
F. Uhrenholt Holding A/S

Teglårdsparken 106, DK-5500 Middelfart

Annual Report for 2023

CVR No. 26 75 15 78

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 19/3 2024

Jørgen Buhl
Rasmussen
Chair of the general
meeting



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Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of F. Uhrenholt Holding 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 Financial Statements and the Consolidated Financial Statements give a true and fair view of the financial position at 31 December 2023 of the Company and the Group and of the results of the Company and Group operations and of consolidated cash flows for 2023.

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

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

Middelfart, 19 March 2024

Executive Board

Sune Uhrenholt
CEO

Klaus Michael Vestergaard
CFO

Board of Directors

Jørgen Buhl Rasmussen
Chair

Karen-Marie Katholm
Deputy chair

Tim Ørting Jørgensen

Anders Tormod Skole-Sørensen

Christian Vinther Christensen

Lars Raunholt Eismark

Independent Auditor's report

To the shareholders of F. Uhrenholt Holding 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 of consolidated 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 F. Uhrenholt Holding 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 consolidated statement of cash flows ("the 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 Statements Act. We did not identify any material misstatement in Management's Review.

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.

Independent Auditor's report

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 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 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.

Independent Auditor's report

Odense M, 19 March 2024

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Line Hedam
State Authorised Public Accountant
mne27768

Anders Kronborg Choy
State Authorised Public Accountant
mne44142

Company information

The Company	F. Uhrenholt Holding A/S Teglårdsparken 106 DK-5500 Middelfart Telephone: + 45 64414041 Website: www.uhrenholt.com CVR No: 26 75 15 78 Financial period: 1 January - 31 December Municipality of reg. office: Middelfart
Board of Directors	Jørgen Buhl Rasmussen, chair Karen-Marie Katholm, deputy chair Tim Ørting Jørgensen Anders Tormod Skole-Sørensen Christian Vinther Christensen Lars Raunholt Eismark
Executive Board	Sune Uhrenholt Klaus Michael Vestergaard
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Munkebjergvænget 1, 3. og 4. sal DK-5230 Odense M

Financial Highlights

Seen over a 5-year period, the development of the Group is described by the following financial highlights:

	Group				
	2023	2022	2021	2020	2019
	TDKK	TDKK	TDKK	TDKK	TDKK
Key figures					
Profit/loss					
Revenue	2,982,114	2,971,683	2,431,953	2,245,331	2,296,254
Gross profit	283,860	258,064	233,520	222,025	169,667
Profit/loss of primary operations	100,383	91,625	71,219	71,650	20,298
Profit/loss of financial income and expenses	2,745	-16,032	53,547	50,116	-2,028
Profit/loss before tax	103,128	75,593	72,070	67,490	2,103
Profit/loss from continuing activities after tax	78,444	58,618	53,547	50	-2,028
Profit/loss from discontinuing activities after tax	0	0	0	0	-29,920
Net profit/loss for the year	78,444	58,618	53,547	50,117	-31,948
Balance sheet					
Balance sheet total	597,619	592,124	543,228	512,987	529,418
Equity	204,195	168,522	106,801	56,201	5,737
Cash flows					
Cash flows from:					
- operating activities	102,404	8,284	58,059	158,453	-40,088
- investing activities	-7,871	-6,568	-5,382	-4,274	-4,520
- financing activities	-94,402	-2,257	-47,532	-169,244	55,766
Change in cash and cash equivalents for the year	131	-541	5,145	-15,065	11,158
Number of employees	246	240	229	220	415
Ratios					
Gross margin	9.5%	8.7%	9.6%	9.9%	7.4%
Profit margin	3.4%	3.1%	2.9%	3.2%	0.9%
Return on assets	16.8%	15.5%	13.1%	14.0%	3.8%
Solvency ratio	34.2%	28.5%	19.7%	11.0%	1.1%
Return on equity	42.1%	42.6%	65.7%	161.8%	-455.8%

Management's review

Key activities

Uhrenholt is a privately-owned dairy group based in Denmark. The group operates in more than 90 markets worldwide, either directly or through subsidiaries, and provides a wide range of own brands and private label solutions to retail, wholesale, foodservice, and industrial customers.

Our competitive advantage is agility, speed, and unparalleled service, and we collaborate closely with our customers to create market-driven food solutions tailored to their needs. We partner with a select group of trusted suppliers to ensure that these often complex solutions are delivered to the global markets swiftly and efficiently while meeting the agreed standards, commercial targets, and sustainability goals.

At Uhrenholt, our approach to business is straightforward and built on trust, dialogue, and efficiency. Our company structure and culture empower our employees to make decisions and improvements quickly and efficiently. We prioritize long-term relationships with our customers and suppliers to ensure mutual benefit in everything we do.

