



Jeka Fish A/S

Havnen 70
7620 Lemvig
CVR No. 76129010

Annual report 2023

The Annual General Meeting adopted the annual report on 26.06.2024

Halldór Arnarson
Chairman of the General Meeting

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Entity details

Entity

Jeka Fish A/S

Havnen 70

7620 Lemvig

Business Registration No.: 76129010

Registered office: Lemvig

Financial year: 01.01.2023 - 31.12.2023

Phone number: +45 97811700

Fax: +45 97811701

Board of Directors

Dennis Kim Willer, chairman

René Eghammer

Halldór Arnarson

Executive Board

Halldór Arnarson

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Jeka Fish A/S for the financial year 01.01.2023 - 31.12.2023.

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

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2023 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2023 - 31.12.2023.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Lemvig, 26.06.2024

Executive Board

Halldór Arnarson

Board of Directors

Dennis Kim Willer
chairman

René Eghammer

Halldór Arnarson

Independent auditor's report

To the shareholders of Jeka Fish A/S

Opinion

We have audited the consolidated financial statements and the parent financial statements of Jeka Fish A/S for the financial year 01.01.2023 - 31.12.2023, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2023 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2023 - 31.12.2023 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 consolidated financial statements and the parent financial statements" section of this auditor's 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.

Management's responsibilities for the consolidated financial statements and the parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent 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 consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent 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 consolidated financial statements and parent 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 consolidated financial statements and the parent 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 Entity'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 consolidated financial statements and the parent 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 Entity'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 consolidated financial statements and the parent 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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent 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.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the consolidated financial statements and the parent financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required by relevant law and regulations.

Based on the work we have performed, we conclude that the management commentary is in accordance with the consolidated financial statements and the parent financial statements and has been prepared in accordance with the requirements in the relevant law and regulations. We did not identify any material misstatement of the management commentary.

Copenhagen, 26.06.2024

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Claus Jorch Andersen

State Authorised Public Accountant
Identification No (MNE) mne33712

Management commentary

Financial highlights

	2023	2022	2021	2020	2019
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
Key figures					
Gross profit/loss	52,847	47,943	78,187	59,439	57,027
Operating profit/loss	5,647	(3,456)	28,247	15,261	12,968
Net financials	(4,880)	(6,206)	(7,227)	(5,026)	(5,592)
Profit/loss for the year	567	(7,589)	14,648	7,919	5,483
Profit for the year excl. minority interests	567	(7,589)	15,459	7,955	5,483
Balance sheet total	158,124	158,319	118,025	113,420	115,042
Investments in property, plant and equipment	5,209	5,276	23,596	5,645	4,098
Equity	10,852	9,671	18,503	19,290	13,135
Equity excl. minority interests	10,852	9,671	18,422	20,648	13,125
Ratios					
Return on equity (%)	5.53	(54.03)	79.13	47.11	52.78
Equity ratio (%)	6.86	6.11	15.61	18.20	11.41

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

Jeka Fish A/S have merged with its parent company Jeka Fish Holding ApS with effect from 1. January 2021. According to the accounting principles the merger has incorporated in the figures with effect from 1. January without adjusting the figures from prior years.

For the annual report of 2021 a consolidated financial statements has been prepared. There has been no adjustment to the figures from 2019 and back and therefore these figures only consists of the parent company Jeka Fish A/S.

Return on equity (%):

Profit/loss for the year * 100

Average equity

Equity ratio (%):

Equity excl. minority interests * 100

Balance sheet total

Primary activities

The Company's activity is to purchase, process and resell whitefish and shellfish. Production takes place at the Company's processing plant in Lemvig.

Development in activities and finances

As in 2022, operations in the first half of 2023 were under pressure due to challenging market conditions caused by significantly increased raw-material prices and inflation. Operations in the second half of 2023 improved much and the result for that period was satisfactory.

The Group income statement for 2023 show a profit after tax of 567 t.kr. against a loss of 7,588 t.kr. in previous year. Overall the result is not satisfactory. However it is positive that the Company has managed to realize a turnaround from the challenging operations in 2022 and the first half of 2023.

