

# **Bisca A/S**

Ahornvej 1, 4780 Stege

CVR no. 27 70 22 79

## **Annual report 2022**

Approved at the Company's annual general meeting on 3 July 2023

Chair of the meeting:

.....  
Gorm Hoffmann

## Contents

<b>Statement by the Board of Directors and the Executive Board</b>	<b>2</b>
<b>Independent auditor's report</b>	<b>3</b>
<b>Management's review</b>	<b>5</b>
<b>Financial statements 1 January - 31 December</b>	<b>10</b>
Income statement	10
Balance sheet	11
Statement of changes in equity	13
Notes to the financial statements	14

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

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Bisca A/S for the financial year 1 January - 31 December 2022.

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

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January - 31 December 2022.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

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

Stege, 3 July 2023  
Executive Board:

---

Kristian Walsøe

Board of Directors:

---

Stig Terje Sunde  
Chairman

---

Kristian Walsøe

---

Karl Kristian Sunde

---

Jan Leif Bodd

---

Bjarne Pedersen

---

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 2022, which comprise an income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2022, and of the results of the Company's operations for the financial year 1 January - 31 December 2022 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

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

### Management's responsibilities for the financial statements

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

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

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

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and 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 the 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 skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

## Independent auditor's report

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

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

### Statement on the Management's review

Management is responsible for the Management's review.

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

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

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

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

Copenhagen, 3 July 2023  
KPMG P/S  
Statsautoriseret Revisionspartnerselskab  
CVR no. 25 57 81 98

David Olafsson  
State Authorised Public Accountant  
mne19737

## **Management's review**

### **Company details**

Name	Bisca A/S
Address, Postal code, City	Ahornvej 1, 4780 Stege
CVR no.	27 70 22 79
Established	21 April 2004
Registered office	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
Auditors	KPMG P/S Statsautoriseret Revisionspartnerselskab Dampfærgvej 28, 2100 Copenhagen

## Management's review

### Financial highlights

DKK'000	2022	2021	2020	2019	2018
<b>Key figures</b>					
Revenue	389,505	361,978	368,551	348,457	333,568
Net financials	-6,099	10,728	0	0	0
<b>Profit for the year</b>	<b>3,587</b>	<b>15,650</b>	<b>35,956</b>	<b>-22,811</b>	<b>10,327</b>
Total assets	415,986	394,081	382,655	355,647	355,076
Investments in property, plant and equipment	10,732	10,944	5,274	14,792	17,665
<b>Equity</b>	<b>286,807</b>	<b>283,220</b>	<b>267,570</b>	<b>231,614</b>	<b>255,048</b>
<b>Financial ratios</b>					
Operating margin	-5.3%	-4.4%	-3.9%	-6.6 %	-0.1 %
Equity ratio	68.9%	71.9%	69.9%	65.1%	71.8%
Return on equity	1.3%	5.7%	14.4%	-9.4%	4.1%
<b>Average number of full-time employees</b>	<b>226</b>	<b>255</b>	<b>266</b>	<b>247</b>	<b>225</b>

The financial ratios stated under "Financial highlights" have been calculated as follows:

Operating margin	$\frac{\text{Operating profit/loss (EBIT)} \times 100}{\text{Revenue}}$
Equity ratio	$\frac{\text{Equity, year-end} \times 100}{\text{Total equity and liabilities, year-end}}$
Return on equity	$\frac{\text{Profit/loss after tax} \times 100}{\text{Average equity}}$

## Management's review

### Business review

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.

### 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 review

The income statement for 2022 shows a profit of DKK 3,6 million against a profit of DKK 15,7 million last year, and the balance sheet at 31 December 2022 shows equity of DKK 286,8 million.

Unrealised currency loss on long term IC loans has reduced the result of the year with DKK 16,0 million compared to 2021, while the effect of the joint taxation with other Danish companies within the Jordanes Investment Group has improved the result for 2022 with DKK 11,3 million compared to 2021.

