... | | -1.819 | -3.562 | -1.362 | -1.513 |
| Reserves for foreign currency translation | | -1.236 | -520 | 0 | 0 |
| Retained profit | | 409.148 | 417.685 | 396.101 | 328.694 |
| Proposed dividend for the year | | 19.000 | 33.000 | 19.000 | 33.000 |
| Capital and reserves attributable to owners | | 426.743 | 448.253 | 449.122 | 448.253 |
| Minority interests..... | | 43.286 | 48.763 | 0 | 0 |
| EQUITY | | 470.029 | 497.016 | 449.122 | 448.253 |
| Deferred tax | | 10.310 | 2.268 | 2.650 | 2.859 |
| Provision for pensions and similar liabilities..... | | 158 | 252 | 0 | 0 |
| Provision for other liabilities | | 38.651 | 0 | 0 | 0 |
| PROVISION FOR LIABILITIES | 13 | 49.119 | 2.520 | 2.650 | 2.859 |
| Long-term liabilities | 14 | 48.392 | 24.537 | 22.840 | 24.537 |
| Current portion of long-term liabilities ... | 14 | 5.682 | 1.682 | 1.763 | 1.682 |
| Debt to banks | 12 | 442.847 | 528.628 | 385.519 | 541.768 |
| Trade payables..... | | 210.893 | 239.973 | 102.036 | 118.532 |
| Payables to group enterprises..... | | 104.341 | 81.802 | 117.780 | 96.366 |
| Payables to associates..... | | 2.790 | 380 | 2.587 | 380 |
| Corporation tax | | 0 | 10.963 | 0 | 4.110 |
| Other payables | 10 | 56.237 | 70.501 | 22.092 | 30.325 |
| Current liabilities..... | | 822.790 | 933.929 | 631.777 | 793.163 |
| LIABILITIES | | 871.182 | 958.466 | 654.617 | 817.700 |
| EQUITY AND LIABILITIES | | 1.390.330 | 1.458.002 | 1.106.389 | 1.268.812 |
| Contingencies etc..... | 15 | | | | |
| Mortgages and securities | 16 | | | | |
| Related parties | 17 | | | | |
| Ownership..... | 18 | | | | |
| Proposed distribution of profit | 19 | | | | |
| Fee to auditors appointed by the General Meeting | 20 | | | | |
| Segment information | 21 | | | | |
| Subsequent events | 22 | | | | |

STATEMENT OF CHANGES IN EQUITY

| DKK '000 | Group | | | | | | Total |
|---|---------------|----------------------------------|--|-----------------|-------------------|--------------------|----------------|
| | Share capital | Reserve for hedging transactions | Reserve for foreign currency translation | Retained profit | Proposed dividend | Minority interests | |
| Equity at 1 January | 1.650 | -3.562 | -520 | 417.685 | 33.000 | 48.763 | 497.016 |
| Dividend distributed | | | | | -33.000 | -11.371 | -44.371 |
| Net profit/loss for the year..... | | | | 17.765 | 19.000 | 8.847 | 45.612 |
| Currency translation | | | -716 | | | -525 | -1.241 |
| Additions..... | | | | | | 21.113 | 21.113 |
| Disposals..... | | | | | | -7.319 | -7.319 |
| Adjustment hedging instruments .. | | 1.743 | | | | 49 | 1.792 |
| Goodwill purchase of minority shareholding..... | | | | -3.922 | | | -3.922 |
| Purchase obligation towards minority shareholders | | | | -22.380 | | -16.271 | -38.651 |
| Equity at 31 December..... | 1.650 | -1.819 | -1.236 | 409.148 | 19.000 | 43.286 | 470.029 |

| DKK '000 | Parent Company | | | | | | Total |
|--|----------------|---|----------------------------------|-----------------|-------------------|--|----------------|
| | Share capital | Net revaluation under the equity method | Reserve for hedging transactions | Retained profit | Proposed dividend | | |
| Equity at 1 January | 1.650 | 86.422 | -1.513 | 328.694 | 33.000 | | 448.253 |
| Dividend distributed | | | | | -33.000 | | -33.000 |
| Net profit/loss for the year..... | | | | 29.143 | 19.000 | | 36.765 |
| Currency translation | | | -716 | | | | -716 |
| Revaluation, disposal subsidiaries | | 759 | | -759 | | | 0 |
| Transfer reserves..... | | -39.023 | | 39.023 | | | 0 |
| Adjustment hedging instruments | | 1.591 | 151 | | | | 1.742 |
| Goodwill purchase of minority shareholding | | | -3.922 | | | | -3.922 |
| Equity at 31 December..... | 1.650 | 33.733 | -1.362 | 396.101 | 19.000 | | 449.122 |