The result is approximately in accordance with the expectations expressed in the annual report for 2022. The Group balance at 31st December has decreased to 158,124 t.kr. against 158,319 t.kr. last year. The Group equity at 31st December amounts to 10,852 t.kr. against 9,671 t.kr. last year. Furthermore shareholder loans amounts to 27,169 t.kr.

Profit/loss for the year in relation to expected developments

The Income statement for 2023 of the parent company show a loss after tax of 440 t.kr. against a loss of 8,484 in previous year.

The equity at 31st December of the parent company amounts to 10,661 t.kr. against 10,486 t.kr. last year. The result is approximately in accordance with the expectations expressed in the annual report for 2022.

Outlook

The market conditions are still challenging due to the war in Ukraine, as Russia holds a significant share of the world quota for cod causing uncertainty about raw-material prices and availability. Cod quotas have been reduced in 2024, causing lower global supply.

Despite the current market conditions and based on the current available information the Company expects a positive result after tax for 2023 between 6,0 to 10,0 mio. DKK.

Use of financial instruments

Price risks

Cod accounts for over 80% of the Company's commodity base. The Company purchases commodities in a global commodity market subject to global competition. The activities of the Company may therefore be affected positively or negatively by the purchase of commodities as well as by the development in the commodity prices.

Liquidity risks

Jeka Fish has made an agreement on the operating finance for the calendar year 2024 with the Company's bank.

Currency risks

The Company's foreign currency transactions primarily related to purchase in USD, and sales in EUR and GBP. The Company hedges its currency risks on a current basis through forward exchange contracts.

Interest rate risks

It is the Company policy to hedge interest rate risks by concluding interest agreements.

Environmental performance

The Company's factory is subject to section 33 of the Danish Environmental Protection Act. The municipality of Lemvig is the regulatory authority. The Company holds level 1 rating based on the criteria that its compliance with laws is exemplary and that it uses medium resources within systematics and information. The Company buys its cod from longline fishing and therefore a sustainable fishing, Jeka Fish also used MSC fish and shellfish which also stands for sustainable fishing.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Consolidated income statement for 2023

	Notes	2023 DKK	2022 DKK
Gross profit/loss		52,846,643	47,942,660
Staff costs	1	(42,154,318)	(45,183,300)
Depreciation, amortisation and impairment losses		(5,016,594)	(6,176,481)
Other operating expenses		(28,697)	(38,413)
Operating profit/loss		5,647,034	(3,455,534)
Other financial income		1,190,185	0
Financial expenses from group enterprises		(1,029,614)	(622,078)
Other financial expenses		(5,040,378)	(5,583,453)
Profit/loss before tax		767,227	(9,661,065)
Tax on profit/loss for the year	2	(199,884)	2,072,353
Profit/loss for the year	3	567,343	(7,588,712)

Consolidated balance sheet at 31.12.2023

Assets

	Notes	2023 DKK	2022 DKK
Acquired trademarks		380,000	0
Goodwill		2,945,000	0
Intangible assets	4	3,325,000	0
Land and buildings		29,829,893	30,428,239
Plant and machinery		38,386,626	37,410,685
Other fixtures and fittings, tools and equipment		709,517	770,829
Property, plant and equipment	5	68,926,036	68,609,753
Deposits		1,600,000	1,600,000
Financial assets	6	1,600,000	1,600,000
Fixed assets		73,851,036	70,209,753
Raw materials and consumables		29,043,814	33,461,823
Work in progress		10,029,682	14,581,733
Manufactured goods and goods for resale		8,709,356	11,838,181
Inventories		47,782,852	59,881,737
Trade receivables		32,553,931	22,945,177
Deferred tax	7	0	679,000
Other receivables		3,151,419	3,201,975
Prepayments	8	784,169	1,401,683
Receivables		36,489,519	28,227,835
Cash		893	97
Current assets		84,273,264	88,109,669
Assets		158,124,300	158,319,422