The operational result for the year declined with DKK 4,6 million compared to 2021. The outbreak of the war in Ukraine in February 2022 has had a major impact on the company's cost base as prices for energy, raw materials and other input-costs have increased significantly. The aftermath from the COVID-19 international supply constraints has also resulted in higher material and freight costs, in particular for overseas container transport. Finally, the high inflationary environment has led to a shift in consumer buying behaviour towards lower priced channels and products with a lower contribution margin.

2022 has thus been a challenging year demanding mitigating actions. Prices towards customers have been adjusted with a higher frequency than normal and the strategy to trim the company's product range and improve the set-up and efficiency of the production has continued. The company's product portfolio is now better suited for the market demands and the attractiveness of the new brand "Karen's Bakery" (launched in late 2021) has proven its concept on the export markets in 2022. Sales to export markets has thus increased by 20,0% while the domestic sales increased 2,2% Total sales increased by 7,6%

Management considers the sales growth satisfactory taking the market condition into consideration, but regards the financial result unsatisfactory and below Bisca's potential.

### Non-financial matters

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. The unstable price environment and market reports in Q4 2022 indicating prices to fall during 2023 has led to selected products being bought on the spot market or on shorter-term contracts (3-6 month) during 2023.

### 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.

## Management's review

### Financial risks and use of financial instruments

Currency risks primarily relate to transactions in NOK, SEK & USD. With an increased exposure towards sales in USD, the company uses currency contracts. A currency contract is only entered when an order has been placed, which typically happens several months before delivery and payment is received. No transactions in currencies, interest rates or other financial instruments are made for speculative purposes.

### Impact on the external environment

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.

### Research and development activities

Bisca is the market leader in Denmark and holds growing positions in the European and North American markets within cakes and cookies, which are positions that the Company spend both time and resources maintaining and developing.

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

## Management's review

### Statutory CSR report

In accordance with the Danish Financial Statements Act, section 99a (5), the statutory statement on the corporate social responsibility statement together with the Group can be found on the Company's website :

<https://bisca.dk/ansvar/>

### Account of the gender composition of Management

The company's account of the gender composition is done in accordance with the Danish Financial Statements Act, section 99b.

The Board of Directors of Bisca A/S consists of six members, here of five men and one woman. One female and one male are employee elects. The six board members include the 3 beneficial owners and the CEO of the company. There was no changes in the board composition during 2022.

The framework for the selection of board members is formed by gender composition policies defined by Jordanes Investment, the Norwegian parent company of Bisca. In connection with future changes within the shareholder elect members, the shareholders will within the coming 4 years consider to elect at least 1 member of the underrepresented gender, so the representation of the underrepresented gender reach at least 25%

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 2022 the management group consist of 1 female and 6 males, which is the same as 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 female candidates. When recruiting new members of the management team, the company continuously makes sure that the recruiting process is tailored both genders on an equal basis.

### 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.

### Events after the balance sheet date

No significant events have taken place after the balance sheet date, which material affects the assessment of the financial position of the company.

### Outlook

Management expects the export growth to continue the coming years, contributing to a significant improved operational performance. However, the war in Ukraine and the impact on energy and raw material prices puts higher uncertainty to the company's financial performance compared to periods with a more stable geo-political environment.

## Financial statements 1 January - 31 December

### Income statement

Note	DKK'000	2022	2021
2	<b>Revenue</b>	389,505	361,978
12,3	Production costs	-310,144	-291,501
	<b>Gross profit</b>	79,361	70,477
12	Distribution costs	-64,275	-61,545
12	Administrative expenses	-35,782	-25,017
	<b>Operating profit/loss</b>	-20,696	-16,085
	Income from investments in Participating interests	19,408	19,828
4	Financial income	6,639	12,927
5	Financial expenses	-12,738	-2,199
	<b>Profit/loss before tax</b>	-7,387	14,471
6	Tax for the year	10,974	1,179
	<b>Profit for the year</b>	3,587	15,650