31/12 2023 **31/12 2022**
DKK '000 DKK '000

Share capital

1.650.007 shares in the denomination of DKK..... 1.650 1.650

CASH FLOW STATEMENT 1 JANUARY – 31 DECEMBER

| | Note | Group | | Parent Company | |
|--|------|------------------|------------------|------------------|------------------|
| | | 2023 DKK '000 | 2022 DKK '000 | 2023 DKK '000 | 2022 DKK '000 |
| Profit for the year | | 45.612 | 82.485 | 36.765 | 67.861 |
| Reversed depreciation of the year | | 9.903 | 7.818 | 6.011 | 5.890 |
| Other adjustments | | -8.630 | -6.766 | 466 | -4.437 |
| Profit from subsidiaries, associates and current investment | | -4.682 | -2.661 | -11.321 | -31.179 |
| Reversed tax on profit for the year..... | | 12.150 | 18.728 | 7.984 | 10.389 |
| Corporation tax paid..... | | -24.881 | -10.326 | -14.418 | 1.343 |
| Change in inventory | | 208.622 | -232.379 | 139.841 | -122.155 |
| Change in accounts receivable | | 79.114 | 22.068 | 33.618 | -1.692 |
| Change in current liabilities | | -52.929 | -9.241 | -22.316 | -22.168 |
| Cash flows from operating activities .. | | 264.279 | -130.274 | 176.632 | -96.148 |
| Purchase of intangible fixed assets..... | | -68 | -148 | -50 | -148 |
| Purchase of tangible fixed assets..... | | -13.811 | -6.101 | -7.987 | -3.894 |
| Sale of tangible fixed assets | | 3.758 | 797 | 1.451 | 0 |
| Purchase of financial investments..... | | 0 | -10.000 | -71.195 | -10.000 |
| Sale of financial investments | | 0 | 0 | -698 | 0 |
| Dividend received in the financial year.. | | 942 | 1.382 | 22.697 | 15.851 |
| Business acquisitions | | -123.199 | 0 | 0 | 0 |
| Cash flows from investing activities ... | | -132.378 | -14.070 | -55.781 | 1.809 |
| Repayments of long-term loans | | -1.712 | -1.669 | -1.682 | -1.669 |
| Repayments from short-term borrowing | | -101.394 | 170.876 | -101.394 | 170.876 |
| Payables to group enterprises..... | | 22.318 | 2.063 | 90.153 | -66.845 |
| Payables to associates | | 2.410 | -3.001 | 2.207 | -3.001 |
| Dividend paid to non-controlling interesting subsidiaries | | -11.371 | -10.932 | 0 | 0 |
| Dividend paid to company's shareholders | | -33.000 | -35.000 | -33.000 | -35.000 |
| Capital injection from non-controlling interest..... | | 89 | 0 | 0 | 0 |
| Cash flows from financing activities... | | -122.660 | 122.337 | -43.716 | 64.361 |
| Change in cash and cash equivalents.. | | 9.241 | -22.007 | 77.134 | -29.978 |
| Cash and cash equivalents at 1 January . | | -43.113 | -21.022 | -62.113 | -32.135 |
| Exchange adjustment of cash and cash equivalents | | -170 | -84 | 0 | 0 |
| Cash and cash equivalents at 31 December | 13 | -34.042 | -43.113 | 15.021 | -62.113 |

