Aviagen ApS

Klostergade 13, 6622 Baekke

Annual report

1 July 2022 - 30 June 2023

Company reg. no. 31 58 20 91

The annual report was submitted and approved by the general meeting on the 18 August 2023.

Patrick Germain Emiel Claeys
Chairman of the meeting

Contents

Notes:
- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance EUR 146.940 means the amount of EUR 146,940, and that 23,5 % means 23.5 %.

Management's statement

Today, the Executive Board has approved the annual report of Aviagen ApS for the financial year 1 July 2022 - 30 June 2023.

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

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 30 June 2023 and of the results of the Company's operations and cash flows for the financial year 1 July 2022 – 30 June 2023.

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

We recommend that the annual report be approved at the Annual General Meeting.

Baekke, 18 August 2023

Executive board

Christopher Paul Hill	Patrick Germain Emiel Claeys	Frederiek Denis Pol Claeys

Independent auditor's report

To the Shareholder of Aviagen ApS

Opinion

We have audited the financial statements of Aviagen ApS for the financial year 1 July 2022 - 30 June 2023, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity, statement of cash flows and notes, for the Company. The financial statements are prepared under 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 30 June 2023, and of the results of the Company's operations and cash flows for the financial year 1 July 2022 - 30 June 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 are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Independent auditor's report

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on Management's Review
Management is responsible for Management's Review.

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

Independent auditor's report

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

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

Based on the work we have performed, we conclude that 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 Management's Review.

Vejle, 18 August 2023

Martinsen
State Authorised Public Accountants
Company reg. no. 32 28 52 01

Brian Christensen
State Authorised Public Accountant
mne24854

Company information

The company	Aviagen ApS Klostergade 13 6622 Baekke	
	Company reg. no.	31 58 20 91
	Established:	23 May 2008
	Domicile:	Vejen, Denmark
	Financial year:	1 July - 30 June 15th financial year
Executive board	Christopher Paul Hill Patrick Germain Emiel Claeys Frederiek Denis Pol Claeys	
Auditors	Martinsen Statsautoriseret Revisionspartnerselskab Dandyvej 3 B 7100 Vejle	
Parent company	Aviagen EPI NV, Belgium	

Financial highlights

EUR in thousands.	2022/23	2021/22	2020/21	2019/20	2018/19
Income statement:					
Gross profit	7.677	5.946	8.011	5.658	5.748
Profit from operating activities	6.289	4.722	6.838	4.484	4.390
Net financials	-57	-35	-43	-54	-42
Net profit or loss for the year	4.858	3.655	5.300	3.454	3.391
Statement of financial position:					
Balance sheet total	9.564	7.010	7.383	8.158	7.921
Investments in property, plant and equipment	0	44	0	0	0
Equity	2.936	3.078	2.923	2.123	2.668
Cash flows:					
Operating activities	8.295	2.447	5.524	3.812	2.564
Investment activities	0	-44	0	0	0
Financing activities	-5.000	-3.500	-4.500	-4.000	-3.000
Employees:					
Average number of full-time employees	27	24	26	27	26
Key figures in %:					
Acid test ratio	147,1	189,3	175,3	140,9	160,7
Solvency ratio	30,7	43,9	39,6	26,0	33,7
Return on equity	161,6	121,8	210,1	144,2	137,1

Calculations of key figures and ratios do, in all material respects, follow the recommendations of the Danish Association of Finance Analysts, only in a few respects deviating from the recommendations.

The key figures and ratios shown in the statement of financial highlights have been calculated as follows:

Acid test ratio

$$\frac{\text{Current assets x 100}}{\text{Short term liabilities other than provisions}}$$

Solvency ratio

$$\frac{\text{Equity, closing balance x 100}}{\text{Total assets, closing balance}}$$

Return on equity

$$\frac{\text{Net profit or loss for the year x 100}}{\text{Average equity}}$$

Management´s review

The principal activities of the company

Like previous years, the activities is operation of a hatchery. The total sales of the company and the majority of its purchase takes place with consolidated companies.