Development in the year

After experiencing an intense surge in raw material prices throughout 2022, the trend normalized in 2023. However, in the fourth quarter, we started to see a resurgence of substantial price hikes in our raw materials.

During this very volatile market development, our business model proved its strength, as the company once again delivered strong results. Earnings Before Tax concluded at +103,1 million DKK. The favorable operating outcome concurrently raised equity to +204,2 million DKK as of December 31, 2023, with a solvency ratio of 34,2%.

Initially, management had forecasted Earnings Before Tax for 2023 in the range of 50-65 million DKK. The improved result was primarily driven from the absence/delay of comprehensive macroeconomic recession, combined with the successful pursuit of opportunities arising from increased market volatility and innovation. Improved cash flow management and policies contributed to debt reduction and gains on foreign exchange transactions, which also improved the result.

Foreign exchange risks

Foreign trade entails transactions and positions in foreign currency. Transactions are mainly in USD, EURO and AUD. It is the company policy to hedge against currency risks. Exchange rate risks related to investments in affiliated enterprises abroad are not hedged.

Targets and expectations for the year ahead

Entering 2024, the combination of geopolitical uncertainty, continued concerns about global or local recession, and currency challenges in certain markets lowers the financial expectations for the year. Additionally, the decrease in milk intake further restricts the availability of goods, contributing to the escalation of raw material prices, and we are seeing noticeable uptick in raw material prices and elevated freight rates, exerting further pressure on profit margins.

Despite many uncertainties, we continue to execute our strategic plans within the existing business framework and expect Earnings Before Tax for 2024 to be in the range of 70-85 mDKK.

Statement of corporate social responsibility

The Uhrenholt Group has signed the UN's Global Compact and is actively working with social Responsibility and do see ESG as a key driver of the business. The Group has published the CSR report for 2023 on our website according to §99a of the Danish Financial Statement Act.

The CSR report can be found at <https://nozebra.ipapercms.dk/Uhrenholt/CSR/csr-2023/>

Management's review

Statement on gender composition

Since F. Uhrenholt Holding A/S has fewer than 50 employees, the company is exempt from reporting targets, policies, and actions regarding other management, but is of course reporting on gender composition at Board of Directors level.

2023

Top management

Total number of members	6
Underrepresented gender %	17%
Target figure %	33%
Year for meeting target	2026

Other management levels

Total number of members	2
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Top management (Board of Directors)

The Board of Directors consists of 6 members and the underrepresented gender constitutes 17%, which is unchanged compared to last year. We target to increase the percentage to 33% by the end of 2028.

In upcoming board-level transitions, we will always choose the best qualified candidate and if equally qualified male and female candidates are available, we will prioritize the one from the underrepresented gender. We have during 2023 changed on one position, and in the process we were prioritizing to find one from the underrepresented gender, but at the end the best suited candidate for this specific position was of same gender, and therefore the percentage of underrepresented gender remains unchanged.

Other management (Executive Board)

Since "Other Management" consists of only 2 members, reporting on gender composition is not required.

Statement on data ethics

The company has published the CSR report for 2023 on our website, wherein our statement on data ethics according to §99d of the Danish Financial Statement Act is disclosed.

The CSR report can be found at <https://nozebra.ipapercms.dk/Uhrenholt/CSR/csr-2023/>

Subsequent events

There have been no significant events occurring after the balance sheet date that would materially impact the evaluation of the Annual Report.

Income statement 1 January - 31 December

	Note	Group		Parent company	
		2023	2022	2023	2022
		TDKK	TDKK	TDKK	TDKK
Revenue	1	2,982,114	2,971,683	0	0
Other operating income		0	216	2,900	2,900
Expenses for raw materials and consumables		-2,584,235	-2,624,006	0	0
Other external expenses		-114,019	-89,829	-803	-764
Gross profit		283,860	258,064	2,097	2,136
Staff expenses	2	-168,925	-154,354	-2,148	-2,631
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment	3	-13,982	-12,006	-1,021	-676
Other operating expenses		-570	-79	-71	0
Profit/loss before financial income and expenses		100,383	91,625	-1,143	-1,171
Income from investments in subsidiaries		0	0	82,126	63,767
Financial income	4	10,533	1,077	0	0
Financial expenses	5	-7,788	-17,109	-3,452	-5,313
Profit/loss before tax		103,128	75,593	77,531	57,283
Tax on profit/loss for the year	6	-24,684	-16,975	913	1,335
Net profit/loss for the year	7	78,444	58,618	78,444	58,618