## Financial statements 1 January - 31 December

### Balance sheet

Note	DKK'000	2022	2021
<b>ASSETS</b>			
<b>Fixed assets</b>			
<b>7 Intangible assets</b>			
Acquired intangible assets		48	92
		48	92
<b>8 Property, plant and equipment</b>			
Land and buildings		51,542	53,049
Plant and machinery		52,164	58,032
Fixtures and fittings, other plant and equipment		558	243
Property, plant and equipment under construction		14,795	10,114
		119,059	121,438
<b>9 Investments</b>			
Investments in Participating interests		16,512	13,311
Receivables from participating interests		0	136,971
		16,512	150,282
<b>Total fixed assets</b>		<b>135,619</b>	<b>271,812</b>
<b>Non-fixed assets</b>			
<b>Inventories</b>			
Raw materials and consumables		24,512	19,131
Finished goods and goods for resale		25,014	19,284
		49,526	38,415
<b>Receivables</b>			
Trade receivables		67,085	45,825
Receivables from group enterprises		152,873	14,543
Receivables from participating interests		299	251
Joint taxation contribution receivable		3,079	0
Other receivables		6,162	7,390
		229,498	68,009
<b>Cash</b>		<b>1,343</b>	<b>15,845</b>
<b>Total non-fixed assets</b>		<b>280,367</b>	<b>122,269</b>
<b>TOTAL ASSETS</b>		<b>415,986</b>	<b>394,081</b>

## Financial statements 1 January - 31 December

### Balance sheet

Note	DKK'000	2022	2021
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
10 Share capital		46,160	46,160
Net revaluation reserve according to the equity method		12,835	23,718
Retained earnings		227,812	213,342
<b>Total equity</b>		<u>286,807</u>	<u>283,220</u>
<b>Provisions</b>			
11 Deferred tax		7,597	8,481
<b>Total provisions</b>		<u>7,597</u>	<u>8,481</u>
<b>Liabilities other than provisions</b>			
<b>Current liabilities other than provisions</b>			
Trade payables		51,188	30,833
Payables to group enterprises		34,223	33,557
Corporation tax payable		0	3,321
Other payables		36,171	34,669
<b>Total liabilities other than provisions</b>		<u>121,582</u>	<u>102,380</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>415,986</u>	<u>394,081</u>

- 1 Accounting policies
- 13 Contractual obligations and contingencies, etc.
- 14 Collateral
- 15 Related parties
- 16 Appropriation of profit

## Financial statements 1 January - 31 December

### Statement of changes in equity

Note	DKK'000	Share capital	Net revaluation reserve according to the equity method	Retained earnings	Total
	Equity at 1 January 2021	46,160	6,218	215,192	267,570
16	Transfer, see "Appropriation of profit"	0	17,500	-1,850	15,650
	<b>Equity at 1 January 2022</b>	<b>46,160</b>	<b>23,718</b>	<b>213,342</b>	<b>283,220</b>
16	Transfer, see "Appropriation of profit"	0	-10,883	14,470	3,587
	<b>Equity at 31 December 2022</b>	<b>46,160</b>	<b>12,835</b>	<b>227,812</b>	<b>286,807</b>

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies

The annual report of Bisca A/S for 2022 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to large reporting class C entities.

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

#### Omission of a cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared. The Company's cash flows are reflected 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 been disclosed.

#### Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

#### Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

#### Income statement

##### Revenue

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

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 costs incurred in generating the revenue for the year. Such costs include direct and indirect costs of raw materials, consumables and production staff, rent and leases, as well as depreciation on production plant.

Production costs also comprise research and development costs that do not qualify for capitalisation and amortisation of capitalised development costs.

Also, provision for losses on construction contracts is recognised.

##### Distribution costs

Distribution costs comprise costs related to the distribution of goods sold in the year and to sales campaigns, etc. carried out in the year, including costs related to sales staff, advertising, exhibitions and amortisation/depreciation. Sales and marketing costs are recognised in the income statement when the Company obtains control of the sales or marketing product.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Administrative expenses

Administrative expenses include expenses incurred in the year for company management and administration, including expenses relating to administrative staff, Management, office premises and expenses as well as amortisation/depreciation of assets used for administrative purposes.

