

Bisca A/S

Ahornvej 1, 4780 Stege

CVR no. 27 70 22 79

Annual report 2023

Approved at the Company's annual general meeting on 16 February 2024

Chair of the meeting:

.....
Gorm Hoffmann

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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 2023.

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 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023.

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, 16 February 2024
Executive Board:

.....
Kristian Walsøe

Board of Directors:

.....
Stig Terje Sunde
Chairman

.....
Kristian Walsøe

.....
Karina Knørr

.....
Jan Leif Bodd

.....
Bjarne Pedersen

Independent auditor's report

To the shareholder of Bisca A/S

Opinion

We have audited the financial statements of Bisca A/S for the financial year 1 January - 31 December 2023, 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 2023, and of the results of the Company's operations for the financial year 1 January - 31 December 2023 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, 16 February 2024
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 Karina Knörr Jan Leif Bodd Bjarne Pedersen
Executive Board	Kristian Walsøe
Auditors	KPMG P/S Statsautoriseret Revisionspartnerselskab Dampfærgevej 28, 2100 Copenhagen

Management's review

Financial highlights

DKK'000	2023	2022	2021	2020	2019
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Key figures

Revenue	438,765	389,505	361,978	368,551	348,457
Operating profit/loss	-3,058	-20,696	-16,085	-14,218	-23,029
Net financials	7,164	13,309	30,556	41,552	-2,635
Profit for the year	4,880	3,587	15,650	35,956	-22,811

Total assets	393,348	415,985	394,081	382,655	355,647
Investments in property, plant and equipment	23,180	10,732	10,944	5,274	14,792
Equity	291,687	286,807	283,220	267,570	231,614

Financial ratios

Operating margin	-0.7%	-5.3%	-4.4%	-3.9%	-6.6%
Equity ratio	74.2%	68.9%	71.9%	69.9%	65.1%
Return on equity	1.7%	1.3%	5.7%	14.4%	-9.4%

Average number of full-time employees	231	226	255	266	247
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The financial ratios stated under "Financial highlights" have been calculated as follows:

Operating profit/loss	Profit/loss before net financials +/- Other operating income and other operating expenses
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. Export to markets outside Denmark is carried out through distributors or sold 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 2023 shows a profit of TDKK 4.880 against a profit of TDKK 3.587 last year, and the balance sheet at 31 December 2023 shows an equity of TDKK 291.687

The tax for the year is positive with TDKK 774, while the result last year was positively affected by the joint taxation with other Danish companies within the Jordanes Investment Group with a positive tax income of TDKK 10.974. Result from associated companies in 2023 is TDKK 12.534 compared to TDKK 19.408 in 2022 and the net financial result for 2023 is TDKK -5.370 compared to TDKK -6.099 in 2022. Items below operational result has thus declined the company's result after tax with TDKK 16.345 compared to 2022.

The operational result for the year has increased with TDKK 17.638 compared to 2022. The launch of the export brand "Karens Bakery" a couple of years ago has, like in 2022, materialised in significant sales growth in markets outside the Nordic region, especially North America and Southeast Asia. Sales in markets outside the Nordics have grown more than 40 percent compared to 2022 and is one of the main drivers behind the improvement in the operational result.

In 2023, the company initiated a large-scale renovation and restructuring programme for the factory in Stege. The aim is to increase production efficiency and capacity utilisation and reduce the factory footprint and the related demand for future maintenance related Capital Expenditures. The first and most comprehensive phase of the programme was carried out successfully without any material impact on the production and delivery to customers, and the renovation and restructuring programme will continue the next couple of years.

The company's input cost base is still under pressure with e.g sugar trading at a very high level, and the collective labour agreements for the company's factory workers has also resulted in increased production costs. The inflationary and uncertain economic environment the last couple of years has resulted in changes in consumer behaviour towards lower priced products, which in general financially contribute less per output produced.

Management is satisfied with the improved operational result taking the increased cost-base and the changes in consumer behaviour into consideration, and Management is confident that the current turn-around process and success on the export markets will further contribute to Bisca reaching its financial potential over the coming years.

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 price environment has stabilised compared to 2022, but selected raw materials are still trading at very high prices compared to previous years.