Balance sheet 31 December

Assets

	Note	Group		Parent company	
		2023	2022	2023	2022
		TDKK	TDKK	TDKK	TDKK
Completed development projects		1,460	10,078	0	0
Acquired patents		2,088	2,645	1,790	1,958
Acquired other similar rights		5,239	0	0	0
Goodwill		4,203	5,824	0	0
Intangible assets	8	12,990	18,547	1,790	1,958
Land and buildings		27,042	25,959	18,306	18,713
Plant and machinery		6,061	7,909	0	0
Other fixtures and fittings, tools and equipment		4,244	4,467	331	737
Property, plant and equipment	9	37,347	38,335	18,637	19,450
Investments in subsidiaries	10	0	0	431,765	532,575
Fixed asset investments		0	0	431,765	532,575
Fixed assets		50,337	56,882	452,192	553,983
Finished goods and goods for resale		112,471	111,430	0	0
Inventories		112,471	111,430	0	0
Trade receivables		381,359	370,276	0	0
Other receivables	11	31,091	33,176	17	40
Deferred tax asset	12	2,248	2,356	0	0
Corporation tax		68	339	861	1,373
Prepayments	13	8,369	6,119	0	0
Receivables		423,135	412,266	878	1,413
Current asset investments		197	198	198	198

Balance sheet 31 December

Assets

	Note	Group		Parent company	
		2023	2022	2023	2022
		TDKK	TDKK	TDKK	TDKK
Cash at bank and in hand		<u>11,479</u>	<u>11,348</u>	<u>0</u>	<u>0</u>
Current assets		<u>547,282</u>	<u>535,242</u>	<u>1,076</u>	<u>1,611</u>
Assets		<u>597,619</u>	<u>592,124</u>	<u>453,268</u>	<u>555,594</u>

Balance sheet 31 December

Liabilities and equity

	Note	Group		Parent company	
		2023	2022	2023	2022
		TDKK	TDKK	TDKK	TDKK
Share capital	14	30,600	30,600	30,600	30,600
Reserve for net revaluation under the equity method		0	0	64,814	0
Reserve for hedging transactions		520	599	0	0
Reserve for exchange rate conversion		-5,055	136	0	0
Retained earnings		178,130	137,187	108,781	137,922
Equity		204,195	168,522	204,195	168,522
Provision for deferred tax	12	1,415	2,472	172	224
Provisions for pensions and similar obligations		1,827	2,454	0	0
Provisions relating to investments in group enterprises		0	0	222,309	208,975
Provisions		3,242	4,926	222,481	209,199
Mortgage loans		18,604	20,099	18,604	20,099
Payables to group enterprises		0	0	0	141,263
Other payables		8,906	8,555	0	0
Long-term debt	15	27,510	28,654	18,604	161,362
Mortgage loans	15	1,495	1,487	1,495	1,487
Credit institutions		35,649	90,893	5,112	6,695
Lease obligations		0	171	0	0
Trade payables		265,708	230,335	176	227
Payables to group enterprises	15	0	0	563	388
Corporation tax		1,549	1,199	0	0
Other payables	15	58,271	65,937	642	7,714
Short-term debt		362,672	390,022	7,988	16,511
Debt		390,182	418,676	26,592	177,873
Liabilities and equity		597,619	592,124	453,268	555,594

Balance sheet 31 December

Liabilities and equity

	Note	Group		Parent company	
		2023	2022	2023	2022
		TDKK	TDKK	TDKK	TDKK
Contingent assets, liabilities and other financial obligations	18				
Related parties	19				
Fee to auditors appointed at the general meeting	20				
Accounting Policies	21				

Statement of changes in equity

Group

	Share capital	Reserve for hedging transactions	Reserve for exchange rate conversion	Retained earnings	Total
	TDKK	TDKK	TDKK	TDKK	TDKK
Equity at 1 January	30,600	599	136	137,187	168,522
Exchange adjustments	0	0	-5,191	0	-5,191
Extraordinary dividend paid	0	0	0	-37,500	-37,500
Fair value adjustment of hedging instruments, beginning of year	0	-767	0	0	-767
Fair value adjustment of hedging instruments, end of year	0	666	0	0	666
Tax on adjustment of hedging instruments for the year	0	22	0	0	22
Net profit/loss for the year	0	0	0	78,443	78,443
Equity at 31 December	30,600	520	-5,055	178,130	204,195