Development in activities and financial matters

The gross profit for the year totals EUR 7.676.640 against EUR 5.945.947 last year. Income or loss from ordinary activities after tax totals EUR 4.857.884 against EUR 3.655.199 last year. Management considers the net profit for the year satisfactory, and in accordance with last years expectations.

Financial risks and the use of financial instruments

Foreign currency risks

The vast majority of the company´s transactions take place in Euro, and consequently, it is estimated that no currency risk exist.

Other risks

There is some risk that the company´s livestock may be struck by diseases. The company has, however, established very strict procedures and made considerable investements with the purpose of reducing this risk to an absolute minimum.

Environmental issues

The company seeks to limit the environmental impact as much as possible, for instance by exploiding by-products to a great extent, and additionally, current investments are made in order to limit possible undesirable emmissions etc.

Expected developments

Without unforeseen circumstances, the company expects the result of 2023/24 to be on the same level.

Events occurring after the end of the financial year

No events have occurred subsequent to the balance sheet date, that have material impact on the annual report of the company.

Accounting policies

The annual report for Aviagen ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class C enterprises (medium sized enterprises).

The accounting policies are unchanged from the previous year, and the annual report is presented in euro (EUR).

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Fixed assets acquired and paid for in foreign currency are measured at the exchange rate prevailing at the date of the transaction.

Accounting policies

Group enterprises abroad, associates, and equity investments are considered to be independent entities. The income statements are translated at an average exchange rate for the month, and the balance sheet items are translated at the closing rates. Currency translation differences, arising from the translation of the equity of group enterprises abroad at the beginning of the year to the closing rate and from the translation of income statements from average prices to the closing rate, are recognised directly in equity in the fair value reserve in the Consolidated Financial Statement. This also applies to differences arising from translation of income statements from average exchange rate to closing rate.

Translation adjustment of balances with group enterprises abroad that are considered part of the total investment in group enterprises are recognised directly in equity in the fair value reserve. Likewise, foreign exchange gains and losses on loans and derived financial instruments for currency hedging independent group enterprises abroad are recognised directly in equity.

When recognising foreign group enterprises which are integral units, the monetary items are translated using the closing rate. Non-monetary items are translated using the exchange rate prevailing at the time of acquisition or at the time of the subsequent revaluation or write-down for impairment of the asset. Income statement items are translated using the exchange rate prevailing at the date of the transaction. However, items in the income statement derived from non-monetary items are translated using historical prices.

Income statement

Gross profit

Gross profit comprises the revenue, changes in inventories of finished goods, and work in progress, own work capitalised, other operating income, and external costs.

The enterprise will be applying IAS 11 and IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Revenue is measured at the fair value of the consideration promised exclusive of VAT and taxes and less any discounts relating directly to sales.

Cost of sales

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Other external costs

Other external expenses comprise expenses incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

Accounting policies

Staff costs
Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members.

Depreciation, amortisation, and writedown for impairment
Depreciation, amortisation, and writedown for impairment comprise depreciation on, amortisation of, and writedown for impairment of intangible and tangible assets, respectively.

Financial expenses
Financial expenses are recognised in the income statement with the amounts concerning the financial year. Financial expenses comprise interest expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Tax on net profit for the year
Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit for the year and directly in equity with the share attributable to entries directly in equity.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises. The company acts as an administration company in relation to the joint taxation. This means that the total Danish tax payable by the Danish consolidated companies is paid to the tax authorities by the company.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Statement of financial position

Property, plant, and equipment
Tangible fixed assets are measured at cost plus revaluations and less accrued depreciation and writedown for impairment.

Other property, plant, and equipment are measured at cost less accrued depreciation and writedown for impairment.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

Accounting policies

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life and the residual value of the individual assets:

	Useful life	Residual value
Other fixtures and fittings, tools and equipment	5-10 years	0-20 %

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Leases
The enterprise will be applying IAS 17 as its base of interpretation for recognition of classification and recognition of leases.