NOTES

| | Group | | Parent Company | | Note |
|--|---------------|----------------|----------------|---------------|----------|
| | 2023 | 2022 | 2023 | 2022 | |
| | DKK '000 | DKK '000 | DKK '000 | DKK '000 | |
| Staff expenses | | | | | 1 |
| Number of employees | 176 | 173 | 90 | 90 | |
| Amount of total staff expenses: | | | | | |
| Wages and salaries | 81.874 | 93.656 | 43.247 | 46.018 | |
| Pensions | 8.770 | 10.224 | 6.496 | 7.773 | |
| Other social security expenses | 4.358 | 3.990 | 1.050 | 1.110 | |
| | 95.002 | 107.870 | 50.793 | 54.901 | |
| Depreciation, amortisation and write-down | | | | | 2 |
| Licenses and other rights | 191 | 240 | 183 | 240 | |
| Goodwill | 366 | 542 | 0 | 0 | |
| Properties | 3.250 | 2.557 | 2.510 | 2.557 | |
| Production plant and machinery..... | 1.370 | 1.086 | 1.081 | 1.086 | |
| Other plants, fixtures and equipment | 4.726 | 3.393 | 2.237 | 2.007 | |
| | 9.903 | 7.818 | 6.011 | 5.890 | |
| Income from investments in subsidiaries | | | | | 3 |
| Share of profit before tax | 0 | 0 | 8.319 | 34.438 | |
| Share of tax in subsidiaries | 0 | 0 | -1.680 | -5.921 | |
| | 0 | 0 | 6.639 | 28.517 | |
| Income from investments in associates | | | | | 4 |
| Share of profit before tax | 5.370 | 3.418 | 5.370 | 3.418 | |
| Share of tax in associates | -688 | -757 | -688 | -757 | |
| | 4.682 | 2.661 | 4.682 | 2.661 | |

NOTES

| | Group | | Parent Company | | Note |
|--|--------------------------------------|-----------------|--------------------------------------|-----------------|-------------|
| | 2023 | 2022 | 2023 | 2022 | |
| | DKK '000 | DKK '000 | DKK '000 | DKK '000 | |
| Tax on profit for the year | | | | | 5 |
| Computed tax on taxable income of the year | 12.637 | 19.065 | 8.234 | 9.336 | |
| Adjustment of deferred tax | -450 | -269 | -250 | 1.053 | |
| Adjustment of tax previous years | -37 | -68 | 0 | 0 | |
| | 12.150 | 18.728 | 7.984 | 10.389 | |
| | | | | | |
| Intangible fixed assets | | | | | 6 |
| | Group | | Parent Company | | |
| | Other similar acquired rights | Goodwill | Other similar acquired rights | Goodwill | |
| | DKK'000 | DKK'000 | DKK'000 | DKK'000 | |
| Cost at 1 January | 7.521 | 39.918 | 7.521 | 0 | |
| Exchange adjustments | 0 | -30 | 0 | 0 | |
| Net effect from merger and acquisition.. | 1.563 | 0 | 0 | 0 | |
| Additions | 18.854 | 28.771 | 50 | 0 | |
| Cost at 31 December | 27.938 | 68.659 | 7.571 | 0 | |
| | | | | | |
| Amortisation at 1 January | 6.780 | 39.918 | 6.780 | 0 | |
| Exchange adjustments | 0 | -29 | 0 | 0 | |
| Net effect from merger and acquisition.. | 1.248 | 0 | 0 | 0 | |
| Amortisation | 191 | 366 | 183 | 0 | |
| Amortisation at 31 December | 8.219 | 40.255 | 6.963 | 0 | |
| | | | | | |
| Carrying amount at 31 December | 19.719 | 28.404 | 608 | 0 | |