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, ethnic origin, 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. The company had in 2023 an unrealised currency gain of TDKK 921 on USD currency contracts with expiry dates in 2024.

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 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.

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/>

Report on 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 five members, here of four men and one woman. One female and one male are employee elects. The five board members include two beneficial owners and the CEO of the company. At the beginning of 2023 the board consisted of 6 members. One beneficial owner of the company left the board during 2023. Bisca A/S is a subsidiary of a company where the two male owners are appointed as board members to streamline the boards in the group. Hence with a male CEO for Bisca, the current gender composition of the board is 100% male.

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 3 years have a target to elect at least 1 member of the underrepresented gender, so the representation of the underrepresented gender reach at least 25%. The target has not been met in 2023 as there has been no election for the board.

Management's review

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.

The company always pays attention to the Group code of conduct is always given during recruitment processes.

At the end of 2023 the management group consist of 1 female and 6 males, which is the same as the year before.

Bisca A/S wants to increase the number of female managers in the company and, based on this, has drawn up specific targets and policies for the proportion of the underrepresented gender in the management group.

The company has a target of increasing the number of the underrepresented gender in the management team by at least 1 within 4 years, so the management group of a total of 6 people will have the distribution 2-4.

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 which has made it difficult to achieve the company's goal of a more equal distribution in the gender composition. In order to fulfil the objective of more female managers, the company has launched a new initiative in connection with the recruitment of new employees to the management group.

For future hires, our recruitment agency will be asked to contact potential candidates equally between genders. In addition, 33% of the candidates presented must be of the underrepresented gender. The initiative will be launched from the year 2024.

5 years overview

	2023
<i>Supreme governing body</i>	
Total number of members	3
Underrepresented gender in %	0
Target figure in %	25
Year in which the target figure is expected to be met	2026
<i>Other levels of management</i>	
Total number of members	7
Underrepresented gender in %	14
Target figure in %	29
Year in which the target figure is expected to be met	2027

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.

Management's review

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 in the coming years and together with the renovation and restructuring programme for the factory in Stege, significant improvement in the company's operational result is expected. However, the war in Ukraine and the current geo-political environment is still a source for higher-than normal uncertainty regarding especially the company's input and export costs, which may impact the company's financial performance.

Financial statements 1 January - 31 December

Income statement

Note	DKK'000	2023	2022
2	Revenue	438,765	389,505
3,4	Production costs	-343,347	-310,144
	Gross profit	95,418	79,361
3	Distribution costs	-63,547	-64,275
3,5	Administrative expenses	-34,929	-35,782
	Operating profit/ loss	-3,058	-20,696
	Income from investments in Participating interests	12,534	19,408
6	Financial income	18,572	6,639
7	Financial expenses	-23,942	-12,738
	Profit/ loss before tax	4,106	-7,387
8	Tax for the year	774	10,974
	Profit for the year	4,880	3,587

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	2023	2022
	ASSETS		
	Fixed assets		
10	Intangible assets		
	Acquired intangible assets	4	48
		4	48
11	Property, plant and equipment		
	Land and buildings	57,394	51,542
	Plant and machinery	63,513	52,164
	Fixtures and fittings, other plant and equipment	442	558
	Property, plant and equipment under construction	7,971	14,795
		129,320	119,059
12	Investments		
	Investments in Participating interests	19,830	16,512
		19,830	16,512
	Total fixed assets	149,154	135,619
	Non-fixed assets		
	Inventories		
	Raw materials and consumables	22,651	24,512
	Finished goods and goods for resale	18,672	25,014
		41,323	49,526
	Receivables		
	Trade receivables	46,867	67,085
	Receivables from group enterprises	131,758	154,172
	Receivables from participating interests	9,497	299
	Corporation tax receivable	414	0
	Joint taxation contribution receivable	5,482	3,079
	Other receivables	8,818	6,162
		202,836	230,797
	Cash	35	43
	Total non-fixed assets	244,194	280,366
	TOTAL ASSETS	393,348	415,985