At their initial recognition in the statement of financial position, leases concerning property, plant, and equipment where the company holds all essential risks and advantages associated with the proprietary right (finance lease) are measured either at fair value of the asset being leased or at the present value of the future lease payments, whichever value is lower. When calculating the present value, the discount rate used is the internal rate of return of the lease or, alternatively, the borrowing rate of the enterprise. Hereafter, assets held under a finance lease are treated in the same way as other similar property, plant, and equipment.

The capitalised residual lease commitment is recognised in the statement of financial position as a liability other than provisions, and the interest part of the lease is recognised in the income statement for the term of the contract.

All other leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract. The company's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

Impairment loss relating to non-current assets
The carrying amount of tangible fixed assets are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

Accounting policies

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Inventories
Inventories are measured at cost according to the FIFO method. In cases when the net realisable value of the inventories is lower than the cost, the latter is written down for impairment to this lower value.

Costs of goods for resale, raw materials, and consumables comprise acquisition costs plus delivery costs.

Costs of manufactured goods and work in progress comprise the cost of raw materials, consumables, direct wages, and indirect production costs. Indirect production costs comprise indirect materials and wages, maintenance and depreciation of machinery, factory buildings, and equipment used in the production process, and costs for factory administration and factory management. Borrowing expenses are not recognised in cost.

The net realisable value for inventories is recognised as the estimated selling price less costs of completion and selling costs. The net realisable value is determined with due consideration of negotiability, obsolescence, and the development of expected market prices.

Receivables
Receivables are measured at amortised cost, which usually corresponds to nominal value.

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired.If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Accounting policies

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

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

Prepayments

Prepayments recognised under assets comprise incurred costs concerning the following financial year.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand.

Equity

Dividend

Dividend expected to be distributed for the year is recognised as a separate item under equity.

Income tax and deferred tax

As administration company, Aviagen ApS is liable to the tax authorities for the subsidiaries' corporate income taxes.

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as ”Tax receivables from group enterprises" or "Income tax payable to group enterprises"

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany gains and losses.

Accounting policies

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Provisions

Provisions comprise expected costs of warranty commitments, loss on work in progress, restructuring, etc. Provisions are recognised when the company has a legal or actual commitment resulting from a previously occurred event and when it is probable that the settlement of the liability will result in consumption of the financial resources of the company.

Provisions are measured at net realisable value or at fair value. If the fulfilment of a liability is expected to take place far in the future, the liability is measured at fair value.

Liabilities other than provisions

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

Statement of cash flows

The cash flow statement shows the cash flows for the year, divided in cash flows deriving from operating activities, investment activities and financing activities, respectively, the changes in the liabilities, and cash and cash equivalents at the beginning and the end of the year, respectively.

Cash flows from operating activities

Cash flows from operating activities are calculated as the company's share of the profit adjusted for non-cash operating items, changes in the working capital, and corporate income tax paid. Dividend income from equity investments are recognised under “Interest income and dividend received”.

Cash flows from investment activities

Cash flows from investment activities comprise payments in connection with the acquisition and sale of enterprises and activities as well as the acquisition and sale of intangible assets, property, plant, and equipment, and investments, respectively.

Cash flows from financing activities

Cash flows from financing activities include changes in the size or the composition of the company's share capital and costs attached to it, as well as raising loans, repayments of interest-bearing payables and payment of dividend to shareholders.

Accounting policies

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand with deduction of short-term bank debts and short-term securities with a maturity less than 3 months that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

Income statement 1 July - 30 June

All amounts in EUR.

Note		2022/23	2021/22
	Gross profit	**7.676.640**	**5.945.947**
1	Staff costs	-1.378.422	-1.216.992
	Depreciation and impairment of property, land, and equipment	-9.620	-7.454
	Operating profit	**6.288.598**	**4.721.501**
	Other financial income	1.401	0
2	Financial expenses	-58.753	-34.597
	Pre-tax net profit or loss	**6.231.246**	**4.686.904**
	Tax on net profit for the year	-1.373.362	-1.031.705
3	**Net profit or loss for the year**	**4.857.884**	**3.655.199**

Balance sheet at 30 June

All amounts in EUR.

