

JAST Holding ApS

Tofthøjvej 41, 7321 Gadbjerg

CVR no. 33 74 83 29

Annual report 2023

Approved at the Company's annual general meeting on

Chairman: Michael Henriksen

.....
30th May 2024

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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 JAST Holding ApS 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 consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Company at 31 December 2022 and of the results of the Group's and the Company's operations and of the consolidated cash flows for the financial year 1 January - 31 December 2023.

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

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

Gadbjerg, 30th May 2024

Executive Board:

.....
Jytte Rosenmaj

Bestyrelse:

.....
Carsten Lund Thomsen
Chairman

.....
Jytte Rosenmaj

.....
Ole Bjerremand Hansen

.....
Claus Baltersen

Independent auditor's report

To the shareholders of JAST Holding ApS

Opinion

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2023, and of the results of the Group's and the Parent Company's operations as well as the consolidated cash flows for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of JAST Holding ApS for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company, as well as consolidated statement of cash flows ("financial statements").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

As mentioned in note 2 Critical Accounting Estimates and Judgements Russia's "special military operation" into Ukraine results in uncertainties related to assessing the future control of - and potential writedowns - of the Russian activities. Without modification of our opinion, we refer to note 2 for description of the uncertainties.

Statement on Management's Review

Management is responsible for Management's Review.

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

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

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

Based on the work we have performed, in our view, Management's Review is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Management's Responsibilities for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Parent Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Esbjerg, 30th May 2024
PRICEWATERHOUSECOOPERS
Statsautoriseret Revisionspartnerselskab
CVR-nr. 33 77 12 31

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State Authorised
Public Accountant
mne32115

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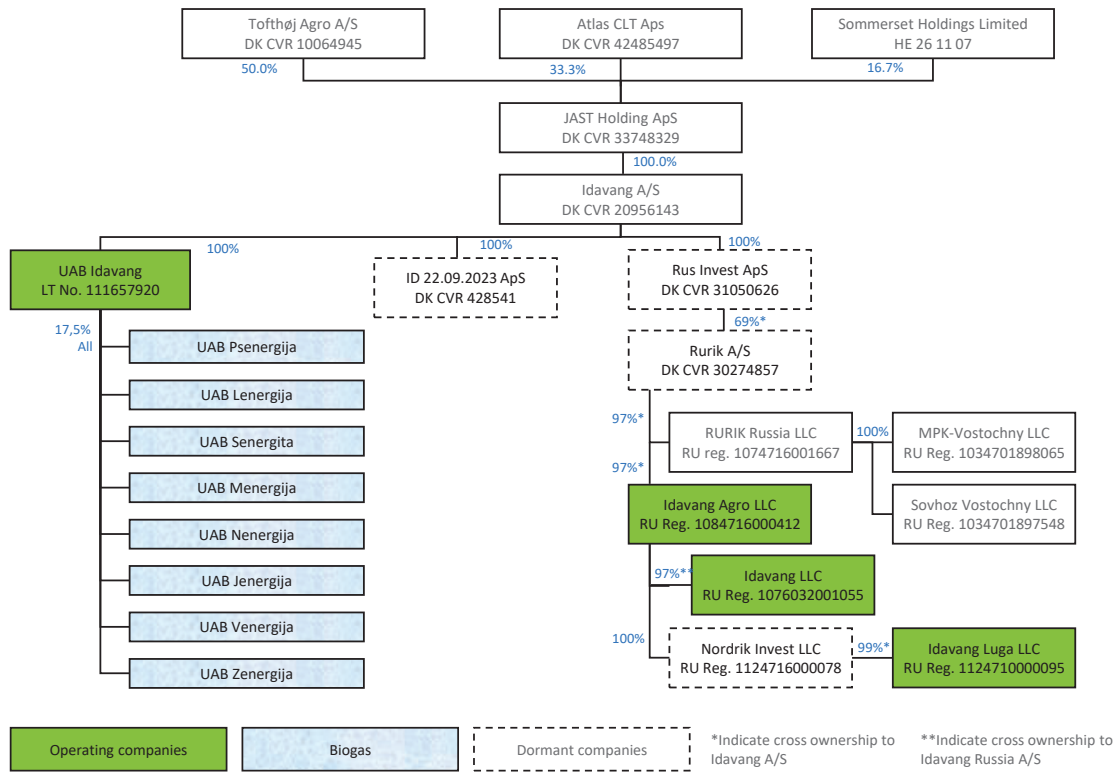
Management's review

Company details

Name	JAST Holding ApS
Address, Postal code, City	Toftthøjvej 41, 7321 Gadbjerg
CVR no.	33 74 83 29
Registered office	Vejle
Financial year	1 January - 31 December
Board of Directors	Carsten Lund Thomsen, Chairman Jytte Rosenmaj Ole Bjerremand Hansen Claus Baltersen
Executive Board	Jytte Rosenmaj
Auditors	Pricewaterhousecoopers Statsautoriseret Revisionspartnerselskab Esbjerg Brygge 28, 6700 Esbjerg, Denmark
Bankers	Jyske Bank

Management's review

Group chart



Management's review

Financial highlights for the Group

DKK'000	2023	2022	2021	2020	2019
Key figures					
Revenue	1,060,670	856,828	744,859	756,980	825,704
Operating profit/loss	86,367	165,126	55,295	-98,703	127,168
Net financials	-48,208	-28,125	-40,150	-82,516	-96,837
Profit/loss for the year	5,951	117,086	18,005	-176,148	10,627
Balance sheet					
Total assets	889,273	1,158,366	1,065,502	1,064,948	1,589,709
Investment in property, plant and equipment	-14,131	-33,012	-29,285	-30,227	-69,506
Equity	317,985	451,701	288,535	215,094	481,178
Financial ratios					
Operating margin	8.1%	19.3%	7.4%	-13.0%	15.4%
Return on assets	8.4%	14.9%	5.2%	-9.3%	8.0%
Current ratio	338.1%	190.6%	185.0%	150.0%	245.8%
Return on equity	1.6%	31.6%	7.1%	-81.9%	2.3%
Other					
Average number of employees	761	770	769	799	830

For terms and definitions of Financial ratios, please see the accounting policies.

Management's review

Business review

Revenue for the Idavang group was DKK 1,060.7 m in 2023 against DKK 856.8m in 2022. EBITDA was DKK 286.5m against DKK 222.2m (at fixed herd prices – see below in table, it was DKK 286.5m against 2022 of DKK 159.6m), and profit after tax was DKK 6.0m against DKK 117.1m in 2022.

kDKK	2023	2022
Operating profit (per income statement)	86.367	165.126
Depreciation and impairment	249.180	57.119
EBITDA	335.547	222.245
Value adjustment biological assets (reversed)	- 49.007	- 62.689
EBITDA at fixed herd prices	286.540	159.556

Production volume is back to normal with 94 MT, hereof 1 MT was increase in herd in Ostrov. Hence, Russian volume of 38 MT is just 1MT below historical maximum in 2020. In Lithuania, production was slightly up to 56 MT compared to 2022 (55 MT).

The Lithuanian EBITDA (FHP) was in 2023 driven to an historical high level (of DKK 211,7m compared to DKK 104,3m in 2022), as a consequence of the massive reduction in European herd, that happened in 2021 and 2022, whereas 2023 development have been almost neutral.

Overall, this led to significant increase in sales price (to 1,76 EUR/kg) for the whole year compared to 2022 (+30% in Lithuania). Feed average prices were 9% higher than in 2022 (including effect from our matif hedges with DKK 36.2m, without matif 20% higher), hence earnings per kg produced was historical high.

In Russia, the supply and demand balance seem in balance. Nevertheless, export of Russian pork to Vietnam continue to increase, and from 2024 China has also opened for Russia pork, as Russian pork is highly competitive due to devaluation of RUB during 2023.

Furthermore, the grain price has fallen significantly as Russia needs to export surplus production to the world market with discount.

JAST Holding (and Idavang) does not expect the government to introduce subsidy programs to increase production further. As construction prices of new stables are not justified by cash flow, no significant expansion is expected and with Chinese export opening outlook are positive (for cash flows in RUB). Therefore, reasonably sales prices in the following years are expected.

Overall, 2023 led to significant decrease in sales price (to 1,23 EUR/kg) for the whole year compared to 2022 (-21% in Russia), and a reduction in feed average prices of -34% compared to 2022. Net effect is that earnings per kg produced have been on normal level in RUB.

Nevertheless, the expected market returns on investments in Russia have increased massively in 2023, and combined with Idavang Russia going forward does not have any debt makes the WACC very high.

Hence, even if Idavang Russia is highly profitable in RUB, there has been made an impairment write down of 202,8 mDKK. Hence, all buildings in Russia is now included with 1,5 mDKK, and the net assets (equity) in Russia is now 243,7,7 mDKK.

Field activities had a below normal harvest in 2023, and combined with lower prices due to market situation EBITDA was significant below norm 2023 (EBITDA DKK 9.7m), similar to 2022 (DKK 32.7m).

The group invested DKK 14.1m in 2023 (DKK 33,0m), which is significant less than the depreciation of DKK 46.4m. This is due to investment stop in Russia hence only minimum investments was made (DKK 0,8m).

The equity on 31st December 2023 amounted to DKK 318.0m at an equity ratio of 36% (39% 2022), down DKK 133,7m compared to 2022. The change nevertheless following significant movements being: DKK 208,8m ordinary result (DKK 117,1m) driven by Lithuania, whereas the Russian impairment negatively affected with DKK -202,8 (DKK

0,0m), write up of the herd with DKK 49,0m (DKK 62,7m), weaker RUB with DKK -103,5m (DKK 41,6m) and reversal of matif hedging of DKK -36,2m (DKK 4,3m).

Net interest-bearing debt (NIBD) decreased to DKK 276.7m in 2023, being DKK 204.5m lower than in 2022 (DKK 481,1m). Nevertheless, European NIBD is higher with DKK 326,4m, as Russia has net deposit. Idavang (hence JAST Holding as well) has almost two years duration with the EUR 75m bond left, hence having very stable financing.

Russian activities

As of the date of signing this annual report, Russian military forces “special military operation” into Ukraine has limited direct on Group operations in Russia. The JAST Holding (and Idavang) groups operation in Russia of cropping 8.2 thousand hectares and production of 340 thousand pigs has significant distance to areas impacted by the “special military operation”.

Consolidation, recognition and classification of the Russian activities

JAST Holding (and Idavang) Group management continues to be able to operate and control the Russian entity. Consequently, the activities are fully consolidated. Examples of the control is gained is by participation of Group management in Russian operational management meetings, that JAST Holding (and Idavang) groups executive management is majority on board of Russian subsidiaries and loyal longterm employees.