NOTES

Note

Tangible fixed assets

7

| | Group | | |
|--|-------------------------------|---|---|
| | Land and buildings | Production plant and machinery | Other plants, fixtures and equipment |
| | DKK'000 | DKK'000 | DKK'000 |
| Cost at 1 January | 77.798 | 24.158 | 26.083 |
| Exchange adjustments | 0 | 0 | 6 |
| Net effect from merger and acquisition | 47.530 | 15.391 | 5.225 |
| Additions | 3.147 | 3.105 | 15.834 |
| Disposals | 0 | -709 | -6.651 |
| Cost at 31 December | 128.475 | 41.945 | 40.497 |
| Depreciation at 1 January | 37.754 | 18.336 | 15.871 |
| Exchange adjustments | 0 | 0 | 1 |
| Net effect from merger and acquisition | 7.610 | 7.336 | 3.013 |
| Depreciation | 3.250 | 1.370 | 4.726 |
| Depreciation sold assets | 0 | -709 | -3.829 |
| Depreciation at 31 December | 48.614 | 26.333 | 19.782 |
| Carrying amount at 31 December | 79.861 | 15.612 | 20.715 |
| Including assets under finance leases amounting to | 1.960 | 2.395 | 3.837 |
| | Parent Company | | |
| | Land and Buildings | Production plant and Machinery | Other plants, fixtures and equipment |
| | DKK'000 | DKK'000 | DKK'000 |
| Cost at 1 January | 77.798 | 24.158 | 16.607 |
| Additions | 596 | 1.958 | 5.580 |
| Disposals | 0 | -709 | -3.027 |
| Cost at 31 December | 78.394 | 25.407 | 19.160 |
| Depreciation at 1 January | 37.754 | 18.336 | 10.763 |
| Depreciation | 2.510 | 1.081 | 2.237 |
| Depreciation sold assets | 0 | -709 | -2.028 |
| Depreciation at 31 December | 40.264 | 18.708 | 10.972 |
| Carrying amount at 31 December | 38.130 | 6.699 | 8.188 |
| Including assets under finance leases amounting to | - | - | 67 |

NOTES

| | Parent Company | | Note |
|---|----------------|----------------|----------|
| | 31/12 2023 | 31/12 2022 | |
| | DKK '000 | DKK '000 | |
| Investments in subsidiaries | | | 8 |
| Cost at 1 January | 73.197 | 73.197 | |
| Transfer | 39.024 | 0 | |
| Additions | 71.195 | 0 | |
| Disposals | -20 | 0 | |
| Cost at 31 December | 183.396 | 73.197 | |
| Revaluation at 1 January | 82.939 | 71.379 | |
| Transfer | -39.024 | 0 | |
| Exchange adjustments | -738 | 162 | |
| Dividend to parent company | -21.754 | -14.469 | |
| Profit for the year | 6.639 | 28.517 | |
| Adjustment of equity in subsidiaries | 1.591 | -2.650 | |
| Write off on equity | -3.922 | 0 | |
| Revaluation, disposal | -89 | 0 | |
| Revaluation at 31 December | 25.642 | 82.939 | |
| Carrying amount at 31 December | 209.038 | 156.136 | |

Positive differences arising on initial measurement of subsidiaries at net asset value 68.659 DKK'000

NOTES

Note

Investments in subsidiaries

8

| Name and registered office | Equity | Profit for the year | Ownership | Parent Company | |
|--|--------|------------------------|-----------|----------------|------------------------|
| | | | | Equity | Profit for the year |
| J.P. Klausen & Co A/S, Svendborg, Denmark..... | 47.889 | -13.274 | 100% | 47.889 | -13.274 |
| Nordic Seafood France SAS, Le Touquet Paris Plage, France | 6.489 | -421 | 90% | 5.840 | -379 |
| Seafood Middle East FZC, Dubai, UAE..... | 41.518 | 4.036 | 80% | 33.214 | 3.229 |
| Seabreeze Seafood AB, Ljungby, Sweden..... | 22.389 | 2.315 | 100% | 22.389 | 2.035 |
| Dengsö A/S, Hanstholm, Denmark..... | 7.682 | 624 | 60% | 4.609 | 374 |
| Maxima Seafood Holding BV, IJmuiden, Holland | 32.996 | 1.636 | 60% | 28.253 | 982 |
| Nordic Frozen Food Aps, Hirtshals, Denmark..... | 3.714 | 3.217 | 60% | 2.228 | 1.930 |
| Pesca Nordica Aps, Hirtshals, Denmark..... | 6.869 | 3.206 | 60% | 4.121 | 1.792 |
| Nordic Seafood International, Hirtshals, Denmark | 905 | 832 | 100% | 905 | 832 |
| Retail Sale ApS*), Hirtshals, Denmark | 1.822 | 329 | 100% | 100 | 0 |
| Nordic Seafood Italy ApS, Hirtshals, Denmark | 20.221 | 4.717 | 60% | 12.133 | 2.830 |
| Nordic Seafood UK Ltd, Louth Lincolnshire, United Kingdom..... | 4.976 | 3.048 | 80% | 3.981 | 1.786 |
| Nordic Seafood SEE d.o.o, Rijeka, Croatia | 5.436 | 947 | 80% | 4.349 | 758 |
| J.P. Klausen Polska Sp. z.o.o., Szczecin, Poland.. | 6.178 | 987 | 80% | 4.943 | 790 |
| Nordic Seafood Supply ApS, Esbjerg, Denmark.. | 2.509 | 1.416 | 60% | 1.505 | 850 |
| Nordic Seafood Cruice Supply ApS Hirthals, Denmark | 3.832 | 2.773 | 100% | 3.832 | 2.441 |
| Nordic Seafood Benelux BVBA Brugge, Belgium | 569 | 48 | 60% | 343 | 29 |
| | | | | 180.634 | 7.005 |
| Goodwill at 31 December 2023..... | | | | 28.404 | |
| Goodwill, amortisation of the year | | | | | -366 |
| | | | | 209.038 | 6.639 |