##### Other operating income

Other operating income comprise items of a secondary nature relative to the Company's core activities, including gains on the sale of fixed assets.

##### Amortisation/ depreciation

The item comprises amortisation/depreciation of intangible assets and property, plant and equipment.

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, which is calculated as cost less any residual value, is depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

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

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

Depreciation is based on the residual value of the asset and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the acquisition date and are reassessed annually. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

In the case of changes in the depreciation period or the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Land is not depreciated.

##### Profit/ loss from investments in participating interests

The income statement includes the proportional share of the underlying companies' profit or loss after elimination of internal profit/loss and after tax. In participating interests, only proportional elimination of profit and loss is carried out, taking into account ownership shares.

##### Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Tax

The parent company is covered by the Danish rules on mandatory joint taxation of the Group's Danish subsidiaries. Subsidiaries are included in the joint taxation arrangement from the date at which they are included in the consolidated financial statements and up to the date when they are no longer consolidated.

The parent company acts as management company for the joint taxation arrangement and consequently settles all corporate income tax payments with the tax authorities.

On payment of joint taxation contributions, the Danish corporate income tax charge 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 been able to use the tax losses to reduce their own taxable income.

Tax for the year, which comprises the current income tax charge, joint taxation contributions and deferred tax adjustments, including adjustments arising from changes in tax rates, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

##### Balance sheet

###### Intangible assets

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

###### Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

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

###### 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.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments in subsidiaries and associates is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

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

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

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

The cost of finished goods and work in progress includes the cost of raw materials, consumables, direct labour and indirect production overheads.

Indirect production overheads include the indirect cost of material and labour as well as maintenance and depreciation of production machinery, buildings and equipment and expenses relating to plant administration and management. Borrowing costs are not recognised in the sales price.

##### Receivables

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

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

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

##### Cash

Cash at bank and in hand comprise cash.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Equity

###### *Reserve for net revaluation according to the equity method*

The net revaluation reserve according to the equity method includes net revaluations of investments in subsidiaries and associates relative to cost. The reserve can be eliminated in case of losses, realisation of investments or a change in accounting estimates. The reserve cannot be recognised at a negative amount.

##### Corporation tax and deferred tax

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to 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. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

##### Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

## Financial statements 1 January - 31 December

### Notes to the financial statements

	DKK'000	2022	2021
<b>2 Segment information</b>			
Breakdown of revenue by business segment:			
Goods for the Danish market	257,396	251,908	
Goods for other markets	132,109	110,070	
	<b>389,505</b>	<b>361,978</b>	
<b>3 Amortisation/ depreciation of intangible assets and property, plant and equipment</b>			
Amortisation of intangible assets	44	0	
Depreciation of property, plant and equipment	13,111	13,979	
	<b>13,155</b>	<b>13,979</b>	
Amortisation/ depreciation of intangible assets and property, plant and equipment is recognised in the income statement under the following items:			
<b>DKK'000</b>		<b>2022</b>	<b>2021</b>
Production costs		13,155	13,979
		<b>13,155</b>	<b>13,979</b>
<b>4 Financial income</b>			
Interest receivable, group entities	6,572	6,471	
Other financial income	67	6,456	
	<b>6,639</b>	<b>12,927</b>	
<b>5 Financial expenses</b>			
Interest expenses, group entities	1,590	1,531	
Other financial expenses	11,148	668	
	<b>12,738</b>	<b>2,199</b>	
<b>6 Tax for the year</b>			
Estimated tax charge for the year	-8	0	
Deferred tax adjustments in the year	-2,063	-1,179	
Tax adjustments, prior years	-8,903	0	
	<b>-10,974</b>	<b>-1,179</b>	

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 7 Intangible assets

DKK'000	<u>Acquired intangible assets</u>
Cost at 1 January 2022	132
Cost at 31 December 2022	132
Impairment losses and amortisation at 1 January 2022	40
Amortisation for the year	44
Impairment losses and amortisation at 31 December 2022	84
<b>Carrying amount at 31 December 2022</b>	<b>48</b>