Recognition and valuation of Russian assets

The expected market returns on investments in Russia have increased massively in 2023 due to increased market risks premium. JAST Holding (and Idavang) has therefore assessed the WACC for the Russian entity to 34% including adjusted risk premium of 22% based on average markets risk in Russia for 2023 Idavang Russia is highly profitable in RUB, with 2024 outlook for EBITDA RUB 1,1-1,4b (page 12), which management expect to be normalized operation going forward. The normalized and expected profitability going forward is also the basis for the impairment test.

Due to the above-mentioned increased market risks premium, all intangible assets (DKK 1.043k) and buildings (DKK 201,187k) in Russia have been impaired. The net assets (equity) in Russia amounts after the impairment to 243,7 mDKK. Total impairment write-down of 202,2 mDKK has been recognized in the income statement in 2023.

Exchange rates uncertainties

The Russian economy impact on JAST Holding (and Idavang) is high, especially through translation EURRUB currency and basic profitability of producing pork meat in Russia. Evaluating the current Russian economy is difficult as lack of exchangeability partly exist for the EURRUB, hence the exchange rates published by the Russian Central Bank are not validated by the European Central Bank (or other major Central Banks). Preparing the JAST Holding ApS 2023 Annual account has exchange rates from the Russian Central Bank been used as translation currency. Nevertheless, if other exchange rates would have been used the JAST Holding Group annual account could have looked material different if e.g. if average rate EURRUB 2021 was used (see example below), as group equity then would be negatively impacted with DKK 104,3m compared to current account.

Therefore, the most critical estimate during the entire annual account process has been selecting the translation exchange rate EURRUB. JAST Holding currently can only to a limited extend transfer money out of Russia being 10-20 mRUB monthly from Russia to Denmark, which have been done in 2024.

JAST Holding (and Idavang) management continues to make efforts to identify and mitigate impacts to the Group, however, there are factors beyond its knowledge or control, including the duration and severity of warfare, as well as further governmental, diplomacy actions taken and any effect on the future EURRUB currency relation.

DKK ' 000	Russia / 2023	Russia / Last ECB 2022
EBITDA	102.008	79.366
Total assets	295.806	231.726
Liabilities	-51.805	-40.581
Net assets	244.000	191.145
FX		
End period	13,31	15,73
Average period	12,32	15,73

Vision

Our vision is to achieve and maintain the highest quality of pigs while strictly adhering to all ethical and environmental standards

Mission

Our mission is to be the top producer of pigs in the Baltic states and North Western Russia, renowned for high quality pigs produced in accordance with top ethical and environmental standards. We strive to be an important and dependable partner to our clients, an actively benevolent member of the surrounding communities, an employer who provides an exciting and appealing workplace environment while offering our employees personal and professional development opportunities, as well as steady career possibilities.

Business Model

JAST (Idavang)'s core activity is the production and sale of high-quality slaughter pigs and weaners in Russia and Lithuania.

JAST (Idavang)'s specialises in both brown field and green field pig production projects in Lithuania and Russia. We acquire and invest in larger production sites. We refurbish the facilities and renew the technology and knowhow with the companies well-developed production solutions. Production sites are within a reasonable geographic area to enhance synergies.

Historical development of JAST Holding's only asset Idavang A/S

- 1999 Idavang A/S started operating the first farm Salnaiciai (Lithuania) with an initial investment of EUR 800 thousand.
- 1999-2002 Rupinskai farm was acquired; in total, 3,000 sows were held.
- 2003-2006 Musa, Sajas and Kalvarija farms were acquired, and the production volume exceeded 11 kMT by 2005.
Idavang paired off with IØ Fund (Danish Government) in Lithuanian operations from 2001-2005.
- 2007-2010 Skabeikiai, Lekeciai and Pasodele farms were bought, bringing sows in operation up to 19,000.
- 2009-2011 Russia expansion with Idavang Ostrov a green field farm and Farm Vostochny was acquired (mid-2008).
Farm Vostochny totals 6,600 sows. Joniskis, Seduva and Sesupe farms were acquired in Lithuania.
- 2011 International Finance Corporation (part of World Bank Group) became an Idavang A/S shareholder and
- 2013 Russian expansion continues, Farm Ostrov went into operation and fields operation was expanded
- 2014 A small farm in Ramygala was acquired, which Idavang Lithuania started to use as a boars station in 2015.
- 2014-16 Construction of eight biogas sites in Lithuania in cooperation with Modus Energy
- 2017 Idavang (JAST subsidiary) issues re-financing using a DKK 632m bond.
- 2018 Bond was listed on Nasdaq and construction on Luga site in Russia started
- 2019 Luga slaughter pig stables were put in operation, and Berzai farm was rented in Lithuania to reduce contracting (PL)
- 2020 Refinanced 85 mEUR bond with 75 mEUR bond and reduced share capital with 20% by acquiring IFC shares.

Management's review

Business model

Lithuania

Our Lithuanian business model focuses primarily on pig production within brown field projects. Our core competencies and superior efficiency in pig production take advantage of premier Danish production technology and quality. Our grain is bought from third parties through stable and secure agreements.

Russia

Our Russian business model focuses both on farmland, grain production and pig production in both green field and brown field projects. Also, our core competencies and superior efficiency in pig production take advantage of premier Danish production technology and quality. Grain production is added to the value chain, which secures supply of grain and prevents dependency on Russian farmers. The extended control of the value chain also utilises synergies and reduces the risk of fluctuations in grain prices. Farmland is added to the value chain due to the low cost of land.

Financial review

Revenue

Revenue increased from DKK 856.8m to DKK 1,060.7m (24%). The change comprises of higher prices DKK 87,2m and an increase of DKK 114.8m due to higher volume. The higher volume mainly due to Ostrov back in production.

Herd value adjustment

In 2023, the fair value adjustment for herd is driven by the increasing prices in EU and comprised DKK +49.0m. Therefore, the adjustment mainly consists in increase in Lithuania with DKK +30.6m.

Production cost

Production costs increased by DKK 230.1m to DKK 1,008.1m from 778.0m (29.6%), but when excluding the impairment relating to Russia (DKK 202,2m) has been reversed the increase is DKK 27,9m.

The increase was mainly due to the following four factors:

- Feed cost impacted production cost with DKK -0.8m (a decrease compared to 2022 equals +0.1%, of which volume is +10.4% and price -9.4%)
- RU General lower cost level (excluding energy and feed) DKK 10,4m, this is driven by weaker RUB (25% / DKK 26,8m) as increased activity due to volume is reducing this.
- LT General higher cost level DKK 12,7m and excluding for one-off effect in 2022 it equals 9% and is mainly inflations driven
- Decreases in energy was with 28% (DKK -10,4 m).
- Field impacted negative (partly due to lower prices) with DKK -22.4m
- The change in herd compared to 2023 is DKK -19.4m (DKK 10.4 m in 2023 vs. DKK 29.8 m in 2022), this is driven by repopulation of the Ostrov herd was mainly done in 2022.

Grants

The government level of direct subsidies for meat and grain (excluding interest subsidies) is significantly lower in 2023 DKK 1.4m (DKK 39,3m 2022) due to no support for meat producers in Lithuania (DKK 37,9m in 2022)

Furthermore, the harvest result includes grants of EUR 0.3m, similar to 2022 (EUR 0.4m).

Management's review

Outlook 2024

The company expects an EBITDA at fixed herd prices for 2024 around DKK 223-276m.

- Lithuanian EBITDA (at fixed herd prices) is expected to be between DKK 149-179m
- Russia EBITDA (at fixed herd prices) is expected to be between RUB 1,1-1,4b

Meat prices

Sales price is lower than in 2023, driven by small decrease in Lithuania.

- Lithuanian sales price is expected to decrease with 3-10% from 2023 level of 1,76 EUR/kg
- Russian sales price is expected to be stable/increase 0-5% from 2023 level of 113 RUB/kg

Feed price

Feed price is expected to be lower than in 2023 (primarily due to weaker RUB), and a potentially further weaker RUB could decrease additionally.

- Lithuanian feed price is expected to increase with 4-7% from end 2023 level of 0,313 EUR/kg
- Russian feed price is expected to be stable from end 2023 level of 20,11 RUB/kg

EURRUB exchange rate

Management expects the EURRUB to continuously become higher during the year, and is expect the 2024 average of the EURRUB to be in the high end of the range 90-110 (average in 2023 was 92 with a monthly average range of 75-103).

Follow-up on 2023 outlook

The EBITDA fixed herd price 2023 (DKK 286.5m) was higher than expected (EBITDA DKK 171-185m), this primarily due strong sales prices in Lithuania.

Lithuanian EBITDA was historical high with DKK 211,7m (at fixed herd prices) compared to expected to be between DKK 74-104m, this was due to extraordinary high sales prices (+30% up from 2022) with an effect of EUR 164,0m

Russia EBITDA (at fixed herd prices) was lower than expected (RUB 1,2-1,3b) with RUB 1,0b due to field result RUB 0,1b below expectations and slightly slower ramp-up

Meat prices

EU/Lithuania average prices for 2023 were with 30% above 2022 higher than maximum in expectation range (EUR 1,55-1,69/kg) and contribute to surpassing overall expectation.

Russian average prices for 2023 were as expected 5% (expected 0-5%) above 2022 expected with 113 RUB/kg, hence fulfills the management expectations.

Feed price

Feed price was as expected higher than in 2022 (in local currency), and ended lower due to a RUB devaluation with 0,275 EUR (in 2023) compared to 0,304 EUR Lithuanian feed average prices were 9% higher than in 2022, within expectations of 5-10% above 2022 level. Russian feed average prices were 20 RUB/kg, as expected stable from 20 RUB/kg in 2022.

EURRUB exchange rate

EURRUB average in 2023 was 92 (slightly above expectation of in the high end of the range 75-90) with a monthly average range of 75-103).

Knowledge resources

JAST Holding (and Idavang) produces commodities in an international, competitive environment. One of the only

ways we can secure our position as market leader in regard to productivity and quality is to retain our employees, develop their skills and enable them to constantly improve.

Special risks

The Board of Directors regularly assesses the overall and specific risks associated with JAST (Idavang)'s business and operations and seeks to ensure that such risks are managed in a proactive and efficient manner. Internal control systems have been established and are regularly reviewed by the Board of Directors to ensure that they are appropriate and sufficient.

Fluctuations in prices of pork

As pork is a global commodity, global supply and demand influences prices in all markets to a higher or lower degree. JAST (Idavang) mitigates this by focusing on markets where there is an undersupply of pork. Thereby, we compete with producers in other markets, which need to transport the pork to North Western Russia or Lithuania.