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

NOTES

| | Group | | Parent Company | | Note |
|---|---------------|---------------|----------------|---------------|----------|
| | 31/12 2023 | 31/12 2022 | 31/12 2023 | 31/12 2022 | |
| | DKK '000 | DKK '000 | DKK '000 | DKK '000 | |
| Investments in associates | | | | | 9 |
| Cost at 1 January | 12.115 | 2.115 | 12.115 | 2.115 | |
| Additions | 0 | 10.000 | 0 | 10.000 | |
| Disposals | -40 | 0 | -40 | 0 | |
| Cost at 31 December | 12.075 | 12.115 | 12.075 | 12.115 | |
| Revaluation at 1 January | 3.483 | 2.219 | 3.483 | 2.219 | |
| Exchange adjustment at closing rate | 21 | -15 | 21 | -15 | |
| Dividend to parent company | -942 | -1.382 | -942 | -1.382 | |
| Profit for the year | 4.682 | 2.661 | 4.682 | 2.661 | |
| Revaluation disposal | 847 | 0 | 847 | 0 | |
| Revaluation at 31 December | 8.091 | 3.483 | 8.091 | 3.483 | |
| Investments with negative net asset value amortised over receivables | 0 | 807 | 0 | 807 | |
| Carrying amount at 31 December | 20.166 | 16.405 | 20.166 | 16.405 | |

Investments are specified as follows (DKK '000):

| Name and registered office. | Equity | Profit for the year | Ownership | Parent Company | |
|---|--------|------------------------|-----------|----------------|------------------------|
| | | | | Equity | Profit for the year |
| Nordic Meeresfrüchte G.m.b.H, Neumarkt, Germany | 1.322 | 1.937 | 33,3% | 441 | 646 |
| Nordic Seafood Iceland ehf. Reykjavik, Iceland | 4.053 | 667 | 50,0% | 2.027 | 334 |
| Vestmanna Seafood P/F Vestmanna, The Faroe Islands | 7.111 | 191 | 25,0% | 1.778 | 48 |
| Sp/f V.F. Holding Vestmanna, The Faroe Islands | 47.657 | 16.625 | 25,0% | 11.914 | 4.155 |
| | | | | 16.160 | 5.183 |
| Goodwill at 31 December 2023 | | | | 4.006 | |
| Goodwill, amortisation of the year | | | | | -501 |
| | | | | 20.166 | 4.682 |

NOTES

Note

Derivative financial instruments

10

Derivative financial instruments contracts in the form of forward exchange contracts have been concluded. At the balance sheet date, the fair value of derivative financial instruments amounts to:

| | Group | | Parent Company | |
|-------------------|-------------------|-------------------|-----------------------|-------------------|
| | 31/12 2023 | 31/12 2022 | 31/12 2023 | 31/12 2022 |
| | DKK '000 | DKK '000 | DKK '000 | DKK '000 |
| Assets | 0 | 0 | 0 | 0 |
| Liabilities | 3.084 | 5.307 | 2.348 | 2.414 |

Forward exchange contracts have been concluded to hedge future purchase and sale of goods in foreign currencies. At the balance sheet date, the nominal value of the exchange contracts amounts to DKK 170 million for the Parent Company and DKK 208 million for the Group. According to group foreign currency policy all purchases and sales are hedged when it is likely that the underlying contract will be fulfilled. Purchase contracts have been hedged for a period of 1-12 months and sales contracts for a period of 1-4 months.