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	2023	2022
EQUITY AND LIABILITIES			
Equity			
13	Share capital	46,160	46,160
	Net revaluation reserve according to the equity method	16,153	12,835
	Retained earnings	229,374	227,812
	Total equity	291,687	286,807
Provisions			
14	Deferred tax	9,226	7,597
	Total provisions	9,226	7,597
Liabilities other than provisions			
15	Non-current liabilities other than provisions		
	Other payables	10,270	10,570
		10,270	10,570
Current liabilities other than provisions			
	Trade payables	48,186	51,187
	Payables to group enterprises	266	34,223
	Other payables	33,713	25,601
		82,165	111,011
	Total liabilities other than provisions	92,435	121,581
	TOTAL EQUITY AND LIABILITIES	393,348	415,985

- 1 Accounting policies
- 9 Appropriation of profit
- 16 Contractual obligations and contingencies, etc.
- 17 Security and collateral
- 18 Related parties

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 2022	46,160	23,718	213,342	283,220
9	Transfer, see "Appropriation of profit"	0	-10,883	14,470	3,587
	Equity at 1 January 2023	46,160	12,835	227,812	286,807
9	Transfer, see "Appropriation of profit"	0	12,534	-7,654	4,880
	Distributes dividend from participating interests	0	-9,216	9,216	0
	Equity at 31 December 2023	46,160	16,153	229,374	291,687

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Bisca A/S for 2023 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.

In the comparison numbers, reclassification of frozen vacation pay has been made from short term liabilities to long term liabilities together with reclassification of cashpool accounts from cash to receivables from group enterprises.

Furthermore net-financials in the financial highlights has been updated to reflect income from group enterprises.

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 AS, Oslo, Norway (org. no. 920355285).

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.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

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.

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.

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 group entities. Group entities 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 in participating interests

Equity investments in participating interests are measured according to the equity method.

On initial recognition, equity investments in participating interests are measured at cost, i.e. plus transaction costs. The cost is allocated in accordance with the acquisition method; see the accounting policies regarding business combinations.

Identified increases in value and goodwill, if any, compared to the underlying entity's net asset value are amortised in accordance with the accounting policies for the assets and liabilities to which they can be attributed. Negative goodwill is recognised in the income statement.

Dividend received is deduced from the carrying amount.

Equity investments in participating interests measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

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 and property, plant and equipment 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.

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 group entities 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.

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Income 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

The Company has chosen IAS 39 as interpretation for 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.

Segment information

The allocation of revenue to activities and geographical markets is disclosed where these activities and markets differ significantly in the organisation of sales of goods and services.

Financial statements 1 January - 31 December

Notes to the financial statements

DKK'000	2023	2022
2 Segment information		
Breakdown of revenue by business segment:		
Goods for the Danish market	270,422	257,396
Goods for other markets	168,343	132,109
	438,765	389,505
3 Staff costs		
Wages/salaries	106,819	103,478
Pensions	9,755	8,678
Other social security costs	2,791	2,290
	119,365	114,446
Average number of full-time employees	231	226
Remuneration for management is not disclosed in accordance with § 98b in the Danish Financial Statements Act.		
4 Amortisation/ depreciation of intangible assets and property, plant and equipment		
Amortisation of intangible assets	44	44
Depreciation of property, plant and equipment	12,919	13,111
	12,963	13,155
Amortisation/ depreciation of intangible assets and property, plant and equipment is recognised in the income statement under the following items:		
Production costs	12,963	13,155
	12,963	13,155
5 Fee to the auditors appointed in general meeting		
Audit fees are not disclosed with reference to section 96(3) of the Danish Financial Statements Act. The fee is specified in the consolidated financial statements for Jordanes AS, Oslo, Norway (org. no. 920355285).		
6 Financial income		
Interest receivable, group entities	9,901	6,572
Other financial income	8,671	67
	18,572	6,639
7 Financial expenses		
Interest expenses, group entities	2,671	1,590
Other financial expenses	21,271	11,148
	23,942	12,738

Financial statements 1 January - 31 December

Notes to the financial statements

DKK'000	2023	2022
8 Tax for the year		
Estimated tax charge for the year	0	-8
Deferred tax adjustments in the year	1,629	-2,063
Tax adjustments, prior years	146	-8,903
Refund in joint taxation	-2,549	0
	<u>-774</u>	<u>-10,974</u>