Parent company

	Share capital	Reserve for net revaluation under the equity method	Retained earnings	Total
	TDKK	TDKK	TDKK	TDKK
Equity at 1 January	30,600	0	137,922	168,522
Extraordinary dividend paid	0	0	-37,500	-37,500
Exchange adjustments relating to foreign entities	0	-5,191	0	-5,191
Fair value adjustment of hedging instruments, beginning of year	0	-599	0	-599
Fair value adjustment of hedging instruments, end of year	0	520	0	520
Net profit/loss for the year	0	70,084	8,359	78,443
Equity at 31 December	30,600	64,814	108,781	204,195

Cash flow statement 1 January - 31 December

	Note	Group	
		2023	2022
		TDKK	TDKK
Result of the year		78,444	58,618
Adjustments	16	36,068	44,876
Change in working capital	17	10,137	-62,440
Cash flow from operations before financial items		124,649	41,054
Financial income		10,533	1,077
Financial expenses		-7,788	-17,109
Cash flows from ordinary activities		127,394	25,022
Corporation tax paid		-24,990	-16,738
Cash flows from operating activities		102,404	8,284
Purchase of intangible assets		-3,209	-5,277
Purchase of property, plant and equipment		-4,662	-1,291
Cash flows from investing activities		-7,871	-6,568
Repayment of mortgage loans		-1,487	-1,479
Repayment of loans from credit institutions		-55,244	0
Reduction of lease obligations		-171	-968
Raising of loans from credit institutions		0	190
Dividend paid		-37,500	0
Cash flows from financing activities		-94,402	-2,257
Change in cash and cash equivalents		131	-541
Cash and cash equivalents at 1 January		11,348	11,889
Cash and cash equivalents at 31 December		11,479	11,348
Cash and cash equivalents are specified as follows:			
Cash at bank and in hand		11,479	11,348
Cash and cash equivalents at 31 December		11,479	11,348

Cash and bank balances at 31 December 2023 include 2,7 MDKK that relates to bank balances subject to restrictions. These funds are not readily available for general use by the F. Uhrenholt Holding A/S group.

Notes to the Financial Statements

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK
1. Revenue				
Geographical segments				
Europe	703,067	794,368	0	0
Asia and Pacific	1,293,770	1,197,264	0	0
Middle East and Africa	484,951	550,317	0	0
Others	500,326	429,734	0	0
	2,982,114	2,971,683	0	0
Business segments				
Consumer division	1,468,911	1,401,254	0	0
Trading division	1,513,203	1,570,429	0	0
	2,982,114	2,971,683	0	0

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK
2. Staff Expenses				
Wages and salaries	159,253	145,308	2,148	2,631
Pensions	7,460	6,704	0	0
Other social security expenses	1,226	1,100	0	0
Other staff expenses	986	1,242	0	0
	168,925	154,354	2,148	2,631
Including remuneration to the Executive Board and Board of Directors:				
Executive board	7,997	6,606	531	398
Board of directors	1,617	2,233	1,617	2,233
	9,614	8,839	2,148	2,631
Average number of employees	246	240	0	0

Notes to the Financial Statements

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK
3. Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment				
Amortisation of intangible assets	6,620	6,222	279	269
Depreciation of property, plant and equipment	5,362	5,784	407	407
Impairment of intangible assets	2,000	0	0	0
Impairment of tangible assets	0	0	335	0
	13,982	12,006	1,021	676

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK
4. Financial income				
Other financial income	1,359	1,077	0	0
Exchange adjustments	9,174	0	0	0
	10,533	1,077	0	0

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK
5. Financial expenses				
Interest paid to group enterprises	0	0	2,833	3,870
Other financial expenses	7,788	6,800	619	1,443
Exchange adjustments, expenses	0	10,309	0	0
	7,788	17,109	3,452	5,313

Notes to the Financial Statements

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK
6. Income tax expense				
Current tax for the year	25,701	18,201	-861	-1,373
Deferred tax for the year	-949	-686	-52	38
Adjustment of tax concerning previous years	-90	-22	0	0
	24,662	17,493	-913	-1,335
thus distributed:				
Income tax expense	24,684	16,975	-913	-1,335
Tax on equity movements	-22	518	0	0
	24,662	17,493	-913	-1,335

	Parent company	
	2023	2022
	TDKK	TDKK
7. Profit allocation		
Extraordinary dividend paid	37,500	0
Reserve for net revaluation under the equity method	70,085	-115,298
Retained earnings	-29,141	173,916
	78,444	58,618

