

# Bisca A/S

Ahornvej 1  
4780 Stege  
Denmark

CVR no. 27 70 22 79

## Annual report 2021

The annual report was presented and approved at  
the Company's annual general meeting on

6 July 2022

Gorm Hoffmann  
Chairman

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## Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Bisca A/S for the financial year 1 January – 31 December 2021.

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

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2021 and of the results of the Company's operations for the financial year 1 January – 31 December 2021.

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

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

Stege, 6 July 2022  
Executive Board:

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Kristian Walsøe

Board of Directors:

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Stig Terje Sunde  
Chairman

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Kristian Walsøe

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Karl Kristian Sunde

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Jan Leif Bodd

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Bjarne Pedersen

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Karina Knörr

## Independent auditor's report

### To the shareholders of Bisca A/S

#### Opinion

We have audited the financial statements of Bisca A/S for the financial year 1 January – 31 December 2021 comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2021 and of the results of the Company's operations for the financial year 1 January – 31 December 2021 in accordance with the Danish Financial Statements Act.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Management's responsibility for the financial statements

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

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

#### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements in Denmark will always detect a material misstatement when it exists. Misstatements may 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 made 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 company 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.

## Independent auditor's report

- 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 Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### Statement on the Management's review

Management is responsible for the Management's review.

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

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

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

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 6 July 2022

**KPMG**

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

David Olafsson  
State Authorised  
Public Accountant  
mne19737

**Bisca A/S**  
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## Management's review

### Company details

Bisca A/S  
Ahornvej 1  
4780 Stege  
Denmark

Telephone: +45 72 11 00 00

CVR no.: 27 70 22 79  
Established: 21 April 2004  
Registered office: Stege, Vordingborg  
Financial year: 1 January – 31 December

### Board of Directors

Stig Terje Sunde, Chairman  
Kristian Walsøe  
Karl Kristian Sunde  
Jan Leif Bodd  
Bjarne Pedersen  
Karina Knörr

### Executive Board

Kristian Walsøe

### Auditor

KPMG  
Statsautoriseret Revisionspartnerselskab  
Dampfærgevej 28  
DK-2100 København Ø  
CVR no. 25 57 81 98

## Management's review

### Financial highlights

DKK'000	2021	2020	2019	2018	2017
<b>Key figures</b>					
Revenue	361,978	368,551	348,457	333,568	339,140
Profit/loss from financial income and expenses	10,351	41,552	-2,635	-1,689	-1,639
Profit/loss for the year	15,650	35,956	-22,811	10,327	33,150
<b>Ratios</b>					
Operating margin	-4.30%	-3.86%	-6.61%	-0.12%	5.41%
Return on equity	5.68%	14.41%	-9.37%	4.13%	14.32%
Solvency ratio	71.87%	69.92%	65.12%	71.83%	64.08%
<b>Average number of full-time employees</b>					
	255	266	247	225	219

The financial ratios have been calculated as follows:

Operating margin 
$$\frac{\text{Operating profit/loss} \times 100}{\text{Revenue}}$$

Return on equity 
$$\frac{\text{Profit/loss from ordinary activities after tax} \times 100}{\text{Average equity}}$$

Solvency ratio 
$$\frac{\text{Equity ex. non-controlling interests at year-end} \times 100}{\text{Total equity and liabilities at year-end}}$$

## **Management's review**

### **Operating review**

#### **Principal activities**

Bisca A/S is one of the market leaders in the Nordic countries as a manufacturer and provider of biscuits, cakes and cookies. Bisca A/S' products are sold to the Nordic market and to a number of export markets. Bisca A/S has its headquarters, sales office and production in Denmark and a sales company in Sweden, while export to other markets is carried out through distributors or sales made directly to retail chains.

#### **Development in activities and financial position**

Profit for the year before tax amounted to DKK 14,5 million compared to DKK 39,1 million the previous year.

Increases in result from associates plus interest income and currency gain on IC long term receivables has improved the result of the year with DKK 21,0 million compared to 2020.

The result in 2020 was positively impacted from disposal of shares in subsidiaries, which generated a capital gain of DKK 43,8 million.