Equity and liabilities

	Notes	2023 DKK	2022 DKK
Contributed capital		3,500,000	3,500,000
Reserve for fair value adjustments of hedging instruments		0	(614,340)
Retained earnings		7,352,473	6,785,130
Equity		10,852,473	9,670,790
Deferred tax	7	344,500	0
Provisions		344,500	0
Mortgage debt		499,536	1,235,265
Bank loans	11	0	10,586,240
Lease liabilities		7,414,312	9,237,838
Payables to group enterprises		17,685,574	15,652,531
Payables to owners and management		9,483,596	7,430,125
Holiday pay obligation		3,810,261	3,743,933
Deferred income	9	2,334,220	2,661,367
Non-current liabilities other than provisions	10	41,227,499	50,547,299
Current portion of non-current liabilities other than provisions	10	3,089,948	4,422,153
Bank loans	11	57,677,858	56,770,777
Trade payables		23,740,242	19,321,306
Other payables		21,191,780	17,587,097
Current liabilities other than provisions		105,699,828	98,101,333
Liabilities other than provisions		146,927,327	148,648,632
Equity and liabilities		158,124,300	158,319,422

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Consolidated statement of changes in equity for 2023

	Contributed capital DKK	Reserve for fair value adjustments of hedging instruments DKK	Retained earnings DKK	Total DKK
Equity beginning of year	3,500,000	(614,340)	6,785,130	9,670,790
Fair value adjustments of hedging instruments	0	787,615	0	787,615
Tax of entries on equity	0	(173,275)	0	(173,275)
Profit/loss for the year	0	0	567,343	567,343
Equity end of year	3,500,000	0	7,352,473	10,852,473

Consolidated cash flow statement for 2023

	Notes	2023 DKK	2022 DKK
Operating profit/loss		5,647,034	(3,455,534)
Amortisation, depreciation and impairment losses		5,016,594	6,176,481
Working capital changes	12	11,535,340	(31,930,858)
Other operating expenses		28,697	0
Cash flow from ordinary operating activities		22,227,665	(29,209,911)
Financial income received		1,190,185	0
Financial expenses paid		(6,069,992)	(6,205,531)
Taxes refunded/(paid)		823,616	(2,157,668)
Cash flows from operating activities		18,171,474	(37,573,110)
Acquisition etc. of intangible assets		(3,500,000)	0
Acquisition etc. of property, plant and equipment		(4,933,367)	(5,276,251)
Sale of property, plant and equipment		22,000	0
Acquisition of fixed asset investments		0	(1,600,000)
Cash flows from investing activities		(8,411,367)	(6,876,251)
Free cash flows generated from operations and investments before financing		9,760,107	(44,449,361)
Loans raised		0	8,054,000
Repayments of loans etc.		(4,166,666)	(3,521,996)
Incurrence of debt to group enterprises		2,033,043	1,695,426
Chance bankloans		(9,679,159)	38,183,675
Incurrence of debt to company participants and management		2,053,471	36,352
Cash flows from financing activities		(9,759,311)	44,447,457
Increase/decrease in cash and cash equivalents		796	(1,904)

Cash and cash equivalents beginning of year	97	2,001
Cash and cash equivalents end of year	893	97

Cash and cash equivalents at year-end are composed of:

Cash	893	97
Cash and cash equivalents end of year	893	97

Notes to consolidated financial statements

1 Staff costs

	2023	2022
	DKK	DKK
Wages and salaries	36,660,714	39,693,142
Pension costs	3,486,801	3,293,921
Other social security costs	1,147,156	1,289,888
Other staff costs	859,647	906,349
	42,154,318	45,183,300
Average number of full-time employees	91	100

	Remuneration of management 2023 DKK	Remuneration of management 2022 DKK
Total amount for management categories	2,129,251	1,906,588
	2,129,251	1,906,588

2 Tax on profit/loss for the year

	2023	2022
	DKK	DKK
Change in deferred tax	850,225	(3,929,110)
Adjustment concerning previous years	(21)	1,856,757
Refund in joint taxation arrangement	(650,320)	0
	199,884	(2,072,353)

3 Proposed distribution of profit/loss

	2023	2022
	DKK	DKK
Retained earnings	567,343	(7,588,712)
	567,343	(7,588,712)

4 Intangible assets

	Acquired trademarks DKK	Goodwill DKK
Additions	400,000	3,100,000
Cost end of year	400,000	3,100,000
Amortisation for the year	(20,000)	(155,000)
Amortisation and impairment losses end of year	(20,000)	(155,000)
Carrying amount end of year	380,000	2,945,000