Notes to the Financial Statements

8. Intangible fixed assets

	Group				Parent company	
	Completed development projects	Acquired patents	Acquired other similar rights	Goodwill	Acquired patents	Goodwill
	TDKK	TDKK	TDKK	TDKK	TDKK	TDKK
Cost at 1. January	29,246	5,509	0	79,332	2,733	50,000
Exchange adjustment	0	-5	0	-614	0	0
Additions for the year	3,007	202	0	0	111	0
Transfers for the year	-28,087	0	28,087	0	0	0
Cost at 31. December	4,166	5,706	28,087	78,718	2,844	50,000
Impairment losses and depreciation at 1. January	19,168	2,864	0	73,507	775	50,000
Exchange adjustment	0	0	0	-472	0	0
Impairment losses for the year	2,000	0	0	0	0	0
Depreciation for the year	4,386	754	0	1,480	279	0
Transfers for the year	-22,848	0	22,848	0	0	0
Impairment losses and depreciation at 31. December	2,706	3,618	22,848	74,515	1,054	50,000
Carrying amount at 31. December	1,460	2,088	5,239	4,203	1,790	0

Development costs relate to the external development and implementation cost of software systems for internal use.

Notes to the Financial Statements

9. Property, plant and equipment

	Group			Parent company	
	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Land and buildings	Other fixtures and fittings, tools and equipment
	TDKK	TDKK	TDKK	TDKK	TDKK
Cost at 1. January	63,413	32,591	19,906	45,915	737
Exchange adjustment	-197	0	-383	0	0
Additions for the year	2,160	0	2,502	0	0
Disposals for the year	0	-1,775	-1,068	0	-71
Cost at 31. December	65,376	30,816	20,957	45,915	666
Impairment losses and depreciation at 1. January	37,454	24,681	15,443	27,202	0
Exchange adjustment	-77	0	-364	0	0
Impairment losses for the year	0	0	335	0	335
Depreciation for the year	957	1,849	2,208	407	0
Reversal of impairment and depreciation of sold assets	0	-1,775	-909	0	0
Impairment losses and depreciation at 31. December	38,334	24,755	16,713	27,609	335
Carrying amount at 31. December	27,042	6,061	4,244	18,306	331
Including assets under finance leases amounting to	0	0	375	0	0

Notes to the Financial Statements

	Parent company	
	2023	2022
	TDKK	TDKK
10. Investments in subsidiaries		
Cost at 1 January	144,502	145,202
Disposals for the year	0	-700
Transfers for the year	140	0
Cost at 31 December	<u>144,642</u>	<u>144,502</u>
Value adjustments at 1 January	179,098	112,197
Disposals for the year	0	33
Exchange adjustment	-5,191	1,263
Net profit/loss for the year	82,299	63,940
Dividend to the Parent Company	-191,000	0
Other equity movements, net	-79	1,838
Amortisation of goodwill	-173	-173
Transfers for the year	-140	0
Value adjustments at 31 December	<u>64,814</u>	<u>179,098</u>
Equity investments with negative net asset value transferred to provisions	<u>222,309</u>	<u>208,975</u>
Carrying amount at 31 December	<u>431,765</u>	<u>532,575</u>
Remaining positive difference included in the above carrying amount at	<u>49</u>	<u>222</u>

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Ownership
Uhrenholt A/S	Denmark	100%
Selskabet af 17.08.2007 ApS	Denmark	100%
Uhrenholt Sdn Bhd	Malaysia	100%
Uhrenholt LLC	Russia	100%
Emborg Foods USA Inc.	USA	100%
Uhrenholt Middle East DMCC	Dubai	100%
Uhrenholt Polska SP z.o.o.	Poland	100%
Uhrenholt Food Solutions (Shanghai) Co Ltd.	China	100%
F. Uhrenholt Holding International ApS	Denmark	100%
Uhrenholt USA LLC	USA	100%
Uhrenholt España S.L.U	Spain	100%

Notes to the Financial Statements

Name	Place of registered office	Ownership
Uhrenholt Food Service Hong Kong Ltd.	China	100%
Uhrenholt South Africa Pty Ltd.	South Africa	100%
Uhrenholt Oceania Pty Ltd.	Australia	100%
Uhrenholt Philippines Inc.	Philippines	100%
F. Uhrenholt Barter ApS	Denmark	100%
F. Uhrenholt Handel ApS	Denmark	100%
F. Uhrenholt Dairy Products ApS	Denmark	100%

Group		Parent company	
2023	2022	2023	2022
TDKK	TDKK	TDKK	TDKK

11. Derivative financial instruments

As of 31 December 2023, the group has derivative financial instruments in the form of forward currency exchange contracts. At 31 December 2023 the fair value of derivative financial instruments are:

Assets	3,375	8,513	0	0
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Forward currency exchange contracts:

The group has entered into forward currency exchange contracts in order to hedge the currency element of future sales of goods and purchases as well as to hedge balance sheet items in foreign currencies. Forward currency exchange contracts have been entered into in a number of currencies, with USD, NZD, AUD, GBP, PLN, EUR, SGD and SEK being the most important. The fair value of the forward exchange contracts amount to kDKK 3.375. The forward exchange contracts have maturity date within the next 12 months.