#### 8 Property, plant and equipment

DKK'000	Land and buildings	Plant and machinery	Fixtures and fittings, other plant and equipment	Property, plant and equipment under construction	Total
Cost at 1 January 2022	98,404	369,438	19,310	10,114	497,266
Additions	1,193	4,202	656	4,681	10,732
Cost at 31 December 2022	99,597	373,640	19,966	14,795	507,998
Revaluations at 1 January 2022	15,198	0	0	0	15,198
Revaluations at 31 December 2022	15,198	0	0	0	15,198
Impairment losses and depreciation at 1 January 2022	60,553	311,406	19,067	0	391,026
Depreciation	2,700	10,070	341	0	13,111
Impairment losses and depreciation at 31 December 2022	63,253	321,476	19,408	0	404,137
<b>Carrying amount at 31 December 2022</b>	<b>51,542</b>	<b>52,164</b>	<b>558</b>	<b>14,795</b>	<b>119,059</b>

#### 9 Investments

DKK'000	Investments in Participating interests	Receivables from participating interests	Total
Cost at 1 January 2022	3,677	136,971	140,648
Disposals	0	-136,971	-136,971
Cost at 31 December 2022	3,677	0	3,677
Value adjustments at 1 January 2022	9,634	0	9,634
Dividend received	-16,207	0	-16,207
Profit/loss for the year	19,408	0	19,408
Value adjustments at 31 December 2022	12,835	0	12,835
<b>Carrying amount at 31 December 2022</b>	<b>16,512</b>	<b>0</b>	<b>16,512</b>

#### Participating interests

Baxt A/S Norway 27.80%

## Financial statements 1 January - 31 December

### Notes to the financial statements

	DKK'000	2022	2021
<b>10 Share capital</b>			
Analysis of the share capital:			
46,160,252 shares of DKK 1.00 nominal value each	46,160	46,160	46,160
	<u>46,160</u>	<u>46,160</u>	<u>46,160</u>

The Company's share capital has remained DKK 46,160 thousand over the past 5 years.

	DKK'000	2022	2021
<b>11 Deferred tax</b>			
Deferred tax at 1 January	8,481	9,660	9,660
Deferred tax adjustment for the year in the income statement	0	-1,179	-1,179
Other deferred tax	-883	0	0
<b>Deferred tax at 31 December</b>	<u>7,598</u>	<u>8,481</u>	<u>8,481</u>
Deferred tax relates to:			
Receivables	10,738	12,115	12,115
Tax loss	-3,140	-3,634	-3,634
	<u>7,598</u>	<u>8,481</u>	<u>8,481</u>
<b>12 Staff costs</b>			
Wages/salaries	103,478	104,789	104,789
Pensions	8,678	8,962	8,962
Other social security costs	2,290	1,835	1,835
	<u>114,446</u>	<u>115,586</u>	<u>115,586</u>
Average number of full-time employees	<u>226</u>	<u>255</u>	<u>255</u>

Remuneration for management is not disclosed in accordance with § 98b in the Danish Financial Statements Act.

### 13 Contractual obligations and contingencies, etc.

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.

#### Other financial obligations

The Company's lease obligations from operating leases amounted to DKK 3,978 thousand at 31 December 2022 (2021: DKK 5,467 thousand).

The Company's total rental obligations regarding non-cancellable leases amounted to DKK 810 thousand at 31 December 2022 (2021: DKK 2,163 thousand).

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 14 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.

#### 15 Related parties

Bisca A/S' related parties comprise the following:

##### Parties exercising control

Related party	Domicile	Basis for control
Scandza Danmark ApS	Denmark	Shareholders' agreement

##### Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
Jordanes A/S	Norway	Henrik Ibsens gate 60C, 0255 Oslo, Norway

##### Related party transactions

Bisca A/S was engaged in the below related party transactions:

DKK'000	2022	2021
Selling of goods to group companies	3,845	27,052
Selling of shared services to group companies	669	2,100
Purchasing of goods to group companies	0	1,463
Purchasing of shared services from group companies	145	1,932

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

DKK'000	2022	2021
<b>16 Appropriation of profit</b>		
<b>Recommended appropriation of profit</b>		
Net revaluation reserve according to the equity method	-10,883	17,500
Retained earnings/accumulated loss	14,470	-1,850
	<b>3,587</b>	<b>15,650</b>

# PENNEO

The signatures in this document are legally binding. The document is signed using Penneo™ secure digital signature. The identity of the signers has been recorded, and are listed below.