Fluctuations in Russian customs, subsidies and if Russia allows import of pork and live pigs from the EU

Russia wants to support domestic development of agriculture business and especially pork production where there is an undersupply.

Russian international political risk and Russian legislation risk

Political tension and international sanctions against Russian interest have increased continuously after "special military operation" into Ukraine started in February 2022, negatively impacting the Russian economy. It is expected that full impact of current sanctions, have not been seen. Hence, the total negative impact by current and future sanctions from Western countries on Russian economy is difficult to quantify currently.

The Russian legal, tax and regulatory frameworks continue to develop in a fast pace towards countries behind sanctions ("unfriendly countries") with frequent negative changes.

Conclusion, on legal environment (in both Russia and internationally) is that it may potentially have a negative impact on JAST/Idavang's operations in Russia and the financial position in the future.

Emerging market risk is increasing in Russia

The Russian economy is particularly sensitive to oil and gas prices. Considering the sensitivity of the economy to oil and gas prices, the economic situation in the future is difficult to predict, as the country's ability both to produce and to sell its oil and gas is expected to be negatively impacted by both current and future sanctions from Western countries.

Furthermore, Russia has allocated massive part of Russian budget towards military (e.g., special military operation in Ukraine), which negatively impact both now and in the future wealth in Russia.

Hence, both purchase power and inflation levels (2023 7.4 % and 2022 11.8 %) are expected to be further negative impacted.

Conclusion, on emerging market risk, is that it is increasing in the Russian economy, and impacting Russian both consumers' purchase power and inflation negative.

Ongoing review

JAST Holding support Idavang A/S's board in following

Idavang A/S

The Board of Directors and Executive Board of Idavang are taking these issues into account in the ongoing strategic review of Idavang's Russia business. When evaluating the different strategic options for the future of Idavang's Russian business, including a potential sale of the business.

(Company Announcement No. 19/2023)

No conclusion of the process has been reached, at the date of signing the annual account.

Management's review

Fluctuations in prices of raw materials

Pigs are fed grain, protein (e.g. soya and sunflower) and premixes (vitamin and minerals), which account for a significant part of production costs.

An increase in these prices, together with an inability to transfer such increased costs to slaughterhouses, may have a material adverse effect on JAST (Idavang)'s profit.

Over time, such an imbalance will lead to inefficient producers and closed productions; hence supply will be reduced, which will increase prices again.

JAST Holding (and Idavang) mitigates this exposure by being a cost-efficient producer with high productivity and operations in markets with natural premiums.

Concentration of production facilities in North Western Russia and Lithuania

The concentration of production facilities in North Western Russia and Lithuania means that JAST Holding (and Idavang)'s operations are dependent on the degree to which raw materials can be imported into North Western Russia and Lithuania.

Furthermore, the possibility of exporting from Lithuania to EU and especially Russia (if it opens up borders) ensures the best prices for Lithuanian live pigs.

Two areas can disrupt this export possibility: the political situation and outbreaks of diseases.

Currently, Russian borders are closed for all imports of live commercial pigs, and for chilled and frozen meat from a number of countries due to veterinarian and/or political reasons (embargo).

Polish borders are closed for all imports of live commercial pigs from ASF Zone 2+3 in Lithuania, whereas pork meat from ASF Zone 2 can be sold in Poland, chilled and frozen.

Russian, EU and global economic conditions

An economic downturn or an uncertain economic outlook in the Russian economy could adversely affect consumers' meat and pork consumption habits.

Similarly, a global economic downturn or an uncertain economic outlook in the world economy could adversely affect global consumers' meat and pork consumption habits. With pork being a global commodity, the individual regions as EU or Russia will also be affected, but the effects might be lower as regional markets have their own fluctuations.

Diseases

An outbreak of a serious disease could potentially cause a loss of earnings from the relevant farm for a period during which a replacement herd would be put into operation. Production management places high focus on the risk, and the highest biosecurity measures are taken.

Furthermore, the herd is insured for all diseases to mitigate the risk to the highest possible degree.

Financial risks

During 2023, the RUB has fluctuated within a range of 27% against the EUR.

As a result, the total effect for 2023 was a 31% devaluation EUR/RUB, which negatively affected equity by DKK 103.5m, as all Russian tangible assets are measured in RUB.

Management's review

Our Sustainability Agenda

At JAST Holding (and Idavang), we are addressing our obligation to contribute to a sustainable future with a genuine sense of humility and responsibility that we present to you our sustainability agenda.

In the complex tapestry of the European Union's agricultural sector, we at JAST Holding (and Idavang) have always considered ourselves more than just a business; we are part of a community, a collective endeavor that feeds millions, sustains livelihoods, and upholds the standards that define our industry.

Our mission, deeply entrenched in every aspect of our operation, is not just to meet the current needs but to anticipate and shape the future. The sustainability agenda we share today is a testament to this commitment, laying bare our challenges, triumphs, and lessons learned.

Corporate Social Responsibility

Our CSR policy will be described on the following pages with all key topics, that are relevant for our business with special focus on climate change, occupational health and safety, animal welfare and biosecurity. Our CSR policy is based on the company focuses on the following five values:

Respect & Trust

- Each employee and partner is very important to us, and we treat them with fairness and respect, expecting the same from them in return.

Quality & Ethics

- We only produce quality products.

Transparency

- We always act in a legal and proper, as well as transparent and fair manner.

Environmental Responsibility

- We use the state-of-the-art technology and adhere to the principles of corporate social responsibility.

Constant Development

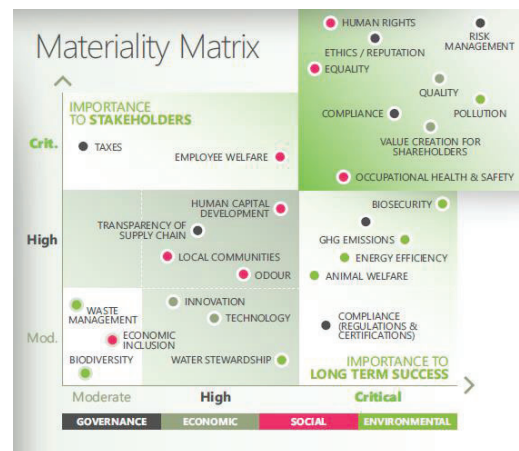
- We are open to change and innovation and feel responsibility for the personal and professional growth of our employees.

The Idavang Group is constantly working on safeguarding these values throughout our organization.

Historically, the Idavang group has always focused on CSR. Consequently, Idavang has had group housed sows and used partly slatted floors since its establishment in 1999.

Listening to our stakeholders JAST Holding (and Idavang) has conducted a materiality assessment based on Global Reporting Initiative principles of relevant sustainability topics structured in following 4 groups: Governance, Economic, Social, Environmental.

General ESG risk assessment JAST Holding (and Idavang) has conducted a materiality assessment and established a materiality matrix based on insights gathered during processes with operational and group management. The identified topics represents areas where JAST Holding (and Idavang) has an impact on stakeholders and the UN Sustainable Development Goals.



Management's review

Reporting Standards

The disclosures in this Annual Report comply with the Danish Financial Statement Act, sections 99a and 99b.

JAST Holding reporting in compliance with section 99a of the Danish Financial Statements Act, can be found on the following pages of this report:

- Business model can be seen on page 10
- General ESG risk assessment: page 15
- Risk, policies and activities regarding environment and climate change: pages 17-22
- Risk, policies and activities regarding employee conditions: page 23
- Risk, policies and activities regarding human rights: page 24
- Risk, policies and activities regarding anti-corruption: page 25

JAST Holding reporting in compliance with section 99b of the Danish Financial Statements Act, can be found on the following pages of this report:

- Gender target for the Board of Directors and activities for improving the gender balance: page 28

Management's review

Environment & Climate Change - Overview

Environmental matters are an integrated part of Idavang's mission and we make no compromises.

We constantly strive to take care of the environment in all everyday actions, and we acknowledge the need to take care of natural resources to the benefit of future generations. Our focus is to reduce any negative impact that our production may have on the environment.

We do not have full ownership of the entire value chain. The materiality matrix identified 4 areas with environmental issues where JAST Holding (and Idavang) impact: Pollution/Slurry management, Energy efficiency, GHG emissions, and Biosecurity.

Of these 4 areas we have objectives for 3 areas, which illustrate status and progress. Risk, policies and activities regarding these topics will be reviewed in this section. GHG emissions here we are currently working on developing policy. Nevertheless, we are already involved in a number of activities reducing emission being biogas production, optimizing use of manure. Our aim to reduce GHG.

Climate change impact feed cost, due to weather (e.g. drought) conditions globally, but over time limited on earnings as all pork combined are exposed to same conditions, see Risk section page 13-14.

Resource Efficiency	Measure unit	Entity	2015	2022	2023 Goal 23	Goal 28	15 vs. 23	
Electricity intensity	KwH / 1 kg produced	GROUP	0,35	0,32	0,30	0,30	0,27	-16%
Electricity from Modus Biogas	Percent of total energy	LT	98%	170%	104%	>100%	>100%	6%
FCR (Feed conversion ratio)	kg of feed / 1 kg produced	GROUP	2,97	2,83	2,79	2,80	2,80	-6%
Slurry utilization	Sales to farmers, kEUR	LT	-	1.443	1.406	>1.424	>1.672	n/a
Slurry utilization	tons of external manure	RU	-	23.269	21.727	>15.000	>15.000	21.727
Animal Health & Welfare								
SPF (Specific Pathogen Free) status	Confirmed YES/NO	GROUP	YES	YES	YES	YES	YES	n/a
Reduce Negative impact								
Lagoon breaches	Number of cases	GROUP	0	0	0	0	0	n/a

Management's review

Environment & Climate Change - Pollution & Slurry Management

The manure management process at the company involves several steps to ensure efficient handling and environmental sustainability.

The company focuses on seeing the manure as a valuable fertilizer which, however, it has a specific odor. Putting the fertilizer to efficient use and causing no inconveniences to our neighbors, we carry out careful maintenance and continuous improvements of the manure collection, storage and fertilization systems.

Our complexes in Lithuania and Russia have successfully functioning manure management equipment that separates the liquid and solid fraction of manure and removes excess phosphorus and ammonia.

Furthermore, is there closed Lagoons/tanks on every farm with top and double liners to prevent the emission of ammonia, nitrogen (greenhouse gas). Closed lagoons/tanks also ensure that no odor will be released into the air.