Note	Assets	2023	2022
	Non-current assets		
4	Other fixtures and fittings, tools and equipment	32.610	42.230
	Total property, plant, and equipment	32.610	42.230
	Total non-current assets	**32.610**	**42.230**
	Current assets		
	Livestock with contracting breeders	2.813.040	2.890.784
	Stocks of fodder	126.503	57.541
	Eggs	1.213.866	1.198.953
	Total inventories	4.153.409	4.147.278
	Trade receivables	43.193	2.268
	Receivables from subsidiaries	1.258.107	2.307.980
5	Deferred tax assets	35.367	57.533
	Other receivables	414.735	115.125
6	Prepayments	24.791	19.067
	Total receivables	1.776.193	2.501.973
	Cash and cash equivalents	3.602.218	318.183
	Total current assets	**9.531.820**	**6.967.434**
	Total assets	**9.564.430**	**7.009.664**

Balance sheet at 30 June

All amounts in EUR.

Note	Equity and liabilities	2023	2022
	Equity		
	Contributed capital	16.715	16.715
	Retained earnings	2.919.488	3.061.604
	Total equity	**2.936.203**	**3.078.319**
	Provisions		
7	Other provisions	150.000	250.000
	Total provisions	**150.000**	**250.000**
	Liabilities other than provisions		
	Trade payables	503.664	325.780
	Payables to subsidiaries	4.835.175	2.468.127
	Income tax payable	1.067.769	812.442
	Other payables	71.619	74.996
	Total short term liabilities other than provisions	6.478.227	3.681.345
	Total liabilities other than provisions	**6.478.227**	**3.681.345**
	Total equity and liabilities	**9.564.430**	**7.009.664**

8 Contingencies

9 Related parties

Statement of changes in equity

All amounts in EUR.

	Contributed capital	Retained earnings	Total
Equity 1 July 2021	16.715	2.906.405	2.923.120
Profit or loss for the year brought forward	0	155.199	155.199
Extraordinary dividend adopted during the financial year	0	3.500.000	3.500.000
Distributed extraordinary dividend adopted during the financial year.	0	-3.500.000	-3.500.000
Equity 1 July 2022	16.715	3.061.604	3.078.319
Profit or loss for the year brought forward	0	-142.116	-142.116
Extraordinary dividend adopted during the financial year	0	5.000.000	5.000.000
Distributed extraordinary dividend adopted during the financial year.	0	-5.000.000	-5.000.000
	16.715	**2.919.488**	**2.936.203**

Statement of cash flows 1 July - 30 June

All amounts in EUR.

Note		2022/23	2021/22
	Net profit or loss for the year	4.857.884	3.655.199
10	Adjustments	1.340.334	1.073.756
11	Change in working capital	3.239.038	-743.323
	Cash flows from operating activities before net financials	9.437.256	3.985.632
	Interest received, etc.	1.401	0
	Interest paid, etc.	-47.921	-15.735
	Cash flows from ordinary activities	9.390.736	3.969.897
	Income tax paid	-1.095.869	-1.522.438
	Cash flows from operating activities	**8.294.867**	**2.447.459**
	Purchase of property, plant, and equipment	0	-44.300
	Cash flows from investment activities	**0**	**-44.300**
	Dividends distributed	-5.000.000	-3.500.000
	Cash flows from investment activities	**-5.000.000**	**-3.500.000**
	Change in cash and cash equivalents	**3.294.867**	**-1.096.841**
	Cash and cash equivalents at opening balance	318.183	1.433.886
	Foreign currency translation adjustments (cash and cash equivalents)	-10.832	-18.862
	Cash and cash equivalents at end of period	**3.602.218**	**318.183**

	2022/23	2021/22
Cash and cash equivalents		
Cash and cash equivalents	3.602.218	318.183
Cash and cash equivalents at end of period	**3.602.218**	**318.183**

Notes

All amounts in EUR.

		2022/23	2021/22
1.	**Staff costs**		
	Salaries and wages	1.361.657	1.199.598
	Other costs for social security	16.765	17.394
		1.378.422	**1.216.992**
	Executive board and board of directors	0	0
	Average number of employees	27	24

The management is employd by the parent company, to which a management fee of EUR 0 thousand is paid.