5 Property, plant and equipment

	Land and buildings DKK	Plant and machinery DKK	Other fixtures and fittings, tools and equipment DKK
Cost beginning of year	47,586,236	97,436,768	2,062,150
Additions	129,316	4,851,620	227,637
Disposals	0	(54,571)	(275,560)
Cost end of year	47,715,552	102,233,817	2,014,227
Depreciation and impairment losses beginning of year	(17,157,997)	(60,026,083)	(1,291,321)
Depreciation for the year	(727,662)	(3,824,983)	(288,949)
Reversal regarding disposals	0	3,875	275,560
Depreciation and impairment losses end of year	(17,885,659)	(63,847,191)	(1,304,710)
Carrying amount end of year	29,829,893	38,386,626	709,517
Recognised assets not owned by Entity	0	12,263,250	0

6 Financial assets

	Deposits DKK
Cost beginning of year	1,600,000
Cost end of year	1,600,000
Carrying amount end of year	1,600,000

7 Deferred tax

	2023 DKK	2022 DKK
Intangible assets	447,000	409,000
Property, plant and equipment	(4,664,000)	(5,223,000)
Tax losses carried forward	3,872,500	5,493,000
Deferred tax	(344,500)	679,000

	2023	2022
	DKK	DKK
Changes during the year		
Beginning of year	679,000	(3,554,000)
Recognised in the income statement	(850,225)	3,929,110
Recognised directly in equity	(173,275)	303,890
End of year	(344,500)	679,000

	2023	2022
	DKK	DKK
Deferred tax has been recognised in the balance sheet as follows		
Deferred tax assets	0	679,000
Deferred tax liabilities	(344,500)	0
	(344,500)	679,000

8 Prepayments

Prepayments consists of prepaid interest, insurance and other expenses.

9 Deferred income

The company have received subsidies from Danish and EU Authorities. These subsidies and projects is an important part of the company and will be part of the company's balance sheet until depreciated in full.

10 Non-current liabilities other than provisions

	Due within 12	Due within 12	Due after	Outstanding
	months	months	more than 12	after 5 years
	2023	2022	2023	2023
	DKK	DKK	DKK	DKK
Mortgage debt	733,824	720,000	499,536	0
Bank loans	0	1,365,000	0	0
Lease liabilities	2,028,972	2,010,000	7,414,312	0
Payables to group enterprises	0	0	17,685,574	0
Payables to owners and management	0	0	9,483,596	0
Holiday pay obligation	0	0	3,810,261	3,810,261
Deferred income	327,152	327,153	2,334,220	877,385
	3,089,948	4,422,153	41,227,499	4,687,646

11 Bank loans

On 31.12.2023, the company has not complied with the covenants agreed with the company's bank connection. As a result of non-compliance with the company's loan terms per 31.12.2023, DKK 10,846k is presented as short term debt instead as a non-current liability. The company has complied with the covenants again in the beginning of 2024 and a new banking agreement for 2024 has been concluded. Of the DKK 10,846k only DKK 1,366k is due for payment in 2024.

12 Changes in working capital

	2023	2022
	DKK	DKK
Increase/decrease in inventories	12,098,884	(35,934,401)
Increase/decrease in receivables	(8,326,344)	(4,239,983)
Increase/decrease in trade payables etc.	7,762,800	8,243,526
	11,535,340	(31,930,858)

13 Derivative financial instruments

Other receivables contains fair value on forward exchange contracts with a carrying amount of DKK 293k. The company has signed forward exchange contracts to partially cover the exchange risk of trade payables in USD by USD 3,000k. (DKK 20,234k). The forward exchange contracts are due within 1-3 months. All forward exchange contracts are conducted with the company's bank.

14 Fair value information

	Hedging instruments DKK
Fair value end of year	292,593
Unrealised fair value adjustments recognised in the income statement	1,693,091
Unrealised fair value adjustments recognised in the fair value reserve in equity	(787,615)

15 Unrecognised rental and lease commitments

	2023	2022
	DKK	DKK
Total liabilities under rental or lease agreements until maturity	795,555	1,422,242

16 Assets charged and collateral

In Jeka Fish A/S debt to Realkredit Danmark A/S is secured by buildings with a carrying amount of DKK 23,798k at December 31, 2023.

In Jeka Fish A/S debt to Nykredit is secured by buildings (maximum DKK 17,100k) with a carrying amount of DKK 23,798k at December 31, 2023.