The operational result for the year has declined compared to 2020. Increases in freight, energy, and raw material prices, in particular in the second half of the year, resulted in a decline in the Gross margin and Gross profit compared to 2020. Trimming of the product portfolio has been carried out during the year, and Karen's Bakery - a new Brand for the export markets - was developed and launched during 2021. The financial effects of these activities are first expected to materialize during 2022 and onwards.

COVID-19 has only had limited direct effect on sales and operational performance in 2021, although the pandemic has had some effect on the international supply constraints, which in particular emerged in the second half of 2021 and materialized in higher freight and material prices.

Management considers the result unsatisfactory and below expectations and below Bisca's potential.

#### **Particular risks**

Significant risks particularly relate to uncertainty regarding the development in energy, raw material and packaging prices. These risks are in part mitigated by entering into price agreements with suppliers for up to 12 months, however in the autumn 2021 not all commodities looked favorable to hedge, as market reports indicated the price increases were temporary.

#### **Financial risks**

Currency risks primarily relate to transactions in NOK, SEK & USD. No transactions in currencies, interest rates or other financial instruments are made for speculative purposes.

#### **Events after the balance sheet date**

The war in Ukraine, which started in February 2022, has resulted in significant price increases on energy and raw materials used by Bisca (eg wheat, butter and rape seed oil amongst other). Management is highly aware of the increase in the Company's cost base and considers market actions on a continuous basis to protect the financial position of the company.

#### **Outlook**

The objectives for the coming year include strengthening Bisca's position as one of the market leaders in the Nordic countries and export growth on selected markets outside the Nordic countries.



## Management's review

### Operating review

It is the managements expectation that further adjustments in the product portfolio, price adjustments and implementation of production efficiency activities will improve the operational performance of the company. However, the supply constraints and inflationary environment which has emerged end of 2021 and in the beginning of 2022 put higher uncertainty to the company's financial performance compared to previous years.

### *Product development*

Bisca is the market leader in Denmark and holds significant positions in the Norwegian and Swedish markets within biscuits and cookies, which are positions that the Company spend both time and resources maintaining and developing.

Moreover, the Company constantly works on projects improving and changing recipes so our products always meet the consumer and customers' demands in respect of taste, design, composition, quality, etc.

### Gender composition

The Board of Directors of Bisca A/S consists of six members, hereof five men and one woman. One female and one male are employee elects.

The framework for the selection of board members is formed by gender composition policies defined by Jordanes Investment, the Norwegian parent company of Bisca. With the aim of streamlining the board composition in the subsidiaries in Jordanes Investment Group, 3 new members were elected to the board 17th of February 2022, substituting 2 former members. The purpose of this group decision was to have all 3 beneficial owners and the CEO of the company taking seat in the relevant boards in the Jordanes Group. In connection with future changes within the shareholder elect members, the shareholders will continuously consider to elect at least 1 member of the underrepresented gender and to follow up on the target setting in order to achieve this within the next 3-4 years.

The code of conduct for the Jordanes Investment Group stipulates a policy that encourages and promotes a diverse working environment and equal opportunities for all employees regardless of gender, marital status, nationality, ethnic or national origins, political views, disability or medical condition, religion, sexual orientation or age. No specific quantitative target has been set for the gender composition of the management team of the company, but attention to the Group code of conduct is always given during recruitment processes.

At the end of 2021 the management group consist of 1 female and 6 males, compared to 2 females and 6 males the year before. A more equal gender composition is faced with the challenge that for many of the management positions, the company in general receives very limited interest from women candidates.

### Corporate social responsibility

In accordance with the Danish Financial Statements Act, section 99a, the statutory statement on the corporate social responsibility statement can be found at <https://bisca.dk/ansvar/> together with the Group code of conduct.

## Management's review

### Operating review

#### Environmental matters

Biscuit and cake production cannot be carried out without a certain environmental impact. The most important areas that affect the environment, both in the near and in general, are:

- Energy use in production
- Production of organic products and use of organic raw materials
- Environmental and climate impact on packaging (use of FSC certified cardboard).

It is Bisca's objective to reduce the environmental and climate impact of our production to the extent possible. Some of the key activities are:

- Ongoing follow-up on energy use and implementation of energy saving measures
- Use of packaging solutions that reduce the environmental impact as much as possible
- To work only with RSPO certified palm oil.