Notes to the Financial Statements

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK
12. Deferred tax asset				
Deferred tax asset at 1 January	-116	-802	-224	-186
Amounts recognised in the income statement for the year	949	686	52	-38
Deferred tax asset at 31 December	833	-116	-172	-224
Recognised in the balance sheet as follows:				
Assets	2,248	2,356	0	0
Provisions	-1,415	-2,472	-172	-224
	833	-116	-172	-224

13. Prepayments

Prepayments consist of prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

14. Share capital

	Number	Nominal value
		TDKK
A1-shares	414	20,675
A2-shares	40,936	2,046,825
B1-shares	4,586	229,325
B2-shares	454,064	22,703,175
C-shares	56,000	2,800,000
D-shares	56,000	2,800,000
		30,600,000

Notes to the Financial Statements

Group		Parent company	
2023	2022	2023	2022
TDKK	TDKK	TDKK	TDKK

15. Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

Mortgage loans

After 5 years	12,539	14,068	12,539	14,068
Between 1 and 5 years	6,065	6,031	6,065	6,031
Long-term part	18,604	20,099	18,604	20,099
Within 1 year	1,495	1,487	1,495	1,487
	20,099	21,586	20,099	21,586

Payables to group enterprises

After 5 years	0	0	0	0
Between 1 and 5 years	0	0	0	141,263
Long-term part	0	0	0	141,263
Other short-term debt to group enterprises	0	0	563	388
	0	0	563	141,651

Other payables

After 5 years	0	0	0	0
Between 1 and 5 years	8,906	8,555	0	0
Long-term part	8,906	8,555	0	0
Other short-term payables	58,271	65,937	642	7,714
	67,177	74,492	642	7,714

Other payables of 8,906 TDKK as of 31 December 2023 carry interest.

Notes to the Financial Statements

16. Cash flow statement - Adjustments

	Group	
	2023	2022
	TDKK	TDKK
Financial income	-10,533	-1,077
Financial expenses	7,788	17,109
Depreciation, amortisation and impairment losses, including losses and gains on sales	14,129	11,869
Tax on profit/loss for the year	24,684	16,975
	36,068	44,876

17. Cash flow statement - Change in working capital

	Group	
	2023	2022
	TDKK	TDKK
Change in inventories	-1,041	-15,909
Change in receivables	-13,704	-38,088
Change in other provisions	-627	-1
Change in trade payables, etc	25,610	-10,799
Fair value adjustments of hedging instruments	-101	2,357
	10,137	-62,440

Notes to the Financial Statements

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK
18. Contingent assets, liabilities and other financial obligations				
Charges and security				
The following assets have been placed as security with mortgage credit institutes:				
Land and buildings with a carrying amount of	18,306	18,713	18,306	18,713
Booked value of debt to mortgage credit institutes at	20,099	21,586	20,099	21,586
At 31 December bank guarantees have been provided to the tax authorities through banks/finance companies of	1,450	460	0	0
The parent company has provided unlimited surety for the subsidiaries' balances with banks and finance companies. At 31 December 2023 the total group debt amounts to kDKK 35,649. For the same debt, the parent company has provided an owner's mortgage of kDKK 20.000 related to land and buildings with a booked value of kDKK 18,306. The security in the owner's mortgage has been cancelled by the end of February 2024 following a new financing arrangement.				
As per 31 December 2023 a floating charge of mDKK 330 (of which mDKK 30 is provided by the parent company) has been registered, as security for the Group's balances with banks. This security has been cancelled by end of February following a new financing arrangement. As per 31 December 2023 the floating charge gave security in the following:				
Receivables from sales kDKK 352,210				
Inventories kDKK 78,954				
Other plant, machinery and equipment kDKK 8,292				
Intellectual rights/patents kDKK 2,088				
Rental and lease obligations				
Lease obligations under operating leases. Total future lease payments:				
Within 1 year	2,715	2,713	0	0
Between 1 and 5 years	3,125	2,098	0	0
	5,840	4,811	0	0
Rental obligations, non-cancellation period 3-36 months.	23,800	30,785	4,000	4,000

Notes to the Financial Statements

Group		Parent company	
2023	2022	2023	2022
TDKK	TDKK	TDKK	TDKK

18. Contingent assets, liabilities and other financial obligations

Other contingent liabilities

The parent company has signed a letter of support for the subsidiary Selskabet af 17.08.2007 ApS. The letter of support is limited to further financial support of kDKK 100 and expires on May 31, 2025.