Prepayments and accrued income

11

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

| | Group | | Parent Company | |
|---|-------------------|-------------------|-----------------------|-------------------|
| | 31/12 2023 | 31/12 2022 | 31/12 2023 | 31/12 2022 |
| | DKK '000 | DKK '000 | DKK '000 | DKK '000 |
| Cash and cash equivalents | | | | |
| Cash | 30.566 | 5.881 | 22.301 | 21 |
| Debts to banks | -442.847 | -528.628 | -385.519 | -541.768 |
| | -412.281 | -522.747 | -363.218 | -541.747 |
| Reconciliation to cash flow statement | | | | |
| Balances as above..... | -412.281 | -522.747 | -363.218 | -541.747 |
| Debt to bank not considered as cash equivalents | 378.239 | 479.634 | 378.239 | 479.634 |
| Cash and cash equivalents | -34.042 | -43.113 | 15.021 | -62.113 |

12

NOTES

| | Group | | Parent Company | | Note |
|--|---------------|--------------|----------------|--------------|-----------|
| | 31/12 2023 | 31/12 2022 | 31/12 2023 | 31/12 2022 | |
| | DKK '000 | DKK '000 | DKK '000 | DKK '000 | |
| Deferred tax | | | | | 13 |
| Deferred tax liability at 1 January | 2.268 | 4.096 | 2.859 | 2.611 | |
| Amounts recognised in the income statement for the year | -450 | -269 | -250 | 1.053 | |
| Amounts recognised in equity for the year | 8.492 | -1.559 | 41 | -805 | |
| Deferred tax liability at 31 December .. | 10.310 | 2.268 | 2.650 | 2.859 | |
| Deferred tax concerns: | | | | | |
| Fixed assets | 10.696 | 2.785 | 1.625 | 1.300 | |
| Current assets | -386 | -517 | 1.025 | 1.559 | |
| | 10.310 | 2.268 | 2.650 | 2.859 | |
| Provision for pensions and similar liabilities | | | | | |
| Provision for pensions and similar liabilities at 1 January | 252 | 257 | 0 | 0 | |
| Amounts recognised in the income statement for the year | -94 | -5 | 0 | 0 | |
| Provision for pensions and similar liabilities at 31 December | 158 | 252 | 0 | 0 | |
| Provision for pensions and similar liabilities concerns: | | | | | |
| Long terms | 158 | 252 | 0 | 0 | |
| | 158 | 252 | 0 | 0 | |
| Provision for other liabilities | | | | | |
| Provision for other liabilities at 1 January | 0 | 0 | 0 | 0 | |
| Amounts recognised in equity for the year | 38.651 | 0 | 0 | 0 | |
| Provision for other liabilities at 31 December | 38.651 | 0 | 0 | 0 | |
| Provision for other liabilities concerns: | | | | | |
| Long terms | 38.651 | 0 | 0 | 0 | |
| | 38.651 | 0 | 0 | 0 | |

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

NOTES

Note

Long-term liabilities

14

| DKK '000 | Total liabilities 1/1 2023 | Total liabilities 31/12 2023 | Repayment next year | Long-term liabilities 31/12 2023 | Debt outstanding after 5 years |
|------------------------------------|-------------------------------|---------------------------------|------------------------|--|--------------------------------------|
| Mortgage debt..... | 26.219 | 24.536 | 1.696 | 22.840 | 15.920 |
| Leasing debt..... | 0 | 67 | 67 | 0 | 0 |
| Parent company, total | 26.219 | 24.603 | 1.763 | 22.840 | 15.920 |
| Mortgage debt..... | 26.219 | 46.346 | 3.140 | 43.206 | 25.229 |
| Leasing debt..... | 0 | 7.728 | 2.542 | 5.186 | 0 |
| Group, total | 26.219 | 54.074 | 5.682 | 48.392 | 25.229 |

Contingencies etc.