In addition, Biscas operations do not adversely affect the environment, neither by soil contamination nor by the release of polluting waste.

Documentation regarding environmental issues is included in the statutory corporate social responsibility statement, including our environmental responsibility policy.

#### Employee matters

Maintenance and improvement of the employees' skills and qualifications and the ability to attract and retain employees are important elements of Bisca's strategy.

We choose to work actively on guidelines that, regardless of religion, skin color, gender, or other conditions, are based on the employee's personal and professional qualifications.

Efforts are made to promote the employees' competencies at all organisational levels and to create a work environment with mutual respect. This focus is supported by the fact that the social aspect is included in Bisca's strategic plan.

#### Data ethics

The management of Bisca is responsible for the data ethics policy and its implementation. All Bisca employees are instructed to respect the privacy of all individuals and the confidentiality of personal data and to handle personal data honestly, ethically, with integrity and in compliance with applicable laws, rules and regulations.

Bisca share information with customers and suppliers. Bisca has a policy to enter into data exchange agreements before exchanging data based on international data exchange standards.

Bisca use cookies on its website. More information on the cookie policy and collection of data on our website can be found at <https://bisca.dk/ansvar/>.

All personal and business related data are not shared with any external parties unless a prior explicit agreement giving permission to share data is obtained.

**Bisca A/S**  
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## **Management's review**

### **Operating review**

#### **Ownership**

The Company is wholly-owned by Scandza Danmark ApS, Denmark (org. no. 40074643). The Company's contributed capital is not divided into different classes of shares.

## Financial statements 1 January – 31 December

### Income statement

DKK'000	Note	2021	2020
<b>Revenue</b>	2	361,978	368,551
Production costs	3, 4	-291,501	-295,844
<b>Gross profit</b>		70,477	72,707
Distribution costs	3, 4	-61,545	-56,047
Administrative expenses	3, 4	-25,017	-27,032
<b>Operating loss</b>		-16,085	-10,372
Amortisation of goodwill	4	0	-3,846
<b>Loss before financial income and expenses</b>		-16,085	-14,218
Income from equity investments in participating interests		19,828	11,743
Other financial income	5	12,927	43,841
Other financial expenses	6	-2,199	-2,289
<b>Profit before tax</b>		14,471	39,077
Tax on profit for the year	7	1,179	-3,121
<b>Profit for the year</b>	8	15,650	35,956

## Financial statements 1 January – 31 December

### Balance sheet

DKK'000	Note	31/12 2021	31/12 2020
<b>ASSETS</b>			
<b>Fixed assets</b>			
<b>Intangible assets</b>	9		
Acquired licenses		92	0
<b>Property, plant and equipment</b>	10		
Land and buildings		53,049	54,412
Plant and machinery		58,032	69,189
Fixtures and fittings, tools and equipment		243	869
Property, plant and equipment in progress		10,114	2,026
		121,438	126,496
<b>Investments</b>	11		
Participating interests		13,311	9,726
Receivables from group entities		136,971	122,722
		150,282	132,448
<b>Total fixed assets</b>		271,812	258,944
<b>Current assets</b>			
<b>Inventories</b>			
Raw materials and consumables		19,131	16,084
Finished goods and goods for resale		19,284	17,407
		38,415	33,491
<b>Receivables</b>			
Trade receivables		45,825	31,230
Receivables from group entities		14,543	26,402
Receivables from participating interests		251	944
Other receivables		7,390	7,158
		68,009	65,734
<b>Cash at bank and in hand</b>		15,845	24,486
<b>Total current assets</b>		122,269	123,711
<b>TOTAL ASSETS</b>		394,081	382,655

## Financial statements 1 January – 31 December

### Balance sheet

DKK'000	Note	31/12 2021	31/12 2020
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Contributed capital	12	46,160	46,160
Reserve for net revaluation under equity method		23,718	6,218
Retained earnings		<u>213,342</u>	<u>215,192</u>
<b>Total equity</b>		<u>283,220</u>	<u>267,570</u>
<b>Provisions</b>			
Provisions for deferred tax	13	<u>8,481</u>	<u>9,660</u>
<b>Total provisions</b>		<u>8,481</u>	<u>9,660</u>
<b>Liabilities other than provisions</b>			
<b>Current liabilities other than provisions</b>			
Trade payables		30,833	29,651
Payables to group entities		33,557	30,293
Corporation tax		3,321	1,152
Other payables		<u>34,669</u>	<u>44,329</u>
		<u>102,380</u>	<u>105,425</u>
<b>Total liabilities other than provisions</b>		<u>102,380</u>	<u>105,425</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>394,081</u></u>	<u><u>382,655</u></u>