9 Appropriation of profit

Recommended appropriation of profit

Net revaluation reserve according to the equity method	12,534	-10,883
Retained earnings/ accumulated loss	-7,654	14,470
	<u>4,880</u>	<u>3,587</u>

10 Intangible assets

DKK'000	Acquired intangible assets
Cost at 1 January 2023	132
Cost at 31 December 2023	132
Impairment losses and amortisation at 1 January 2023	84
Amortisation for the year	44
Impairment losses and amortisation at 31 December 2023	128
Carrying amount at 31 December 2023	<u>4</u>

11 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 2023	99,597	373,640	19,966	14,795	507,998
Additions	0	0	0	23,180	23,180
Transferred	8,620	21,248	136	-30,004	0
Cost at 31 December 2023	108,217	394,888	20,102	7,971	531,178
Revaluations at 1 January 2023	15,198	0	0	0	15,198
Revaluations at 31 December 2023	15,198	0	0	0	15,198
Impairment losses and depreciation at 1 January 2023	63,253	321,476	19,408	0	404,137
Depreciation	2,768	9,899	252	0	12,919
Impairment losses and depreciation at 31 December 2023	66,021	331,375	19,660	0	417,056
Carrying amount at 31 December 2023	<u>57,394</u>	<u>63,513</u>	<u>442</u>	<u>7,971</u>	<u>129,320</u>

Financial statements 1 January - 31 December

Notes to the financial statements

12 Investments

DKK'000	Investments in Participating interests
Cost at 1 January 2023	3,677
Cost at 31 December 2023	3,677
Value adjustments at 1 January 2023	12,835
Dividend received	-9,216
Profit/loss for the year	12,534
Value adjustments at 31 December 2023	16,153
Carrying amount at 31 December 2023	19,830

Participating interests

Name	Domicile	Interest
Baxt A/S	Norway	27.80%

DKK'000	2023	2022
13 Share capital		
Analysis of the share capital:		
46,160,252 shares of DKK 1.00 nominal value each	46,160	46,160
	46,160	46,160

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

14 Deferred tax

Deferred tax at 1 January	7,597	8,481
Deferred tax adjustment for the year in the income statement	1,628	-2,063
Other deferred tax	0	1,179
Deferred tax at 31 December	9,225	7,597

Deferred tax relates to:

Property, plant and equipment	10,635	10,094
Inventories	584	643
Liabilities	-1,032	0
Tax loss	-962	-3,140
	9,225	7,597

15 Non-current liabilities other than provisions

DKK'000	Total debt at 31/12 2023	Short-term portion	Long-term portion	Outstanding debt after 5 years
Other payables	10,270	0	10,270	10,270
	10,270	0	10,270	10,270

Financial statements 1 January - 31 December

Notes to the financial statements

16 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 3,278 thousand at 31 December 2023 (2022: DKK 3,978 thousand).

The Company's total rental obligations regarding non-cancellable leases amounted to DKK 465 thousand at 31 December 2023 (2022: DKK 810 thousand).

17 Security 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.

18 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 AS	Norway	Henrik Ibsens gate 60C, 0255 Oslo, Norway

Related party transactions

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

DKK'000	2023	2022
Selling of goods to group companies	3,501	3,845
Selling of shared services to group companies	78	669
Purchasing of shared services from group companies	0	145
Other operating expenses	313	0

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

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Jan Leif Bodd

Bestyrelse / Board

On behalf of: Bisca A/S

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Stig Terje Sunde

Bestyrelse / Board

On behalf of: Bisca A/S

Serial number: UN:NO-9578-5998-4-1012068

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Karina Knörr

Bestyrelse / Board

On behalf of: Bisca A/S

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Bjarne Pedersen

Bestyrelse / Board

On behalf of: Bisca A/S

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IP: 212.98.xxx.xxx

2024-02-19 08:25:40 UTC



Kristian Walsøe

Direktør / Management

On behalf of: Bisca A/S

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

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Kristian Walsøe

Bestyrelse / Board

On behalf of: Bisca A/S

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David Olafsson

KPMG P/S CVR: 25578198

Auditor

On behalf of: KPMG P/S Statsautoriseret Revisionspart...

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Christian Gorm Hoffmann

Dirrigent / Chair of AGM

On behalf of: Bisca A/S

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