15

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

The Group's payments for office premises concerning contracts which are terminable with 1-12 month notice is 838 DKK'000.

The Group's payments under operation leases concerning cars and equipment is 387 DKK'000. The remaining terms is 10-31 months.

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

The Group's Danish companies are joint and several liable regarding tax on the Group's jointly taxed income etc. The total due corporation tax amount is shown in the Annual Report of Nordic Seafood A/S which is the administrative company in relation to the joint taxation. The Group's Danish companies are also joint and several liable for Danish tax at source in the form of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent corrections to corporation taxes and tax at source may result in the Company's liabilities constituting a larger amount.

Mortgages and securities

16

As security for the parent company's mortgage debt, a mortgage of 24.536 DKK'000 have been registered on property. The booked value of the property is 38.130 DKK'000.

As security for the Group's mortgage debt, mortgages have been registered on property of 46.346 DKK'000. The booked value of the property is 77.902 DKK'000.

NOTES

Note

Related parties

17

Nordic Seafood A/S' related parties include:

Controlling interest

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

Other related parties having performed transactions with the Company

Nordic Seafood A/S' related parties having a significant influence comprise subsidiaries and associates as well as the companies' Board of Directors, Board of Executives and executive officers.

Transactions with related parties

The Company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(7) of the Danish Financial Statements Act.

Transactions with related parties have been performed on arm's length terms.

There has not been made any payments to the Board of Directors, neither in the financial year 2023 nor in the financial year 2022. The payment (inclusive incentive payment) to the management amounts to 8.643 DKK'000 in the financial year 2023 against 10.862 DKK'000 in the financial year 2022.

Ownership

18

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

Nissui Europe B.V.

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

The Company's ultimate parent is:

Nissui Corporation Ltd.,

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

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

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

NOTES

| | Group | | Parent Company | | Note |
|--|------------------|------------------|------------------|------------------|-----------|
| | 2023 | 2022 | 2023 | 2022 | |
| | DKK '000 | DKK '000 | DKK '000 | DKK '000 | |
| Proposed distribution of profit | | | | | 19 |
| Minority interests' share of profit in subsidiaries | 8.847 | 14.624 | 0 | 0 | |
| Dividend for the financial year..... | 19.000 | 33.000 | 19.000 | 33.000 | |
| Allocation to reserve for net revaluation under the equity method..... | 0 | 0 | -11.378 | 15.327 | |
| Retained profit | 17.765 | 34.861 | 29.143 | 19.534 | |
| | 45.612 | 82.485 | 36.765 | 67.861 | |
| | | | | | |
| Fee to auditors appointed by the General Meeting | | | | | 20 |
| Audit | 608 | 541 | 310 | 242 | |
| Other statement | 54 | 129 | 54 | 84 | |
| Tax and VAT consultancy | 336 | 301 | 317 | 282 | |
| Other services..... | 63 | 51 | 15 | 6 | |
| | 1.061 | 1.022 | 696 | 614 | |
| | | | | | |
| Segment details | | | | | 21 |
| Net revenue: | | | | | |
| Scandinavia | 745.772 | 756.514 | 459.906 | 527.446 | |
| Europe | 2.036.795 | 2.301.376 | 1.400.230 | 1.577.346 | |
| Other countries | 497.886 | 645.772 | 79.262 | 76.953 | |
| | 3.280.453 | 3.703.662 | 1.939.398 | 2.181.745 | |
| | | | | | |
| Subsequent events | | | | | 22 |
| No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date. | | | | | |

ACCOUNTING POLICIES

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

With effect for the financial year 2023, the Group has chosen to apply the options of the Danish Financial Statements Act of applying IFRS 15, Revenue from contracts with customers, and IFRS 16, Leases, within the framework. Thus, the Group has changed its accounting policies, cf. below.