## Financial statements 1 January – 31 December

### Statement of changes in equity

DKK'000	Contributed capital	Reserve for net revaluation under equity method	Retained earnings	Total
Equity at 1 January 2021	46,160	6,218	215,192	267,570
Transferred over the profit appropriation	0	17,500	-1,850	15,650
<b>Equity at 31 December 2021</b>	<b>46,160</b>	<b>23,718</b>	<b>213,342</b>	<b>283,220</b>

## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies

The annual report of Bisca A/S for 2021 has been prepared in accordance with the provisions applying to reporting class C large entities under the Danish Financial Statements Act.

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

#### Omission of cash flow statement

Pursuant to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared. The Company's cash flows are included in the cash flow statement in the consolidated financial statements of Jordanes, Oslo, Norway (org. no. 920355285).

#### Omission of fee paid to the Company's auditor

Pursuant to section 96(3) of the Danish Financial Statements Act, fee paid to the Company's auditor appointed at the general meeting has not been disclosed.

### Income statement

#### Revenue

Income from the sale of goods for resale and finished goods is recognized in revenue when delivery and transfer of risk to the buyer have taken place, the income may be reliably measured and is expected to be received. All discounts granted are recognized in revenue.

#### Production costs

Production costs comprise direct and indirect costs for raw materials and consumables, wages and salaries, rent and leases, and depreciation of production plant.

#### Distribution costs

Selling and marketing costs comprise costs for sales and marketing staff, sales campaigns, advertising and exhibition costs.

#### Administrative expenses

Administrative expenses comprise expenses for administrative staff, management, office premises and office expenses.

#### Other operating costs

Other operating costs comprise items secondary to the activities of the entity, including losses on the disposal of intangible assets and property, plant and equipment.



## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

##### Income from equity investments in participating interests

The proportionate share of the participating interests profit/loss after tax is recognised in the Parent Company's income statements after elimination of a proportionate share of intra-group gains/losses and amortisation of goodwill.

##### Financial income and expenses

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

##### Tax on profit for the year

The Parent Company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. The subsidiaries are included in the joint taxation from the date when they are included in the consolidated financial statements and up to the date when they are excluded from the consolidation.

The Parent Company is the administrative company for the joint taxation and accordingly settles all payments of corporation tax to the tax authorities.

On payment of joint taxation contributions, current Danish corporation tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have used the losses to reduce their own taxable profit.

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

### Balance sheet

#### Intangible assets

##### *Licences*

Licences are measured at cost less accumulated amortisation and impairment losses. Licences are amortised over the contract period.

#### Property, plant and equipment

Land and buildings, plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use. Indirect production overheads and borrowing costs are not recognised in cost.

## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

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

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Buildings	15-50 years
Plant and machinery	15-20 years
Fixtures and fittings, tools and equipment	3-7 years

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Land is not depreciated.

Fixed assets under construction are recognised and measured at cost at the balance sheet date. Upon entry into service, the cost is transferred to the relevant group of property, plant and equipment.

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

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

#### Investments

Equity investments in participating interest (including associates) are measured at the proportionate share of the entities' net asset value calculated in accordance with the Group's accounting policies plus or minus unrealised intra-group gains or losses and plus or minus the residual value of positive and negative goodwill calculated in accordance with the acquisition method.

Equity investments in participating interest (including associates) with negative net asset values are measured at DKK 0, and any receivables from these entities are written down by an amount equivalent to the negative net asset value. To the extent that the negative net asset value exceeds the receivable, the residual amount is recognised as provisions.

#### Impairment of fixed assets

The carrying amount of intangible assets and property, plant and equipment as well as participating interest (including associates) is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

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

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

## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

##### Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value.