Materiality

Historical JAST Holding (and Idavang) system for handling our manure management process have been working efficiently. Nevertheless, it was in JAST Holding (and Idavang) materiality assessment classified as both Critical and Material. This is in case of a leakage could be substantial negative to the environment (and local community) as volumes in Lagoons/tanks are large. Hence, impact on nature and biodiversity would be significant negative. Financial for JAST Holding (and Idavang) there would be fines, task of cleaning and potential reputation damage. Nevertheless, it is unlikely that it would have material effect on sales prices even considering the reputational effect as slaughter pigs are commodities.

The assets would take limited damage, hence financially cleaning up and restoring biodiversity, would be the main task. Nevertheless, depending on the farm size that could also impact with amounts in mio. EUR. Practical are lagoons constantly being supervised, which is why a leak extremely unlikely would-be full lagoon. The evaluation of our slurry storage and spreading, here we know odor is important for local communities. Nevertheless, optimizing the use of slurry for organic fertilizer also includes removing smell (e.g. via biogas) to increase value of the fertilizer. Hence, it gets low classification in our materiality due to low odor and very low level of complains from local communities. Illustrating the special situation relating to on Russia our best in class methods have significant positive effect on the environment (no pollution) and local communities (less odor) compared to average Russian pork producer as our handling slurry in Russia also comply with EU rules.

Policy

Pollution and Slurry Management requirement around pork production is highly regulated, and JAST Holding (and Idavang) policy is to follow all local and regional regulations.

Key risk/targets identified

Focus 1

Environmental risk is potential leakage of manure from lagoons or other action that leads to leakage. Aim, no leakage from lagoons.

Focus 2

The environmental target is optimizing use of manure. Aim, reducing the amount of mineral fertilizer by supplying organic fertilizer (manure) to farmers on the optimal time.

Actions

Action on focus 1

Environmental risk, Due diligence process is in place, where all lagoons are periodic reviewed by internal maintenance crews, with intervals below 12 months. In case of issues during the periodic review, the necessary actions are taken to maintain the Lagoon, so that all regulations are followed and no risk of leakage exist.

During 2023 maintenance and CAPEX in lagoons where 396 kEUR. Furthermore, during an internal review was it concluded that the Lagoon at Salnaiciai farm need an overhaul, which is planned for 2024 with estimated cost of 385 kEUR.

Action on focus 2

Actions to support optimizing slurry in Lithuania does involve working with farmers as they are our customers. The farmers have argued change in equipment would improve value for them, hence a new pioneer equipment (larger) have been taken into use in 2023 (cost 1,0 mEUR), as part of new strategy to increase volume and improve coordination with farmers (as larger equipment are requested), so that the organic fertilizer has the highest effect hence replacing the maximum volume of mineral fertilizer, with organic fertilizer.

In Russia we have for years utilized our slurry, but have realized that not all animal producers do that. Therefore, have we been buying manure from Chicken farmers from external as well to replace mineral fertilizer.

KPI's

Focus 1 / KPI 1:

Environmental risk, JAST Holding (and Idavang) have had 0 leakage from lagoons during 2023 and 0 significant fines and do not expect any leakage in 2024.

Focus 2 / KPI 2:

Price paid for organic fertilizer as we assume it equals mineral fertilizer volume reduced. Revenue in 2023 was EUR 1.406k/m³ (2022 - EUR 1.443k/ m³). Expectations for 2024 are EUR 1.183k due to lower prices for mineral fertilizer. Target for 2028 equals cost for handling, and is expected reached, as JAST Holding (and Idavang) expect fertilizer (energy cost) to increase over time.

Focus 2 / KPI 3:

In Russia we expect same level of external fertilizer in 2024, which is maximum we can substitute and above target.

Resource Efficiency	Measure unit	Entity	2015	2022	2023	Goal 23	Goal 28	15 vs. 23
Slurry utilization	Sales to farmers, kEUR	LT	-	1.443	1.406	>1.424	>1.672	n/a
Slurry utilization	tons of external manure	RU	-	23.269	21.727	>15.000	>15.000	21.727
Reduce Negative impact								
Lagoon breaches	Number of cases	GROUP	0	0	0	0	0	n/a

Management's review

Environment & Climate Change - Energy Efficiency

Focus on energy in our business relates not only to our production facility. Biogas, where we use our efforts together with a business partner (Modus Energy) we have established biogas plants with the aim to improve environmental targets. (our ownership is 17,5%,).

Risk

Commodity production price is essential, hence too much consumption of energy makes the business less sustainable financial.

Policy

Reducing energy consumption in own processes and in our partners if possible, and utilizing gas in manure though biogas processes.

Key targets identified

Focus 1

Reduce energy continuously, with all cost-efficient measures and best available technology.

Focus 2

Optimize synergy on energy with slurry in biogas

Actions

Action on focus 1

During the last two years, focus on reduce of we have been adopting advanced monitoring systems, motion sensing lighting solutions, and transitioning to energy saving LED lighting. Furthermore, solar panels on the roofs of our facilities produced 1,647 MWh of electricity (owned by our energy supplier), which was supplied to the national grid, reflecting our holistic approach to sustainability and energy self-sufficiency (together with suppliers).

Action on focus 2

In 2016 we managed to become net supplier of energy, and did produce 70% more kwh then we used in Lithuania and Russia combined. The energy production is nevertheless less attractive now, hence our partner and us are transition away from electricity to methane gas production in bio reactors, which will reduce electricity generation but replace it with methane gas. Investment in conversion is budgeted in double digit mEUR and expected done over next 18 months so that energy production with biogas is maintained the next decade instead of closed down.

KPI's

Focus 1:

Reduce energy consumed per kg produced, as gross energy consumption not illustrate efficiency. Since 2015 we have reduced energy with 16% per kg produced. In 2023 the increased usage of LED was main reason for reduced in Kwh per kg meat produced.

Focus 2:

Optimize energy from slurry, measured in kwh in % of own consumption. In 2023 a solution was created, so that Biogas plants will not have to be closed. When production will be methane gas, then we will convert methane gas into kwh to illustrate efficiency.

Resource Efficiency	Measure unit	Entity	2015	2022	2023 Goal 23	Goal 28	15 vs. 23	
Electricity intensity	Kwh / 1 kg produced	GROUP	0,35	0,32	0,30	0,30	0,27	-16%
Electricity from Modus Biogas	Percent of total energy	LT	98%	170%	104%	>100%	>100%	6%

Management's review

Environment & Climate Change - Biosecurity

Avoiding African Swine Fever (ASF) is critical because it is a highly contagious viral disease that affects domestic and wild pigs with a mortality rate that can reach 100%, nevertheless other critical diseases can also have serious adverse effects.

Hence, again in 2023 did management multiple times towards farm management emphasize importance of the following measures, as critical disease does not only threaten animal health and welfare but also has severe socioeconomic impacts.

Policy

Implement best practice biosecurity available in all areas.

Key risk/targets identified

Avoiding African Swine Fever (ASF) and other critical diseases

Actions

Biosecurity and hygiene are paramount and each farm maintains strict protocols for territory access and cleanliness to prevent contamination.

Following are only key measures split into: basic, bring to the farm and moving animals:

BASIC

Fencing: Different fences (two or three layers around each farm) are used, including ones to deter wildlife. Perimeter control cameras cover our operation sites.

Regular Maintenance: Herbicide treatments are applied regularly around structures and fences.

Grounds Management: Building surrounds are covered with crushed stone or concrete for cleanliness.

Security: Trash is regularly removed, gates are immediately closed post-use, and fruit tree growth is controlled.

Vehicle and Visitor Protocols: Vehicles undergo disinfection and registration, and there are specific parking rules. Visitors and employees must change footwear and sanitize hands upon entry.

Waste Management: Waste is disposed of in containers outside the main gate.

Access Control: Entry to sensitive areas requires a 48-hour period of no contact with other pigs and thorough disinfection.

Personal Hygiene: Strict showering, clothing, footwear 31 protocols enforced including use of disinfectants. UV lamps are used for sanitization of surfaces and all items brought into the farm.

Food: Here we enforce strict cafeteria protocols:

- External food and beverages are not permitted on the premises. Dining is confined to the cafeteria, where food must not be taken out.
- Dishes containing pork or wild boar are prohibited for food suppliers. Separate dining zones are designated for internal and external staff, with no intermingling.
- All contractors, including food servers are subject to rigorous health checks and hygiene practices.
- The cafeteria is regularly cleaned, with UV disinfection and pest control measures in place.

BRINGING GOODS TO THE FARM

Quarantine Room Requirement: All departments must have a quarantine room equipped with a UV disinfection system.

Clean Goods Only in Quarantine: Only clean goods are allowed in quarantine. If necessary, they should be washed or cleaned beforehand.

Packaging Handling: Goods packaged in multiple layers are unpacked from their outer packaging before being placed in quarantine.

Quarantine and Disinfection Protocol: Items destined for pig holding areas must be quarantined for 48 hours and disinfected with cold smoke in the quarantine room.

Disinfectant Mats: Two disinfectant mats are installed in the quarantine room, one at the door leading outside and another at the door to the pig holding areas.

UV Lamps in Quarantine Room: The room is equipped with UV lamps for disinfection. Operational Schedule: Goods are brought into quarantine from Monday to Friday. The outside door is locked over the weekend, and all goods are transferred inside the farm on Monday. A visible schedule for goods delivery and removal from quarantine is maintained.

MOVING ANIMALS

This list highlights the comprehensive biosecurity and operational protocols in place for the loading of pigs at JAST Holding (and Idavang):

Internal transport is used for transportation of pigs between our farms. Internal transport does not transport pigs to slaughterhouses nor to external farms managed by other companies.

External supplier of transportation (In case we needed) quarantine for vehicles is applied

Trucks that have not transported pigs to a slaughterhouse for at least 24 hours are used for transporting piglets to different farms.

Location of Loading Areas: Pig loading areas are set up at the entrance to the company premises. Pigs from barns to loading areas are transported strictly by internal transport.

Cleanliness and Documentation: Trucks must be clean and free from prohibited cargo, with documentation confirming disinfection.

Disinfection Measures: Additional disinfection of the trailer's end using a mobile sprayer when positioned against the container.

Inspection and Documentation: Employees inspect arriving trucks and complete an inspection report.

Special Equipment for Pig Herding: Use of special boards for herding pigs.

Dress Code for Operators: Operators in the shipment container wear special red overalls and designated shoes.

Cleaning and Disinfection Post-Loading: After loading pigs, the ramp, trailer, shipment container, and used equipment are immediately washed and disinfected.

Truck Driver's Footwear: Drivers wear farm-provided rubber boots stored in a special storage near the container.