In Jeka Fish A/S debt to Nykredit is secured by way of general floating charges of DKK 15,000k corresponding to an asset value of DKK 80,337k at December 31, 2023.

In Jeka Fish A/S debt to Nykredit is secured by way of general floating charges of DKK 53,000k corresponding to an asset value of DKK 106,528k at December 31, 2023.

In Nordisk Krabbe Kompagni A/S debt to Nykredit is secured by way of general floating charges of DKK 5,000k corresponding to an asset value of DKK 1,348k at December 31, 2023.

17 Non-arm's length related party transactions

Only non-arm's length related party transactions are disclosed in the annual report. No such transactions were conducted during the financial year.

18 Subsidiaries

	Registered in	Corporate form	Ownership %	Equity DKK	Profit/loss DKK
Nordisk Krabbe Kompagni	Lemvig	A/S	100.00	3,381,641	1,006,914

Parent income statement for 2023

	Notes	2023 DKK	2022 DKK
Gross profit/loss		50,857,183	46,113,474
Staff costs	1	(42,154,318)	(45,205,201)
Depreciation, amortisation and impairment losses		(4,436,562)	(5,594,857)
Other operating expenses		(28,697)	(38,413)
Operating profit/loss		4,237,606	(4,724,997)
Other financial income	2	1,246,429	89,257
Financial expenses from group enterprises		(1,029,614)	(622,079)
Other financial expenses		(4,978,108)	(5,552,453)
Profit/loss before tax		(523,687)	(10,810,272)
Tax on profit/loss for the year	3	84,116	2,326,552
Profit/loss for the year	4	(439,571)	(8,483,720)

Parent balance sheet at 31.12.2023

Assets

	Notes	2023 DKK	2022 DKK
Acquired trademarks		380,000	0
Goodwill		2,945,000	0
Intangible assets	5	3,325,000	0
Land and buildings		23,798,310	23,994,901
Plant and machinery		37,038,780	35,785,528
Other fixtures and fittings, tools and equipment		709,517	770,829
Leasehold improvements		706,569	805,602
Property, plant and equipment	6	62,253,176	61,356,860
Investments in group enterprises		3,190,000	3,190,000
Deposits		1,600,000	1,600,000
Financial assets	7	4,790,000	4,790,000
Fixed assets		70,368,176	66,146,860
Raw materials and consumables		29,043,814	33,461,823
Work in progress		10,029,682	14,581,733
Manufactured goods and goods for resale		8,709,356	11,838,181
Inventories		47,782,852	59,881,737
Trade receivables		32,553,931	22,945,177
Receivables from group enterprises	8	2,678,181	4,435,428
Other receivables		3,147,999	3,201,975
Prepayments	9	784,169	1,401,683
Receivables		39,164,280	31,984,263
Cash		893	97
Current assets		86,948,025	91,866,097
Assets		157,316,201	158,012,957

Equity and liabilities

	Notes	2023 DKK	2022 DKK
Contributed capital		3,500,000	3,500,000
Reserve for fair value adjustments and hedging instruments		0	(614,340)
Retained earnings		7,160,832	7,600,403
Equity		10,660,832	10,486,063
Deferred tax	10	1,302,500	563,000
Provisions		1,302,500	563,000
Mortgage debt		499,536	1,235,265
Bank loans		0	10,586,240
Lease liabilities		7,414,312	9,237,838
Payables to group enterprises		17,685,575	15,652,532
Payables to owners and management		9,483,596	7,430,125
Holiday pay obligation		3,810,261	3,743,933
Deferred income	11	2,106,330	2,352,113
Non-current liabilities other than provisions	12	40,999,610	50,238,046
Current portion of non-current liabilities other than provisions	12	3,008,584	4,340,789
Bank loans	13	56,678,308	55,771,007
Trade payables		23,720,745	19,256,309
Other payables		20,945,622	17,357,743
Current liabilities other than provisions		104,353,259	96,725,848
Liabilities other than provisions		145,352,869	146,963,894
Equity and liabilities		157,316,201	158,012,957
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Parent statement of changes in equity for 2023

	Contributed capital DKK	Reserve for fair value adjustments of hedging instruments DKK	Retained earnings DKK	Total DKK
Equity beginning of year	3,500,000	(614,340)	7,600,403	10,486,063
Fair value adjustments of hedging instruments	0	787,615	0	787,615
Tax of entries on equity	0	(173,275)	0	(173,275)
Profit/loss for the year	0	0	(439,571)	(439,571)
Equity end of year	3,500,000	0	7,160,832	10,660,832