		2022/23	2021/22
2.	**Financial expenses**		
	Financial costs, group enterprises	46.903	14.058
	Other financial costs	11.850	20.539
		58.753	**34.597**
3.	**Proposed distribution of net profit**		
	Extraordinary dividend distributed during the financial year	5.000.000	3.500.000
	Transferred to retained earnings	0	155.199
	Allocated from retained earnings	-142.116	0
	Total allocations and transfers	**4.857.884**	**3.655.199**

Notes

All amounts in EUR.

		30/6 2023	30/6 2022
4.	**Other fixtures and fittings, tools and equipment**		
	Cost opening balance	88.739	44.439
	Additions during the year	0	44.300
	Cost end of period	**88.739**	**88.739**
	Depreciation and writedown opening balance	-46.509	-39.055
	Depreciation and writedown for the year	-9.620	-7.454
	Depreciation and writedown end of period	**-56.129**	**-46.509**
	Carrying amount, end of period	**32.610**	**42.230**
5.	**Deferred tax assets**		
	Deferred tax assets opening balance	57.533	58.846
	Deferred tax of the results for the year	-22.166	-1.313
		35.367	**57.533**
	The following items are subject to deferred tax:		
	Property, plant, and equipment	2.367	2.533
	Provisions	33.000	55.000
		35.367	**57.533**
6.	**Prepayments**		
	Prepaid insurance	10.347	10.044
	Other prepayments	14.444	9.023
		24.791	**19.067**
7.	**Other provisions**		
	Other provisions opening balance	250.000	250.000
	Change of the year in other provisions	-100.000	0
		150.000	**250.000**

Notes

All amounts in EUR.

8. Contingencies

Contingent liabilities

Lease liabilities

The company has assumed a rent liability that is 100% variable in relation to the production, and consequently, this liability can not be determined. In 2022/23, the rent was EUR 226 thousand. In the financial year 2023/24 the rent is expected to remain at the same level.

Operational leasing
The company has entered into operational leasing contracts with reamaining terms of up till 33 months and with a total leasing payment of EUR 1.254 thousand.

Joint taxation

The company acts as administration company for the group of companies subject to the Danish scheme of joint taxation and is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, to pay the total corporation tax.

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

The liability relating to obligations in connection with withholding tax on dividends, interest, and royalties represents an estimated maximum of EUR 0.

Any subsequent adjustments of corporate taxes or withholding taxes, etc., may result in changes in the company's liabilities.

Notes

All amounts in EUR.

9. Related parties

Controlling interest

Aviagen EPI NV, Nazarethsesteenweg 83, Deinze, Belgium	Majority shareholder

Transactions

The company has the following related party transactions (EUR in thousands):

	2022/23	2021/22
Sale of goods to an associate	38.142	31.672
Purchase of goods from an associate	23.333	20.189
Rent to an associate	226	210
Consultancy fees to an associate	72	72
Interest to group enterprises	47	14
Receivables from group enterprises	1.258	2.308
Payables to group enterprises	3.602	2.468

Consolidated financial statements

Aviagen International Finance Ltd.
Stratford Hatchery Alscott Industri Estate
Atherstone On Stour
CV37 8BH Stratford-Upon-Avon
Warwickshire
United Kingdom

Consolidated financial statements, in which the accounts of Aviagen ApS are recognised. Aviagen International Finance Ltd. which is the smallest group in which the company is included as a subsidiary. The consolidated financial statements of Aviagen International Finance Ltd. can be obtained by contacting the Company.

10. Adjustments

Depreciation, amortisation, and impairment	9.620	7.454
Other financial income	-1.401	0
Financial expenses	58.753	34.597
Tax on net profit for the year	1.373.362	1.031.705
Other provisions	-100.000	0
	1.340.334	**1.073.756**

Notes

All amounts in EUR.

		2022/23	2021/22
11.	**Change in working capital**		
	Change in inventories	-6.130	-637.580
	Change in receivables	703.613	-69.618
	Change in trade payables and other payables	2.541.555	-36.125
		3.239.038	**-743.323**