Green Trailer Usage: A green trailer is used for transporting pigs from the ramp to the transshipment container.

KPI's

SPF status on herd (no critical disease) is seen as the best proxy for high biosecurity level. Hence, having this status on all farms is the KPI.

Reduce Negative impact	Measure unit	Entity	2015	2022	2023 Goal	23	Goal 28	15 vs. 23
Lagoon breaches	Number of cases	GROUP	0	0	0	0	0	n/a

Management's review

Employee Conditions

Our employees are our company.

Our stable core workforce supports our strong and cohesive company culture, fostering an environment where employees feel a sense of belonging and commitment.

Risk

The retention rate for our long-term employees is therefore critical for our long-term success, and our employees health is critical to secure that retention rate is high.

Health and Safety Policy

The main purpose of the OHS system is to protect employees' life and health and to ensure good working conditions by avoiding injuries and accidents.

The OHS tasks are structured in seven main tasks:

1. Strengthen and develop health and safety systems by forming socially responsible approach to the employees' health and safety
2. Perform occupational risk assessment of all workplaces
3. Improve the system of training certification and instruction of employees on issues of the employee's safety and health
4. Increase preventive efficiency of employees' health care
5. Increase fire safety
6. Improve safety of employees performing dangerous work
7. Providing safe, healthy work conditions for all employees

Target identified

OHS: TRIR being work accidents per 200.000 hours worked

Actions

In the agricultural sector, TRIR often surpasses that of many other industries, which is attributed to the intrinsic hazards of farming work. Hence, JAST Holding (and Idavang) continuously work on making actions to reduce accident level.

Following are some of the actions taken during 2023: Comprehensive training was provided to all staff, above 4,000 hours (in Lithuania it was even above average 1 full day per employee).

Extensive equipment inspections, covering more than 1.000 units to ensure they met safety and operational standards, reflecting JAST Holding (and Idavang)'s dedication to maintaining a secure and efficient work environment

Accidents were recorded and investigated in the effort to minimize the occurrence of similar event in the future.

KPI

In Russia OHS: was stable, but still one accident (0,3 OHS: TRIR) above current target. Nevertheless, significantly better than base year 2015.

Lithuania have been struggling with more accidents than expected, and 2023 increase to very unacceptable high level of 3,3 where the biggest number of accidents related to work with animals has resulted in new action for 2024 being that all instructions and trainings manuals will be reviewed and updated (especially on how to approach pigs etc.)

Human Capital	Measure unit	Entity	2015	2022	2023 Goal 23	Goal 28	15 vs. 23
OHS: TRIR	accidents per 200.000 hours worked	RU	2,5	1,8	1,8	1,5	0 -29%
OHS: TRIR	accidents per 200.000 hours worked	LT	1,5	2,5	3,3	1,5	0 124%

Management's review

Human Rights

We care about human rights; hence we do not tolerate discrimination.

Neither do we tolerate violence physical nor psychological against employees or management.

Key risk

Physical violence against employees or management, which will make employees or management leave and make recruitment difficult.

Salary level is not attractive or same position have different salaries (depending on gender), creating the risk that employees leave their position.

Policy

JAST Holding (and Idavang) want to be attractive place to work, hence offer competitive position standard salary (objective qualifications of employees) and have detailed work rules regulating work conduct so that conflicts are avoided.

Part of these is alcohol policy.

Actions

All new employees are as part of intro process tested in knowlegde and acceptance of the work rules (including alcohol policy).

Employees (both Lithuania and Russia) are randomly tested (average 1 out of 4 working day).

Alcohol test rules

- Up to 0,2 is allowed to work (exception drivers 0,0).
- Between 0,2-0,4 in two test suspended and sent home.
- Above 0,4 in two test person is fired.

During 2023 we have started to implement Alcohol test in trucks, so they cannot start if above 0,0

Salaries attractiveness is annually compared with industry companies within country and region. During 2023 these comparisons were made and salaries adjusted accordingly, so that JAST Holding (and Idavang) salaries above average and all are equally paid if same qualification.

Other areas of human rights

Policy

JAST Holding (and Idavang) want to work with responsible suppliers.

Actions

Visits/reviews at suppliers have mandatory part, being inspections of suppliers' facilities to verify that suppliers work practice is ethical, work safety rules implemented and applicable labour laws are followed.

The audits and inspections should be structure regular and have short written reports.

These actions will also be followed the coming years.

Management's review

Anti-Corruption

The aim of company's anti-corruption policy is to define Idavang's business practice for countering corruption and bribery and to provide guidance to employees.

All our partners and employees are informed about our attitude and principles towards corruption. Warning signs are placed on walls, doors and info boards around on the farms as well as in country headquarters. This policy extends to all Idavang's business dealings and transactions in both Lithuania and Russia. Suppliers and business contacts are periodically being informed about requirements.

Russia generally has higher corruption than in Western parts of the world. Nevertheless, JAST Holding (and Idavang) has conducted business in Russia for 15 years with a strong code of conduct that is integrated in all managers that have long tenors (average around 10 years). The local Russian management is a mix of Danes, German and Russian that all live according to JAST Holding (and Idavang) (and Scandinavian norms), especially the Russian managers have positively chosen a Scandinavian company and the agriculture industry to avoid corruption. Agriculture due to strategic position (within Russian community) and with our strict policy, hence we rarely encounter indications of it.

The Russian management strongly ties to JAST Holding (and Idavang) code of conduct also ensures JAST Holding (and Idavang) Group full control of the Russian subsidiary, JAST Holding (and Idavang) policy towards corruption was also paramount in the investment from IFC and IFU.

Key risk

Violation of anti-corruption laws and non-compliance with JAST Holding (and Idavang) group's own code of conduct could damage JAST Holding (and Idavang) groups' reputation towards all stakeholders, and involve risks of monetary fines.

Policy

JAST Holding (and Idavang) groups has a zero-tolerance policy towards bribery and corruption.

Ensure to the extent possible for JAST Holding (and Idavang) groups, that customers and suppliers within the company supply chain comply with all applicable laws, rules and regulations including anti-corruption.

Targets identified

Focus 1, Small contracts: Gifts and corruption from suppliers

Focus 2, Large contracts (feed): 3-way embezzlement involving supplier, buyer (JAST Holding (and Idavang) groups employee nr. 1) and control person (JAST Holding (and Idavang) groups employee nr. 2)

Focus 3, Bribery request from authorities or suppliers. Nevertheless, JAST Holding (and Idavang) groups sees this as a limited relevant issue as Agriculture is a strategic industry in Russia with own local Vice-Governor.

Actions

Actions on Focus 1, large gifts are not accepted, and small gifts (especially around Christmas) are mainly consumed at work.

Actions on Focus 2, purchasing step is split on two/three persons and always involves approval of CEO in selection of buyer and acceptance of price. Furthermore, a minimum of 3 offers are always received. Receiving goods always involves weight on our scales and control of our analyzing equipment. Receiving person is not known in advance. In 2023 CCO (part of Group Management) again communicated towards employees and suppliers JAST Holding (and Idavang) groups position and focus on corruption.

Actions on Focus 3, all cases should be reported to both Group Management and Board. Both Lithuania and Russia management have in 2023 towards Group management confirmed that no cases of corruption have been encountered.

These actions will also be followed the coming years.

KPI, During 2023 has no corruption cases been discovered. Idavang have historically had two cases in Russia of large contract fraud where both employees and suppliers were terminated. JAST Holding (and Idavang) groups has not during its 15 years in Russia received request for bribery for authorities or suppliers in Russia.

Management's review

Definitions

Of KPI / Sustainability Terms

Term	Definition
OHS: TRIR	Accidents per 200.000 hours worked
Accidents	An incident at work, including a traffic accident, during the performance of work functions or while at the workplace, as a result of which the employee suffers health damage and loses his ability to work at least for one day or as a result of which the employee dies. It must be investigated and recognized in the prescribed manner accident at work
Hours worked	The number of hours actually worked by all employees. It includes worked time with overtime. Worked time also includes the time needed to prepare and organize the workplace, work tools, and safety measures; downtime due to reasons such as absence from work, equipment failure, accident, etc. i.e. when, according to the labor or collective agreement, it is stipulated to pay for that time; breaks at work, which are counted as working time according to normative legislation, etc. The time worked does not include paid but not worked time (annual leave, sick days, etc.), rest time (breaks for rest and meals, etc.), time spent traveling to and from the workplace, etc.ds
SPF (Specific Pathogen Free) status	High health status so the animals do not have any SPF-diseases
SPF diseases	Diseases that pigs can get and be negatively influenced by (Enzootic Pneumonia, App/Porcine pleuropneumonia, PRRS, Swine dysentery, Atrophic rhinitis, Mange and Lice)
Electricity from Modus biogas	Net energy produced by biogas plants that JAST Holding (and Idavang) groups is co-investor in, and supply slurry to
Electricity intensity	KwH it takes to produce a kg of live weight pig (calculated as all KwH used I JAST Holding (and Idavang) groups Group / all kg of live weight pig produced in JAST Holding (and Idavang) groups)
Lagoon breaches	Lagoon structure break and slurry runs out or overrun of slurry from lagoon due to too much slurry is filled into it.
Slurry utilization / Tons of external manure	External manure is defined as Chicken manure from producers not utilizing its fertilizer capabilities
Slurry utilization / Sale to farmers	JAST Holding (and Idavang) groups sale to farmers of slurry components liquid or solid, included in financial account in other income (note 25)

Management's review

Corporate Governance

Shareholders

Shareholders can exercise their rights at the general meeting of shareholders, which is the company's supreme governing body.

Board of Directors

The overall task of Board of Directors is to create value for the shareholders by managing the company.

The Board resolves matters relating to strategic development, budgets, risk factors, acquisitions and divestments as well as major development and investment projects. Furthermore, the Board of Directors supervises the Executive Board.

Executive Board

The Executive Board is appointed by the Board of Directors and is responsible for the company's day-to-day management, including the development and results of the company's operations as well as the company's internal development.

The Executive Board is responsible for implementing strategy and the overall resolutions approved by the Board of Directors.

Financial reporting

In relation to its financial reporting process, Idavang/JAST has set up a number of internal controls to ensure that the company's financial reporting gives a true and fair view free from material misstatement. The internal control and risk management systems also ensure that the financial reporting complies with applicable laws and standards. The financial reporting process is subject to systematic assessment on an ongoing basis. The tasks and focus areas of the Audit Committee are updated every year in the form of an annual wheel. According to the annual wheel, the tasks of the Audit Committee include monitoring the financial reporting process in connection with the publication of annual and interim reports, including a review of accounting policies and significant accounting estimates and judgments.