Notes to parent financial statements

1 Staff costs

	2023 DKK	2022 DKK
Wages and salaries	36,660,714	39,715,043
Pension costs	3,486,801	3,293,921
Other social security costs	1,147,156	1,289,888
Other staff costs	859,647	906,349
	42,154,318	45,205,201
Average number of full-time employees	91	100

	Remuneration of Manage- ment 2023 DKK	Remuneration of Manage- ment 2022 DKK
Total amount for management categories	2,129,251	1,906,588
	2,129,251	1,906,588

2 Other financial income

	2023 DKK	2022 DKK
Financial income from group enterprises	56,244	89,257
Exchange rate adjustments	1,190,185	0
	1,246,429	89,257

3 Tax on profit/loss for the year

	2023 DKK	2022 DKK
Change in deferred tax	566,225	(4,122,110)
Adjustment concerning previous years	(21)	1,795,558
Refund in joint taxation arrangement	(650,320)	0
	(84,116)	(2,326,552)

4 Proposed distribution of profit and loss

	2023 DKK	2022 DKK
Retained earnings	(439,571)	(8,483,720)
	(439,571)	(8,483,720)

5 Intangible assets

	Acquired trademarks DKK	Goodwill DKK
Additions	400,000	3,100,000
Cost end of year	400,000	3,100,000
Amortisation for the year	(20,000)	(155,000)
Amortisation and impairment losses end of year	(20,000)	(155,000)
Carrying amount end of year	380,000	2,945,000

6 Property, plant and equipment

	Land and buildings DKK	Plant and machinery DKK	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost beginning of year	38,955,371	94,145,082	2,062,150	999,058
Additions	129,316	4,851,620	227,637	0
Disposals	0	(54,571)	(275,560)	0
Cost end of year	39,084,687	98,942,131	2,014,227	999,058
Depreciation and impairment losses beginning of year	(14,960,470)	(58,359,554)	(1,291,321)	(193,456)
Depreciation for the year	(325,907)	(3,547,672)	(288,949)	(99,033)
Reversal regarding disposals	0	3,875	275,560	0
Depreciation and impairment losses end of year	(15,286,377)	(61,903,351)	(1,304,710)	(292,489)
Carrying amount end of year	23,798,310	37,038,780	709,517	706,569
Recognised assets not owned by entity	0	12,263,250	0	0

7 Financial assets

	Investments in group enterprises DKK	Deposits DKK
Cost beginning of year	3,190,000	1,600,000
Cost end of year	3,190,000	1,600,000
Carrying amount end of year	3,190,000	1,600,000

A specification of investments in subsidiaries is evident from the notes to the consolidated financial statements.

8 Receivables from group enterprises

The primary part of receivables with group enterprise is not expected to be settled within the next 12 months, of which DKK 500k relates to a deposit to Nordisk Krabbe Kompagni A/S.

9 Prepayments

Prepayments consists of prepaid interest, insurance and other expenses.

10 Deferred tax

	2023 DKK	2022 DKK
Intangible assets	(447,500)	(409,000)
Property, plant and equipment	4,581,500	5,013,000
Tax losses carried forward	(2,831,500)	(4,041,000)
Deferred tax	1,302,500	563,000

Changes during the year	2023 DKK	2022 DKK
Beginning of year	563,000	4,989,000
Recognised in the income statement	566,225	(4,122,110)
Recognised directly in equity	173,275	(303,890)
End of year	1,302,500	563,000

11 Deferred income

The company have received subsidies from Danish and EU Authorities. These subsidies and projects is an important part of the company and will be part of the company's balance sheet until depreciated in full.