"By my signature I confirm all dates and content in this document."

## Kristian Walsøe

### Executive Board

On behalf of: Bisca A/S

Serial number: ecca35c1-ea14-4bdf-9d77-43686392bfb2

IP: 88.173.xxx.xxx

2023-07-04 21:04:41 UTC



## Bjarne Pedersen

### Board of Directors

On behalf of: Bisca A/S

Serial number: 7f368744-9fcc-456c-b83c-672ca3bf3a0c

IP: 77.234.xxx.xxx

2023-07-05 06:09:09 UTC



## Karl Kristian Sunde

### Board of Directors

On behalf of: Bisca A/S

Serial number: 9578-5994-4-521913

IP: 37.26.xxx.xxx

2023-07-05 07:22:18 UTC



## Kristian Walsøe

### Board of Directors

On behalf of: Bisca A/S

Serial number: ecca35c1-ea14-4bdf-9d77-43686392bfb2

IP: 88.173.xxx.xxx

2023-07-04 21:08:11 UTC



## Karina Knörr

### Board of Directors

On behalf of: Bisca A/S

Serial number: 32f141bf-4e03-4a5e-bb79-49ff746c4c81

IP: 213.237.xxx.xxx

2023-07-05 06:43:06 UTC



## Jan Leif Bodd

### Board of Directors

On behalf of: Bisca A/S

Serial number: 9578-5999-4-1644987

IP: 85.167.xxx.xxx

2023-07-06 14:49:15 UTC



This document is digitally signed using Penneo.com. The digital signature data within the document is secured and validated by the computed hash value of the original document. The document is locked and timestamped with a certificate from a trusted third party. All cryptographic evidence is embedded within this PDF, for future validation if necessary.

### How to verify the originality of this document

This document is protected by an Adobe CDS certificate. When you open the

document in Adobe Reader, you should see, that the document is certified by **Penneo e-signature service <penneo@penneo.com>**. This guarantees that the contents of the document have not been changed.

You can verify the cryptographic evidence within this document using the Penneo validator, which can be found at <https://penneo.com/validator>

# PENNEO

The signatures in this document are legally binding. The document is signed using Penneo™ secure digital signature. The identity of the signers has been recorded, and are listed below.

"By my signature I confirm all dates and content in this document."

## Stig Terje Sunde

Chairman

On behalf of: Bisca A/S

Serial number: 9578-5998-4-1012068

IP: 77.16.xxx.xxx

2023-07-08 15:41:03 UTC



## David Olafsson

KPMG P/S CVR: 25578198

State Authorised Public Accountant

On behalf of: KPMG Statsautoriseret Revisionspartners...

Serial number: 4058bcfd-38c5-4b06-a182-68cc88d0b3c9

IP: 83.151.xxx.xxx

2023-07-10 06:57:30 UTC



## Christian Gorm Hoffmann

Chairman

On behalf of: Bisca A/S

Serial number: a8f5710d-3991-43c6-8ff5-c49ba834e416

IP: 77.234.xxx.xxx

2023-07-10 07:52:42 UTC



This document is digitally signed using Penneo.com. The digital signature data within the document is secured and validated by the computed hash value of the original document. The document is locked and timestamped with a certificate from a trusted third party. All cryptographic evidence is embedded within this PDF, for future validation if necessary.

### How to verify the originality of this document

This document is protected by an Adobe CDS certificate. When you open the

document in Adobe Reader, you should see, that the document is certified by **Penneo e-signature service <penneo@penneo.com>**. This guarantees that the contents of the document have not been changed.

You can verify the cryptographic evidence within this document using the Penneo validator, which can be found at <https://penneo.com/validator>