Internal controls and risk management systems in relation to the financial reporting

Corporate Finance conducts regular control inspections at Lithuanian and Russian subsidiaries to ensure that corporate standards for internal controls have been implemented and operate effectively.

Any proposals for improvement are reported to the Board of Directors

Remuneration

Remuneration of members of the Board of Directors and the Executive Board

JAST seeks to ensure that the remuneration of the Board of Directors and the Executive Board is at a competitive and reasonable level compared with companies of the same size and with the same complexity as that of JAST Holding (and Idavang) groups to ensure that JAST Holding (and Idavang) groups is able to attract and retain competent executives. The members of the company's Board of Directors does not receive any fee as they are all shareholders, the amount of which is subject to shareholder approval. The remuneration and employment terms of the members of the Executive Board are determined by the Board of Directors, which also evaluates the work of the Executive Board. The Executive Board do not receive any salary, as the task is performed by a shareholder.

Remuneration General

JAST (Idavang) has a competitive remuneration system for all employees. JAST (Idavang) pays competitive salaries to our employees. The salary structure has standardized principles and is transparent to all employees. Furthermore, do we provide free meals, working clothes and footwear for our employees.

Intellectual Capital Resources

JAST (Idavang) considers the employees and the organizational culture as the most important assets of the company.

The Company's long-term success is highly linked to attracting, retaining and developing the employees, which is why both internal and external training and education are priorities of JAST (Idavang).

Management's review

Human Resource policy

The company's goal is to have at least 25% (if 4 board members) of female representation on the Board of Directors, which was reached in 2011. This is considered equal representation; hence no new target has been made.

The company is committed to observing the group's human resource policy, which first key principles are the equality of employees.

We want the company's employees to experience equal opportunities for employment, improvement, career-making, and gaining management positions regardless of gender, age or nationality.

JAST Holding use § 99b stk.4 (parent company below 50 employees), hence do not make targets for underrepresented gender for other management. Nevertheless, 100% of other management is the underrepresented gender.

5 years overview

Board of Directors	2023	2024	2025	2026	2027
Total members	4				
Under-represented gender in %	25%				
Target in %	25%				
Year for fulfilled	2011				

Other management

Total members	1
Under-represented gender in %	100%

Data Ethics Policy

The company has no policy as external data is extremely limited, but follows all applicable laws.

Events after the balance sheet date

JAST Holding (and Idavang) groups have in first weeks of January purchased nom. 15,9 mEUR bonds, average purchase price 92,2. Hence, income effect of nom 15,9 mEUR * 7,8% or 8,9 mDKK

Consolidated financial statements and parent company financial statements 1 January - 31 December

Income statement

Note	DKK'000	Group		Parent	
		2023	2022	2023	2022
3	Revenue	1,060,670	856,828	0	0
	Value adjustment, biological assets	49,007	62,689	0	0
4	Production costs	-1,008,113	-778,005	0	0
4	Administration costs	-32,937	-32,750	-5	-1
27	Other income	17,740	56,364	0	0
	Other expenses	0	0	0	0
	Profit/loss before net financials	86,367	165,126	-5	-1
	Loss from investments in group entities	0	0	0	0
5	Financial income	3,782	25,705	0	0
6	Financial expenses	-51,990	-53,830	0	0
	Profit before tax	38,159	137,001	-5	-1
7	Tax for the year	-32,208	-19,915	0	0
	Profit for the year	5,951	117,086	-5	-1

Consolidated financial statements and parent company financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	Group		Parent	
		2023	2022	2023	2022
	ASSETS				
	Fixed assets				
8	Intangible assets				
	Acquired intangible assets	53	1,485	0	0
	Goodwill	0	0	0	0
		<u>53</u>	<u>1,485</u>	<u>0</u>	<u>0</u>
9	Property, plant and equipment				
	Land and buildings	229,010	491,334	0	0
	Biological assets	107,196	100,710	0	0
	Plant and machinery	45,068	71,443	0	0
	Other fixtures and fittings, tools and equipment	13,572	9,474	0	0
	Property, plant and equipment in progress	4,121	16,978	0	0
		<u>398,967</u>	<u>689,939</u>	<u>0</u>	<u>0</u>
10	Investments				
	Investments in group entities, net asset value	0	0	500,000	500,000
	Other receivables	3,309	3,309	0	0
		<u>3,309</u>	<u>3,309</u>	<u>500,000</u>	<u>500,000</u>
	Total fixed assets	<u>402,329</u>	<u>694,733</u>	<u>500,000</u>	<u>500,000</u>
	Non-fixed assets				
	Inventories				
	Raw materials and consumables	77,969	129,360	0	0
	Work in progress	229,992	207,390	0	0
		<u>307,961</u>	<u>336,750</u>	<u>0</u>	<u>0</u>
	Receivables				
	Trade receivables	30,618	25,810	0	0
11,16	Deferred tax assets	5,656	5,656	0	0
	Other receivables	3,928	12,812	0	0
	Income taxes	2,586	2,915	0	0
12	Prepayments	5,783	5,608	0	0
		<u>48,571</u>	<u>52,801</u>	<u>0</u>	<u>0</u>
	Assets held for sale	<u>0</u>	<u>0</u>		
13	Cash	<u>130,412</u>	<u>74,082</u>	<u>1</u>	<u>3</u>
	Total non-fixed assets	<u>486,944</u>	<u>463,633</u>	<u>1</u>	<u>3</u>
	TOTAL ASSETS	<u>889,273</u>	<u>1,158,366</u>	<u>500,001</u>	<u>500,003</u>

Consolidated financial statements and parent company financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	Group		Parent	
		2023	2022	2023	2022
		EQUITY AND LIABILITIES			
		Equity			
14	Share capital	250	250	250	250
	Retained earnings	317,735	451,451	499,721	499,726
	Total equity	317,985	451,701	499,971	499,976
	Provisions				
16	Deferred tax	29,804	21,990	0	0
	Other provisions	0	0	0	0
17	Total provisions	29,804	21,990	0	0
	Liabilities other than provisions				
15	Non-current liabilities other than provisions				
	Other debt raised by the issuance of bonds	374,553	417,053	0	0
	Other credit institutions	11,017	9,284	0	0
	Deferred income	9,310	10,820	0	0
	Other payables	2,594	4,120	0	0
		397,474	441,277	0	0
	Current liabilities other than provisions				
	Credit institutions	21,563	129,879	0	0
	Trade payables	67,541	78,604	0	0
	Income taxes payable	23,487	5,540	0	0
	Other payables	29,700	27,579	30	27
	Deferred income	1,720	1,796	0	0
		144,011	243,398	30	27
	Total liabilities other than provisions	571,289	706,665	30	27
	TOTAL EQUITY AND LIABILITIES	889,273	1,158,366	500,001	500,003

- 1 Accounting policies
18 Contractual obligations and contingencies, etc.
20 Collateral
21 Related parties
22 Fee to the auditors appointed by the Company in general meeting

**Consolidated financial statements and parent company financial statements
1 January - 31 December**

Statement of changes in equity

		Group		
Note	DKK'000	Share capital	Retained earnings	Total
	Equity at 1 January 2022	250	288,285	288,535
	Transfer through appropriation of profit	0	117,086	117,086
	Exchange adjustment	0	41,751	41,751
	Other	0	4,329	4,329
	Equity at 1 January 2023	250	451,451	451,701
	Transfer through appropriation of profit	0	5,951	5,951
	Other	0	-36,183	-36,183
	Exchange adjustment	0	-103,484	-103,484
	Equity at 31 December 2023	250	317,735	317,985

		Parent company		
Note	DKK'000	Share capital	Retained earnings	Total
	Equity at 1 January 2022	250	499,727	499,977
23	Transfer, see "Appropriation of profit"	0	-1	-1
	Equity at 1 January 2023	250	499,726	499,976
23	Transfer, see "Appropriation of profit"	0	-5	-5
	Equity at 31 December 2023	250	499,721	499,971

**Consolidated financial statements company financial statements
1 January - 31 December**

Cash flow statement

Note	DKK'000	Group	
		2023	2022
	Profit for the year	5,951	117,087
24	Adjustments	295,933	112,249
	Cash generated from operations (operating activities)	301,884	229,336
25	Changes in working capital	-34,342	-49,472
	Cash generated from operations (operating activities)	267,542	179,864
	Interest received, etc.	3,413	3,406
	Interest paid, etc.	-50,531	-52,524
	Income taxes paid	-6,164	1,636
	Cash flows from operating activities	214,260	132,382
	Additions of intangible assets	0	-37
	Additions of property, plant and equipment	-14,131	-33,012
	Disposals of property, plant and equipment	2,362	989
	Disposals/Additions of other	-2,043	-18,829
	Cash flows from investing activities	-13,812	-50,889
	Dividends paid	0	0
	Proceeds of debt to credit institutions	86,565	86,374
	Repayments, debt to credit institutions	-224,594	-197,938
	Released cash on escrow account	0	0
	Cash flows from financing activities	-138,029	-111,564
	Net cash flows	62,419	-30,071
	Cash at 1 January	74,082	100,731
	Foreign exchange adjustments	-6,089	3,422
26	Cash at 31 December	130,412	74,082

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

Accounting policies

The annual report of JAST Holding ApS for 2023 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to large reporting class C entities. The profit and loss is presented according to functional method.

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

Consolidated financial statements

Preparation of consolidated financial statements

The consolidated financial statements are prepared as a consolidation of the parent company's and the individual subsidiaries' financial statements, which are prepared according to the group's accounting policies. On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends, and realised and unrealised gains on intra-group transactions are eliminated. Unrealised gains on transactions with associates are eliminated in proportion to the group's interest in the entity. Unrealised losses are eliminated in the same way as unrealised gains if they do not reflect impairment.

In the consolidated financial statements, the accounting items of subsidiaries are recognised in full. Non-controlling interests' share of the profit/loss for the year and of the equity of subsidiaries which are not wholly-owned are included in the group's profit/loss and equity, respectively, but are disclosed separately.

Acquisitions and disposals of non-controlling interests which are still controlled are recognised directly in equity as a transaction between shareholders. Investments in associates and joint ventures are recognised in the consolidated financial statements using the equity method. The group's activities in joint operations are recognised on a line-by-line basis.

Currency translation

Transactions denominated in foreign currencies are translated into DKK at the exchange rate at the date of the transaction. Monetary items denominated in foreign currencies are translated into DKK at the exchange rates at the balance sheet date. Realized and unrealized exchange gains and losses are recognized in profit as financial income/expenses.