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

Finished goods and work in progress are measured at cost, comprising the cost of raw materials, consumables, direct wages and salaries and indirect production overheads. Indirect production overheads comprise indirect materials and wages and salaries as well as the maintenance of depreciation of production machinery, buildings and equipment as well as factory administration and management. Borrowing costs are not included in cost.

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

##### Receivables

Receivables are measured at amortised cost.

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

Receivables with no objective indication of individual impairment are assessed for objective indication of impairment on a portfolio basis. The portfolios are primarily based on the debtors' registered offices and credit rating in accordance with the Company's credit risk management policy. The objective indicators used in relation to portfolios are determined on the basis of historical loss experience.

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

##### Cash at bank and in hand

Cash at bank and in hand comprise cash.

##### Equity

###### *Net revaluation reserve according to the equity method*

Net revaluation reserve according to the equity method comprises net revaluation of participating interest (including associates) in proportion to cost.

Dividends that are expected to be received before the balance sheet date are not tied to the reserve.

The reserve can be eliminated in case of loss, realisation of equity investments or changes to accounting estimates.

## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

The reserve cannot be recognised at a negative amount.

#### Liabilities other than provisions

Financial liabilities are recognised at cost at the date of borrowing, corresponding to the proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost using the effective interest method. Accordingly, the difference between cost and the nominal value is recognised in the income statement over the term of the loan together with interest expenses.

Other liabilities are measured at amortised cost.

#### Corporation tax and deferred tax

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

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability. However, deferred tax is not recognised on temporary differences relating to goodwill non-deductible for tax purposes and on office premises and other items where the temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

## Financial statements 1 January – 31 December

### Notes

	DKK'000	2021	2020
<b>2 Revenue</b>			
Goods for the Danish market		251,908	250,929
Goods for other markets		<u>110,070</u>	<u>117,622</u>
		<u>361,978</u>	<u>368,551</u>
<b>3 Staff costs and incentive schemes</b>			
<b>Staff costs</b>			
Wages and salaries		104,789	99,258
Pensions		8,962	13,961
Other social security costs		<u>1,835</u>	<u>2,022</u>
		<u>115,586</u>	<u>115,241</u>
Average number of full-time employees		<u>255</u>	<u>266</u>
Remuneration for management			
Remuneration for management is not disclosed in accordance with § 98b in the Danish Financial Statements Act.			
<b>4 Depreciation and amortisation</b>			
Production costs		13,979	16,017
Goodwill		<u>0</u>	<u>3,846</u>
		<u>13,979</u>	<u>19,863</u>
<b>5 Other financial income</b>			
Interest income from group entities		6,471	0
Other financial income		<u>6,456</u>	<u>43,841</u>
		<u>12,927</u>	<u>43,841</u>
<b>6 Other financial expenses</b>			
Interest expense to group entities		1,531	1,449
Other financial costs		<u>668</u>	<u>840</u>
		<u>2,199</u>	<u>2,289</u>

## Financial statements 1 January – 31 December

### Notes

	DKK'000	2021	2020
<b>7 Tax on profit for the year</b>			
Current tax for the year		0	18
Deferred tax for the year		-1,179	-1,008
Adjustment of tax concerning previous years		0	2,800
Adjustment of deferred tax concerning previous year		0	1,311
		<u>-1,179</u>	<u>3,121</u>
<b>8 Proposed profit appropriation</b>			
Reserve for net revaluation under equity method		17,500	11,776
Retained earnings		<u>-1,850</u>	<u>24,180</u>
		<u>15,650</u>	<u>35,956</u>
<b>9 Intangible assets</b>			
DKK'000			Acquired licenses
Cost at 1 January 2021			0
Additions for the year			<u>132</u>
Cost at 31 December 2021			<u>132</u>
Amortisation for the year			<u>-40</u>
Amortisation and impairment losses at 31 December 2021			<u>-40</u>
<b>Carrying amount at 31 December 2021</b>			<u>92</u>