The Group's accounting policies have been changed as it is Management's assessment that the changed accounting policies give a more true and fair view of the financial positions and the results of the Group. Moreover, the change means that the Company now applies the same accounting policies as the rest of the Nissui Corporation Group, to which the Company belongs.

IFRS 15, Revenue from contracts with customers

The Group has changed its accounting policy for the recognition of revenue from contracts with customers. This means that the Group applies IFRS 15 for recognition and measurement of revenue. The change in accounting policies has had no effect on net sales, profit for the year, assets and equity in the current year or in the comparative year.

IFRS 16, Leases

The Group has changed its accounting policy for leases, and now applies IFRS 16 for lease transactions. Thus, leased assets are recognised with a calculated value and are depreciated over their expected useful lives, whereas the lease liability is recognised in the balance sheet. The change of accounting policy is based on the transitional rules of IFRS 16:

- contracts not previously classified as leases have not been reassessed
- comparative figures have not been restated;
- in respect of leases previously classified as operating leases, a lease liability is recognised and measured corresponding to the present value of the remaining lease payments, discounted using the Company's incremental borrowing rate at 1 January 2023;
- lease assets are recognised at the same amount adjusted for prepaid or accrued lease payments;
- in respect of portfolios of leases with similar characteristics, one single discount rate is applied;
- leases for which the term ends within 12 months from 1 January 2023 are not included in the balance sheet;
- leases for which the term ends within 12 months from 1 January 2023 are not included in the balance sheet;

The accounting policy change has had the following effect on net profit, total assets and equity for 2023.

| DKK'000 | Group | Parent Company |
|--------------------|--------|----------------|
| Net profit | -86 | 0 |
| Total assets | +7.531 | +67 |
| Equity | -86 | 0 |

Apart from the changes mentioned above, the accounting policies are consistent with the policies applied last year.

Reporting currency

The Annual Report is presented in DKK'000.

ACCOUNTING POLICIES

General information about recognition and measurement

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

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

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

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

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

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

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

Consolidated financial statements

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

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

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

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

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

ACCOUNTING POLICIES

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

Minority interests

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

Foreign currency translation

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

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

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

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

Business combinations

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

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

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

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

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

ACCOUNTING POLICIES

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

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

Leases

Leases are recognised in the balance sheet at the calculated amount of the lease liability. The lease liability is calculated at the present value of the lease payments calculated by applying the interest rate implicit in the lease or the Groups incremental borrowing rate as discount rate if the interest rate implicit in the lease is not available. Lease assets are depreciated and written down for impairment under the same policy as for the Company's other fixed assets.

The Group has chosen to apply the exemptions concerning short-term and low-value leases. Therefore, such lease assets are not recognised as assets and liabilities in the balance sheet. The costs are recognised in the income statement on a straight-line basis over the lease term.

The lease liability is recognised in the balance sheet under debt and is adjusted for prepaid lease payments on a current basis. At the same time, interest is added on the liability. Interest expenses are charged to the income statement on a current basis.

INCOME STATEMENT

Net revenue

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

Costs of goods sold

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

Other operating income and expenses

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

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

Other external expenses

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

Staff expenses

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

ACCOUNTING POLICIES

Amortisation, depreciation and impairment losses

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

Investments in subsidiary enterprises and associates

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

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

Financial income and expenses in general

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

Tax on profit for the year

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

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

BALANCE SHEET

Intangible fixed assets

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

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

Tangible fixed assets

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

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

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

ACCOUNTING POLICIES

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

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

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

Impairment of fixed assets

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

Lease contracts

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

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

Fixed asset investments

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

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

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

Inventories

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

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

ACCOUNTING POLICIES

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

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

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

Accounts receivable

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

Accruals

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

Other securities and investments

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

Dividend

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

Tax payable and deferred tax

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

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

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

Provision for pensions and similar liabilities

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

Provision for other liabilities

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

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

ACCOUNTING POLICIES

Liabilities

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

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

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

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

Derivative financial instruments

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

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

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

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

CASH FLOW STATEMENT

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

Cash flows from operating activities:

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

Cash flows from investing activities:

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

ACCOUNTING POLICIES

Cash flows from financing activities:

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

Cash and cash equivalents:

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

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