Non-Monetary assets and liabilities measured at historic cost in foreign currencies are translated into DKK at the exchange rates at the date of recognition. Non-monetary assets and liabilities measured at fair value in foreign currencies are translated into DKK at the exchange rates at the date of determination of the fair value.

Derivative financial instruments

On initial recognition, derivative financial instruments are recognised at cost in the balance sheet and are subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are included in other receivables and payables, respectively.

Fair value adjustments of derivative financial instruments designated as and qualifying for recognition as a hedge of the fair value of a recognised asset or liability are recognised in the income statement along with changes in the fair value of the hedged asset or liability. Fair value adjustments of derivative financial instruments designated as and qualifying for hedging of future assets or liabilities are recognised in other receivables or other payables, respectively, and in equity. If the hedged forecast transaction results in the recognition of assets or liabilities, amounts previously recognised in equity are transferred to the cost of the asset or liability, respectively. If the hedged forecast transaction results in income or expenses, amounts previously deferred in equity are transferred to the income statement in the period in which the hedged item affects the profit/loss for the year.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Public grants

Public grants related to expenses:

In Russia, the Group receives government grants in the form of reimbursement of interest expenses on loans, cost recovery for cost related to the production of crops and compensation for high grain prices.

Government grants related to expenses are recognised as income as the right to the grant is earned and received, i.e. as the eligible expenses are incurred and the grant is deposited in a bank account.

In Lithuania, the Group receives government grants for the investment of property, plant and equipment in return for the Group's commitment to carry on pig production for a certain number of years.

Government grants for assets are recognised as deferred income, which is reduced in step with the depreciation of the related asset and recognised in profit or loss under depreciation.

Income statement

Revenue

Revenue from the sale of slaughter pigs and piglets is recognised in profit or loss when delivery and transfer of the risk to the buyer has taken place.

Revenue is measured net of all types of discounts/rebates granted. Also, revenue is measured net of VAT and other indirect taxes charged on behalf of third parties.

Other operating income and operating expenses

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

Raw materials and consumables, etc.

Raw materials and consumables include expenses relating to raw materials and consumables used in generating the year's revenue.

Other external expenses

Other external expenses include the year's expenses relating to the entity's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Amortisation/depreciation

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

The cost net of the expected residual value for completed development projects and acquired IP rights is amortised over the expected useful life. Acquired IP rights include patents, rights and licences.

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

Acquired intangible assets	20 years
Goodwill	20 years

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

The amortisation period for goodwill is based on management experience with the groups business segments.

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:

Land and buildings	25-40 years
Plant and machinery	8-15 years
Other fixtures and fittings, tools and equipment	3-10 years

Income from investments in subsidiaries

The item includes dividend received from subsidiaries and associates in so far as the dividend does not exceed the accumulated earnings in the subsidiary or the associate in the period of ownership.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial reporting period. The items comprise interest income and expenses, e.g. from group entities and associates, dividends declared from other securities and investments, financial expenses relating to finance leases, realised and unrealised capital gains and losses relating to other securities and investments, exchange gains and losses and amortisation of financial assets and liabilities.

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.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Balance sheet

Intangible assets

Goodwill is amortised over the expected economic life of the asset, measured by reference to Management's experience in the individual business segments. Goodwill is amortised on a straight-line basis over the amortisation period, which is up to 20 years.

Other intangible assets include development projects and other acquired intangible rights, including software licences, distribution rights and development projects.

Other intangible assets are measured at cost less accumulated amortisation and impairment losses.

Property, plant and equipment

Property, plant and equipment include land and buildings, plant and machinery and other fixtures and fittings, tools and equipment. Property, plant and equipment are measured at cost less accumulated depreciation and impairment.

Material assets which are leased and which meets the conditions to be recognized as finance leases are treated as owned assets.

Biological assets are recognized when the company controls the asset and it is likely that financial profit related to the assets will flow to the group, and fair value of the asset can be measured reliably.

Biological assets are measured at fair value less sales expenses.

The value of crops is calculated as cost value including production-overheads. At the time of the harvest, the crops are reclassified as inventories measured at fair value less transportation expenses.

Investments in subsidiaries

Investments in subsidiaries and associates are measured at cost. Dividends received which exceed the accumulated earnings in the subsidiary in the period of ownership are treated as a cost reduction.

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.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Inventories

Biological inventories are initially measured at cost and subsequent measured at fair value.

Fair value is the expected value of a transaction between independent parties.

Other inventories are measured at cost value in accordance with the FIFO-method.

Net realizable value is the sales value less completion cost and cost related to sales taking into account marketability, obsolescence and development in expected sales price.

The taxonomy has been adapted to match Danish standards. In the balance sheet slaughter herd is categorized as work in progress. Commercial herds are biological assets, where there is a continues biological transformation until the point of sale. Biological assets are first measured at cost values and subsequently measured at fair value less estimated sales costs. Fair value adjustment of biological assets is recorded as cost of raw materials and consumables.

Receivables

Receivables are measured at amortised cost, which usually corresponds to the nominal value. Provisions are made for bad debts on the basis of objective evidence that a receivable or a group of receivables are impaired. Provisions are made to the lower of the net realisable value and the carrying amount.

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.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Cash

Cash comprise cash and bank deposits.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Equity

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 taxes

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.

Provisions for deferred tax are calculated, based on the liability method, of all temporary differences between carrying amounts and tax values, with the exception of temporary differences occurring at the time of acquisition of assets and liabilities neither affecting the results of operations nor the taxable income, as well as temporary differences on non-amortisable goodwill.

Deferred tax is measured according to the taxation rules and taxation rates in the respective countries applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the value at which they are expected to be utilised, either through elimination against tax on future earnings or through a set-off against deferred tax liabilities within the same jurisdiction.

Payables to credit institutions

Mortgage debt is recognised on the raising of the loan at the proceeds received net of transaction costs incurred. Mortgage debt is subsequently measured at amortised cost, using the effective interest rate method. Borrowing costs, including capital losses, are recognised as financing costs in the income statement over the term of the loan.

Other payables

Other payables are measured at net realisable value.

Deferred income

Deferred income recognised as a liability comprises payments received concerning income in subsequent financial reporting years.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Cash flow statement

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

Cash flows from operating activities are presented using the indirect method and are made up as the profit or loss for the year, adjusted for non-cash operating items, changes in working capital, paid net financials and paid income taxes.

Cash flows from investing activities comprise payments in connection with purchase and sale of fixed assets, securities which are part of investment activities and payments in connection with purchase and sale of businesses and activities.

Cash flows from financing activities comprise changes in the size or composition of the Company's share capital and related expenses as well as raising of loans, repayment of interest-bearing debt and payment of dividends to shareholders.

Cash comprise cash and bank deposits.

Financial ratios

Financial ratios are calculated in accordance with the Danish Finance Society's guidelines on the calculation of financial ratios. The financial ratios stated under "Financial highlights" have been calculated as follows:

Operating margin	$\frac{\text{Operating profit} \times 100}{\text{Revenue}}$
Return on assets	$\frac{\text{Profit/loss from operating activities} \times 100}{\text{Average assets}}$
Current ratio	$\frac{\text{Current assets} \times 100}{\text{Current liabilities}}$
Equity ratio	$\frac{\text{Equity, year-end} \times 100}{\text{Total equity and liabilities, year-end}}$
Return on equity	$\frac{\text{Profit/loss for the year after tax} \times 100}{\text{Average equity}}$

2 Critical Accounting Estimates and Judgements

Russian activities

As of the date of signing this annual report, Russian military forces “special military operation” into Ukraine has limited direct on Group operations in Russia. The JAST Holding (and Idavang) groups operation in Russia of cropping 8.2 thousand hectares and production of 340 thousand pigs has significant distance to areas impacted by the “special military operation”.

Consolidation, recognition and classification of the Russian activities

Group management continues to be able to operate and control the Russian entity. Consequently, the activities are fully consolidated. Examples of the control is gained is by participation of Group management in Russian operational management meetings, that JAST Holding (and Idavang) groups executive management is majority on board of Russian subsidiaries and loyal longterm employees.

Recognition and valuation of Russian assets

The expected market returns on investments in Russia have increased massively in 2023 due to increased market risks premium. JAST Holding has therefore assessed the WACC for the Russian entity to 34% including adjusted risk premium of 22% based on average markets risk in Russia for 2023 Idavang Russia is highly profitable in RUB, with 2024 outlook for EBITDA RUB 1,1-1,4b (page 12), which management expect to be normalized operation going forward. The normalized and expected profitability going forward is also the basis for the impairment test.

Due to the above-mentioned increased market risks premium, all intangible assets (DKK 1.043k) and buildings (DKK 201,187k) in Russia have been impaired in the consolidate statement. The net assets (equity) in Russia amounts after the impairment to 243,7 mDKK. Total impairment write-down of 202,2 mDKK has been recognized in the consolidated income statement in 2023.

Investments in group entities

Parent company measures investments in group entities at cost price.

Management has performed impairment test of investments in group entities and has concluded that there is no need for impairment on the investments in group entities.

Exchange rates uncertainties

The Russian economy impact on JAST Holding (and Idavang) groups is high, especially through translation EURRUB currency and basic profitability of producing pork meat in Russia. Evaluating the current Russian economy is difficult as lack of exchangeability partly exist for the EURRUB, hence the exchange rates published by the Russian Central Bank are not validated by the European Central Bank (or other major Central Banks). Preparing the JAST Holding ApS 2023 Annual account has exchange rates from the Russian Central Bank been used as translation currency. Nevertheless, if other exchange rates would have been used the JAST Holding (and Idavang) Group annual account could have looked material different if e.g. if average rate EURRUB 2021 was used (see example below), as group equity then would be negatively impacted with DKK 104,3m compared to current account.

Therefore, the most critical estimate during the entire annual account process has been selecting the translation exchange rate EURRUB. JAST Holding (and Idavang) groups currently can only to a limited extend transfer money out of Russia being 10-20 mRUB monthly from Russia to Denmark, which have been done in 2024.

JAST Holding (and Idavang) groups management continues to make efforts to identify and mitigate impacts to the Group, however, there are factors beyond its knowledge or control, including the duration and severity of warfare, as well as further governmental, diplomacy actions taken and any effect on the future EURRUB currency relation.