## Financial statements 1 January – 31 December

### Notes

#### 10 Property, plant and equipment

DKK'000	Land and buildings	Plant and machinery	Fixtures and fittings, tools and equipment	Property, plant and equipment in progress	Total
Cost at 1 January 2021	97,196	373,609	19,310	2,066	492,181
Additions for the year	1,208	1,688	0	8,048	10,944
Disposals for the year	0	-5,859	0	0	-5,859
Transfers for the year	0	0	0	0	0
Cost at 31 December 2021	98,404	369,438	19,310	10,114	497,266
Revaluations at 1 January 2021	15,198	0	0	0	15,198
Revaluations at 31 December 2021	15,198	0	0	0	15,198
Depreciation and impairment losses at 1 January 2021	-57,982	-304,420	-18,441	0	-380,843
Depreciation and impairment losses for the year	-2,571	-10,742	-626	0	-13,939
Reversed depreciation and impairment losses on assets sold	0	3,756	0	0	3,756
Depreciation and impairment losses at 31 December 2021	-60,553	-311,406	-19,067	0	-391,026
<b>Carrying amount at 31 December 2021</b>	<b>53,049</b>	<b>58,032</b>	<b>243</b>	<b>10,114</b>	<b>121,438</b>

## Financial statements 1 January – 31 December

### Notes

#### 11 Investments

DKK'000	Participating interests	Group entities
Cost at 1 January 2021	3,677	122,722
Additions for the year	0	14,249
Cost at 31 December 2021	3,677	136,971
Revaluations at 1 January 2021	6,049	0
Exchange adjustment	377	0
Net profit/loss for the year	19,828	0
Dividends	-16,620	0
Revaluations 31 December 2021	9,634	0
<b>Carrying amount at 31 December 2021</b>	<b>13,311</b>	<b>136,971</b>
		Voting rights and ownership interest
Name	Registered office	
Baxt A/S	Norway	27.8%

#### 12 Contributed capital

The contributed capital consists of 46,160,252 shares of DKK 1 each. No shares have special rights.  
No changes to the contributed capital in the last 5 years.

#### 13 Deferred tax liability

DKK'000	31/12 2021	31/12 2020
Deferred tax at 1 January	9,660	9,357
Deferred tax adjustment for the year in the income statement	-1,179	303
	8,481	9,660
Provisions for deferred tax relate to:		
Non-current assets	12,115	12,115
Tax loss carryforwards	-3,634	-2,455
	8,481	9,660



## Financial statements 1 January – 31 December

### Notes

#### 14 Contractual obligations, contingencies, etc.

The Company's lease obligations from operating leases amounted to DKK 5,467 thousand at 31 December 2021 (2020: DKK 4,725 thousand).

The Company's total rental obligations regarding non-cancellable leases amounted to DKK 2,163 thousand at 31 December 2021 (2020: DKK 0 thousand).

The Group's Danish entities are jointly and severally liable for tax on the Group's jointly taxed income and for certain withholding taxes such as dividend tax and royalty tax. Any subsequent corrections of the taxable income subject to joint taxation or withholding taxes on dividends, etc., may entail an increase in the entities' liability. The Group as a whole is not liable to any other parties.

#### 15 Mortgages and collateral

Bisca A/S is part of a finance agreement that applies for the entire Scandza Group, and Bisca A/S has acceded to the entire financing agreement as an additional guarantor. Bisca A/S' guarantee obligations are limited to an amount equal to Bisca A/S actual loans under the agreement with addition of the higher of Bisca A/S' equity when entering into the agreement or at any later where payments under the guarantee should be requested.

#### 16 Related party disclosures

Bisca A/S' related parties comprise the following:

##### Control

Scandza Danmark ApS, Denmark (org. no. 40074643) wholly owns the contributed capital in the Company.

Bisca A/S is a part of the consolidated financial statements of Jordanes AS, Henrik Ibsens gate 60C, 0255 Oslo, Norway (org. no. 920 355 285) which are the smallest and largest group, in which the Company is included as a subsidiary.

These consolidated financial statements of Jordanes AS can be obtained by contacting the Company at the above address.

##### Related party transactions

Bisca A/S' transaction with related parties comprise the following:

DKK'000	2021	2020
Selling of goods to group companies	27,052	45,393
Selling of shared services to group companies	2,100	0
Purchasing of goods to group companies	1,463	1,259
Purchasing of shared services from group companies	1,932	1,524
	<u>32,547</u>	<u>48,176</u>

Receivables and loans to group companies are disclosed in the balance sheet, and expenses are disclosed in the notes.