The Group companies are jointly and severally liable for tax on the Group's jointly taxed income, etc. FU III ApS is administration company in relation to joint taxation. The Group companies are also jointly and severally liable for Danish withholding taxes in the form of dividend tax, royalty tax and interest tax. Any subsequent corrections to corporation taxes and withholding taxes may result in the company's liability constituting a larger amount.

19. Related parties and disclosure of consolidated financial statements

Basis

Controlling interest

FU III ApS

Controlling interest

Transactions

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.

No transactions with related parties have been made, which are not on arm's length basis.

Consolidated Financial Statements

F. Uhrenholt Holding A/S and subsidiaries are included in the consolidated financial statements for its parent company:

Name	Place of registered office
FU III ApS	Faurskov Allé 6 5560 Aarup Denmark

The Group Annual Report of FU III ApS may be obtained at the above address.

Notes to the Financial Statements

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK
20. Fee to auditors appointed at the general meeting				
PricewaterhouseCoopers				
Audit fee	602	855	0	0
Tax advisory services	805	368	0	0
Non-audit services	739	1,184	0	0
	2,146	2,407	0	0
Others				
Audit fee	84	0	0	0
Tax advisory services	12	0	0	0
Non-audit services	287	335	0	0
	383	335	0	0

With reference to the Danish Financial Statements Act § 96,3 information on auditing fees is exclusively provided for the consolidated financial statements of F. Uhrenholt Holding A/S and not for the parent company.

Notes to the Financial Statements

21. Accounting policies

The Annual Report of F. Uhrenholt Holding A/S for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

The Consolidated Financial Statements and the Parent Company Financial Statements for 2023 are presented in TDKK.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. All expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset 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 probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Basis of consolidation

The Consolidated Financial Statements comprise the Parent Company, F. Uhrenholt Holding A/S, and subsidiaries in which the Parent Company directly or indirectly holds more than 50% of the votes or in which the Parent Company, through share ownership or otherwise, exercises control. Enterprises in which the Group holds between 20% and 50% of the votes and exercises significant influence but not control are classified as associates.

On consolidation, items of a uniform nature are combined. Elimination is made of intercompany income and expenses, shareholdings, dividends and accounts as well as of realised and unrealised profits and losses on transactions between the consolidated enterprises.

The Parent Company's investments in the consolidated subsidiaries are set off against the Parent Company's share of the net asset value of subsidiaries stated at the time of consolidation.

Leases

Leases in terms of which the Group assumes substantially all the risks and rewards of ownership (finance leases) are recognised in the balance sheet at the lower of the fair value of the leased asset and the net present value of the lease payments computed by applying the interest rate implicit in the lease or an alternative borrowing rate as the discount rate. Assets acquired under finance leases are depreciated and written down for impairment under the same policy as determined for the other fixed assets of the Group.

The remaining lease obligation is capitalised and recognised in the balance sheet under debt, and the interest element on the lease payments is charged over the lease term to the income statement.

All other leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

Notes to the Financial Statements

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Derivative financial instruments

Derivative financial instruments are initially recognised in the balance sheet at cost and are subsequently remeasured at their fair values. Positive and negative fair values of derivative financial instruments are classified as "Other receivables" and "Other payables", respectively.

Changes in the fair values of derivative financial instruments are recognised in the income statement unless the derivative financial instrument is designated and qualify as hedge accounting.

Hedge accounting

Changes in the fair values of financial instruments that are designated and qualify as fair value hedges of a recognised asset or a recognised liability are recognised in the income statement as are any changes in the fair value of the hedged asset or the hedged liability related to the hedged risk.

Changes in the fair values of derivative financial instruments that are designated and qualify as hedges of expected future transactions are recognised in the fair value reserve under equity as regards the effective portion of the hedge. The ineffective portion is recognised in the income statement. If the hedged transaction results in an asset or a liability, the amount deferred in equity is transferred from equity and recognised in the cost of the asset or the liability, respectively. If the hedged transaction results in an income or an expense, the amount deferred in equity is transferred from equity to the income statement in the period in which the hedged transaction is recognised. The amount is recognised in the same item as the hedged transaction.

Segment information on revenue

Information on business segments and geographical segments are based on the Group's risks and returns and its internal financial reporting system.

Income statement

Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Group.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve the consolidated revenue for the year.