DKK ' 000	Russia / 2023	Russia / Last ECB 2022
EBITDA	102.008	79.366
Total assets	295.806	231.726
Liabilities	-51.805	-40.581
Net assets	244.000	191.145
FX		
End period	13,31	15,73
Average period	12,32	15,73

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

3 Segment information

Total group revenue of DKK 1,061m (2022: DKK 857m) can be divided into the following segments: Lithuania: DKK 725m (2022: DKK 543m) and Russia: DKK 336m (2022: DKK 314m)

DKK'000	Group		Parent	
	2023	2022	2023	2022
4 Staff costs				
Wages/salaries	106,594	103,709	0	0
Other social security costs	10,446	10,998	0	0
Other staff costs	4,979	2,515	0	0
Staff costs transferred to the cost of fixed assets	0	0	0	0
	<u>122,019</u>	<u>117,222</u>	<u>0</u>	<u>0</u>
Average number of full-time employees	761	770	0	0
Remuneration to members of management and board				
Executive board	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
5 Financial income				
Purchase of bonds below par	0	20,807	0	0
Other financial income	3,782	4,898	0	0
	<u>3,782</u>	<u>25,705</u>	<u>0</u>	<u>0</u>
6 Financial expenses				
Interest, bonds	45,600	44,775	0	0
Other financial expenses	6,390	9,055	0	0
	<u>51,990</u>	<u>53,830</u>	<u>0</u>	<u>0</u>
7 Tax for the year				
Estimated tax charge for the year	-25,457	-6,826	0	0
Deferred tax adjustments in the year	-7,772	-14,338	0	0
Tax adjustments, prior years	1,021	1,249	0	0
	<u>-32,208</u>	<u>-19,915</u>	<u>0</u>	<u>0</u>

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

8 Intangible assets

DKK'000	Group		
	Acquired intangible assets	Goodwill	Total
Cost at 1 January 2023	4,892	213,879	218,771
Exchange adjustment	-764	0	-764
Additions in the year	0	0	0
Disposals in the year	0	0	0
Cost at 31 December 2023	4,128	213,879	218,007
Impairment losses and amortisation at 1 January 2023	3,407	213,879	217,286
Exchange adjustment	-538	0	-538
Amortisation/depreciation/impairment in the year	1,206	0	1,206
Impairment losses and amortisation at 31 December 2023	4,075	213,879	217,954
Carrying amount at 2023	53	0	53

9 Property, plant and equipment

DKK'000	Group					
	Land and buildings	Biological assets	Plant and machinery	Other fixtures and fittings, tools and equipment	Property, plant and equipment in progress	Total
Cost at 1 January 2023	849,126	100,710	337,870	31,017	16,978	1,335,701
Exchange adjustment	-100,075	-10,715	-48,250	-751	-2,945	-162,736
Additions in the year	656	43,048	1,125	6,089	6,286	57,186
Disposals in the year	-2,728	-42,698	-5,493	-663	-52	-51,634
Transfer from other accounts	15,070	16,851	1,029	30	-16,128	16,852
Cost at 31 December 2023	762,049	107,196	286,281	35,722	4,121	1,195,369
Impairment losses and depreciation at 1 January 2023	357,792	0	266,427	21,543	0	645,762
Exchange adjustment	-51,560	0	-38,108	-824		-90,492
Amortisation/depreciation in the year	227,694	0	18,327	1,953		247,974
Amortisation/depreciation and impairment of disposals in the year	-887	0	-5,396	-559		-6,842
Transfer	0		-37	37		0
Impairment losses and depreciation at 31 December 2023	533,039	0	241,213	22,150	0	796,402
Carrying amount at 31 December 2023	229,010	107,196	45,068	13,572	4,121	398,967
Property, plant and equipment include finance leases with a carrying amount totalling	0	0	8,228	4,971	0	13,199

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

10 Investments

Name	Domicile	Sharecapital	Equity	Result	Interest
Subsidiaries			kDKK	kDKK	
Idavang A/S	Danmark	EUR 800,000	433.222	5.904	100.00%
UAB Idavang	Litauen	EUR 799,000	258.763	179.312	100.00%
Rus Invest ApS	Danmark	DKK 1.500.000	-38.258	-9.839	100.00%
Rurik A/S	Danmark	DKK 7.250.000	11.619	-4.730	100.00%
Idavang LLC	Rusland	RUB 582,430,467	203.272	-44.255	100.00%
Idavang Agro LLC	Rusland	RUB 249,960,262	174.871	-33.013	100.00%
Nordrik Invest LLC	Rusland	RUB 103,538,740	7.685	-4	100.00%
Idavang Luga LLC	Rusland	RUB 102,730,412	5.997	-50.513	100.00%
Rurik Russia LLC	Rusland	RUB 41,132,025	-1.754	1	100.00%
MPK-Vostochny LLC	Rusland	RUB 10,272,731	659	-818	100.00%
Sovhoz Vostochny LLC	Rusland	RUB 100,000	-9.611	-1.078	100.00%

	Parent company
	Investments in group entities net asset value
DKK'000	
Cost at 1 January 2023	500,000
Impairment in the year	0
Cost at 31 December 2023	500,000
Carrying amount at 31 December 2023	500,000

11 Deferred tax assets

Group

Tax losses carry forward not capitalized are DKK 54.8m (DKK 43.1m 2022) due to uncertainties of utilizing it in the future

Parent company

Tax losses carry forward not capitalized are DKK 35.0m (DKK 30.0m 2022) due to uncertainties of utilizing it in the future

12 Prepayments

Group

Prepayments include accrual of expenses relating to subsequent financial years, including insurance policies, subscriptions and financial interests.

Parent company

The parent company has no prepayments as of 31 December 2023.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

13 Cash

No cash on escrow end year.

14 Share capital

Analysis of the share capital:

DKK'000	Parent company	
	2023	2022
250,000 shares of DKK 1.00 nominal value each	250	250
	250	250

15 Non-current liabilities other than provisions

DKK'000	Group			
	Total debt at 31/12 2023	Repayment, next year	Long-term portion	Outstanding debt after 5 years
Other debt raised by the issuance of bonds	378,048	3,495	374,553	0
Other credit institutions	32,580	21,563	11,017	0
Other payables	32,293	29,699	2,594	0
	442,921	54,757	388,164	0

16 Deferred tax

DKK'000	Group		Parent	
	2023	2022	2023	2022
Deferred tax relates to:				
Property, plant and equipment (and herd)	29,878	22,057	0	0
Receivables	-74	-67	0	0
Tax loss	-5,656	-5,656	0	0
	24,148	16,334	0	0
Analysis of the deferred tax:				
Deferred tax assets	-5,656	-5,656	0	0
Deferred tax liabilities	29,804	21,990	0	0
	24,148	16,334	0	0
Reconciliation of deferred tax, net				
At 1/1	16,334	1,996	0	0
The year's tax income/expense recognized in profit or loss	7,772	14,338	0	0
The year's tax income/expense recognized in equity	0	0	0	0
Exchange adjustment	42	30	0	0
Deferred tax assets	24,148	16,334	0	0

Capitalized tax loss equals less than 15% of all carry forward losses, management expect it will take 10 year to utilize both the capitalized and the 85% non-capitalized carry forward losses.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

17 Provisions

Group

The provision for deferred tax primarily relates to timing differences in respect of intangible assets and property, plant and equipment.

Parent company

The provision for deferred tax primarily relates to timing differences in respect of intangible assets and property, plant and equipment.

18 Contractual obligations and contingencies, etc.

Other contingent liabilities

Group

Obligation relating to purchase of grain, soya and sunflower seeds in Lithuania and Russia amounts to DKK 301,1 mio. (DKK 299,7 mio. in 2022).

Parent company

As management company, the Company is jointly taxed with other Danish group entities. The Company is jointly and severally with other jointly taxed group entities for payment of income taxes and withholding taxes in the group of jointly taxed entities.

19 Post balance sheet event

Group

No event materially affecting the Group's financial position have occurred subsequent to the financial year-end

Parent company

No event materially affecting the Group's financial position have occurred subsequent to the financial year-end

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

20 Collateral

Group

The JAST and Idavang Group is party of an intercreditor agreement with Jyske Bank and Nordic Trustee. Under this agreement, the following assets are held collateral:

Shares in:

- Idavang A/S
- Rus Invest ApS (Denmark)
- Rurik A/S (Denmark)
- UAB Idavang (Lithuania)
- Idavang Agro LLC (Russia)
- Idavang Luga LLC (Russia).

In addition, the following companies in the JAST and Idavang group participate in a cross guarantee regarding the above agreement:

- Idavang A/S
- Rus Invest ApS (Denmark)
- Rurik A/S (Denmark)
- UAB Idavang (Lithuania)

The above-mentioned securities have been provided as collaterals for bank mortgages of DKK 531,674 thousand at 31 December 2023.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

21 Related parties

Group

Related party transactions

DKK'000	2023	2022
Group		
Dividend (income) received from Idavang A/S	0	0
Parent Company		
Management fee (income)	0	0
Dividend paid to shareholders	0	0

All transactions with related parties are carried out on an arm's length basis.

Information on the remuneration to management

Information on the remuneration to Management appears from note 4, "Staff costs".

Ownership

The following shareholders are registered in the Company's register of shareholders as holding minimum 5% of the share capital:

Related party	Domicile
Tofthøj Agro A/S	Denmark
Akset A/S	Denmark
Somerset Holding Limited	Cyprus

DKK'000	Group		Parent	
	2023	2022	2023	2022

22 Fee to the auditors appointed by the Company in general meeting

Statutory audit	835	810	2	0
Tax assistance	0	0	0	0
Assurance engagements	0	0	0	0
	<u>835</u>	<u>810</u>	<u>2</u>	<u>0</u>

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

23 Appropriation of profit

DKK'000	Parent company	
	2023	2022
Recommended appropriation of profit		
Retained earnings	-5	-1

DKK'000	Group	
	2023	2022
24 Adjustments		
Amortisation/depreciation and impairment losses	249,180	57,119
Provisions	-36,183	4,328
Financial income	-3,782	-25,708
Financial expenses	51,990	53,826
Tax for the year	32,208	19,915
Other adjustments	2,520	2,769
	295,933	112,249

25 Changes in working capital

Change in inventories	27,791	-7,660
Change in receivables	573	12,858
Change in trade and other payables	-5,259	17,506
Other changes in working capital	-57,447	-72,176
	-34,342	-49,472

26 Cash and cash equivalents at year-end

Cash Lithuania/Denmark	66,093	45,192
Cash Russia	64,319	28,890
	130,412	74,082

27 Other income

Delivery of pigs	3,741	3,373
Subsidies Lithuania	0	37,644
Subsidies Russia	1,632	1,666
Sale of slurry Lithuania	10,478	10,730
Misc.	1,889	2,951
	17,740	56,364

28 Post balance sheet events

Subsidiary Idavang A/S has in first weeks of January purchased nom. 15,9 mEUR bonds, average purchase price 92,2

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