Notes to the Financial Statements

Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

Staff expenses

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

Amortisation, depreciation and impairment losses

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

Other operating income and expenses

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

Income from investments in subsidiaries

The item “Income from investments in subsidiaries” in the income statement includes the proportionate share of the profit for the year.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and deferred tax for the year. The tax attributable to the profit for year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with Danish group companies. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Notes to the Financial Statements

Balance sheet

Intangible fixed assets

Goodwill

Goodwill is amortised on a straight-line basis over the estimated useful life of 10-20 years, which is determined on the basis of Management's experience with the individual business areas.

Goodwill is written down to recoverable amount if this is lower than the carrying amount.

Development projects

Costs of development projects comprise salaries, amortisation and other expenses directly or indirectly attributable to the Company's development activities.

Development projects that are clearly defined and identifiable and in respect of which technical feasibility, sufficient resources and a potential future market or development opportunity in the enterprise can be demonstrated, and where it is the intention to manufacture, market or use the project, are recognised as intangible assets. This applies if sufficient certainty exists that the value in use of future earnings can cover cost of sales, distribution and administrative expenses involved as well as the development costs.

Development projects that do not meet the criteria for recognition in the balance sheet are recognised as expenses in the income statement as incurred.

Capitalised development costs are measured at cost less accumulated amortisation and impairment losses or at a lower recoverable amount. An amount corresponding to the recognised development costs is allocated to the equity item 'Reserve for development costs'. The reserve comprises only development costs recognised in financial years beginning on or after 1 January 2016. The reserve is reduced by amortisation of and impairment losses on the development projects on a continuing basis.

As of the date of completion, capitalised development costs are amortised on a straight-line basis over the period of the expected economic benefit from the development work. The amortisation period is 3-10 year.

Other intangible fixed assets

Patents are measured at cost less accumulated amortisation and less any accumulated impairment losses or at a lower value in use.

Patents are amortised over the remaining patent period or a shorter useful life. The amortisation period is maximum 20 years.

Other intangible fixed assets are written down to the recoverable amount if this is lower than the carrying amount.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Interest expenses on loans contracted directly for financing the construction of property, plant and equipment are recognised in cost over the construction period.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Notes to the Financial Statements

Other buildings	20-65 years
Plant and machinery	3-15 years
Other fixtures and fittings, tools and equipment	3-8 years

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment and investments 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.

Investments in subsidiaries

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

The item "Investments in subsidiaries" in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with addition of the remaining value of any increases in value and goodwill calculated at the time of acquisition of the enterprises.

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to "Reserve for net revaluation under the equity method" under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

Subsidiaries with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

Inventories

Inventories are measured at the lower of cost under the FIFO method and net realisable value.

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses and costs of completion. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

The cost of goods for resale equals landed cost.

The cost of finished goods and work in progress comprises the cost of raw materials, consumables and direct labour with addition of indirect production costs. Indirect production costs comprise the cost of indirect materials and labour as well as maintenance and depreciation of the machinery, factory buildings and equipment used in the manufacturing process as well as costs of factory administration and management.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Notes to the Financial Statements

Current Asset Investments

Current asset investments, which consist of unlisted shares.

Investments which are not traded in an active market are measured at the lower of cost and recoverable amount.

Equity

Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

Provisions

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

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial liabilities

Loans, such as mortgage loans and loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Mortgage loans are measured at amortised cost, which for cash loans corresponds to the remaining loan. Amortised cost of debenture loans corresponds to the remaining loan calculated as the underlying cash value of the loan at the date of raising the loan adjusted for depreciation of the price adjustment of the loan made over the term of the loan at the date of raising the loan.

Other debts are measured at amortised cost, substantially corresponding to nominal value.

Cash Flow Statement

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

Notes to the Financial Statements

Cash flows from operating activities

Cash flows from operating activities are calculated as the net profit/loss for the year adjusted for changes in working capital and non-cash operating items such as depreciation, amortisation and impairment losses, and provisions. Working capital comprises current assets less short-term debt excluding items included in cash and cash equivalents.

Cash flows from investing activities

Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, property, plant and equipment as well as fixed asset investments.

Cash flows from financing activities

Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt as well as payments to and from shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise "Cash at bank and in hand".

The cash flow statement cannot be immediately derived from the published financial records.

Financial Highlights

Explanation of financial ratios

Gross margin	$\text{Gross profit} \times 100 / \text{Revenue}$
Profit margin	$\text{Profit/loss of ordinary primary operations} \times 100 / \text{Revenue}$
Return on assets	$\text{Profit/loss of ordinary primary operations} \times 100 / \text{Total assets at year end}$
Solvency ratio	$\text{Equity at year end} \times 100 / \text{Total assets at year end}$
Return on equity	$\text{Net profit for the year} \times 100 / \text{Average equity}$