12 Non-current liabilities other than provisions

	Due within 12 months 2023 DKK	Due within 12 months 2022 DKK	Due after more than 12 months 2023 DKK	Outstanding after 5 years 2023 DKK
Mortgage debt	733,824	720,000	499,536	0
Bank loans	0	1,365,000	0	0
Lease liabilities	2,028,972	2,010,000	7,414,312	0
Payables to group enterprises	0	0	17,685,575	0
Payables to owners and management	0	0	9,483,596	0
Holiday pay obligation	0	0	3,810,261	3,810,261
Deferred income	245,788	245,789	2,106,330	877,385
	3,008,584	4,340,789	40,999,610	4,687,646

13 Bank loans

On 31.12.2023, the company has not complied with the covenants agreed with the company's bank connection. As a result of non-compliance with the company's loan terms per 31.12.2023, DKK 10,846k is presented as short term debt instead as a non-current liability. The company has complied with the covenants again in the beginning of 2024 and a new banking agreement for 2024 has been concluded. Of the DKK 10,846k only DKK 1,366k is due for payment in 2024.

14 Derivative financial instruments

Other receivables contains fair value on forward exchange contracts with a carrying amount of DKK 293k. The company has signed forward exchange contracts to partially cover the exchange risk of trade payables in USD by USD 3,000k. (DKK 20,234k). The forward exchange contracts are due within 1-3 months. All forward exchange contracts are conducted with the company's bank.

15 Fair value information

	Hedging instruments DKK
Fair value end of year	292,593
Unrealised fair value adjustments recognised in the income statement	1,693,091
Unrealised fair value adjustments recognised in the fair value reserve in equity	(787,615)

16 Unrecognised rental and lease commitments

	2023 DKK	2022 DKK
Total liabilities under rental or lease agreements until maturity	1,803,748	2,342,242
Of this, liabilities under rental or lease agreements with group enterprises	1,008,193	930,000

17 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement in which Jysk Industri Holding A/S serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc. for the jointly taxed entities, and also for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

18 Assets charged and collateral

Debt to Realkredit Danmark A/S is secured by buildings with a carrying amount of DKK 23,798k at December 31, 2023.

Debt to Nykredit is secured by buildings (maximum DKK 17,100k) with a carrying amount of DKK 23,798k at December 31, 2023.

Debt to Nykredit is secured by way of general floating charges of DKK 15,000k corresponding to an asset value of DKK 80,337k at December 31, 2023.

Debt to Nykredit is secured by way of general floating charges of DKK 53,000k corresponding to an asset value of DKK 106,528k at December 31, 2023.

Collateral provided for group enterprises

The Entity has guaranteed the group enterprises' debt with Nykredit Bank. The guarantee is unlimited. Bank loans of group enterprises amount to DKK 1,000k.

19 Related parties with controlling interest

Jysk Industri Holding A/S, Bymose Park 6, 3200 Helsingør, Denmark owns all shares in the Entity, thus exercising control.

20 Non-arm's length related party transactions

Only non-arm's length related party transactions are disclosed in the annual report. No such transactions were conducted during the financial year.

Accounting policies

Reporting class

This annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

The accounting policies applied to this consolidated financial statements and parent financial statements are consistent with those applied last year besides the following:

A adjustment in presentation of the cash flow statement has been made. Last years cash flow regarding group enterprise and company participants and management has been presented as working capital. The presentation is corrected in the consolidated cash flow statement for both 2023 and 2022:

- Group enterprise with a spillover effect on DKK 1,695k.
- Company participants and management with a spillover effect on DKK 36k.

Changes in accounting estimates

In accordance with the Annual Accounts Act, management has reassessed the residual value and useful life of property, plant and equipment. The change in accounting estimate represents increases the year's profit by DKK 973k. The change has an effect on the year's tax of DKK 214k. The year's result after tax is increased by DKK 759k. The balance sheet total increases by DKK 973k, while the equity per 31.12.2023 is increased by DKK 759k.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Consolidated financial statements

The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence.

Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements. Minority interests' pro rata shares of the profit/loss and the net assets are disclosed as separate items in Management's proposal for the distribution of net profit/loss and equity, respectively.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the acquisition date, with net assets having been calculated at fair value.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses.

Derivative financial instruments

On initial recognition in the balance sheet, derivative financial instruments are measured at cost and subsequently at fair value, which has been calculated as the discounted value of expected future net cash flows by using an approximate risk-free interest rate adjusted for any factors that a potential market participant would attribute value to when acquiring the instrument. Derivative financial instruments are recognised in other receivables or other payables.

For derivative financial instruments that do not comply with the requirements for being treated as hedging instruments, changes in fair value are recognised currently in the income statement as financial income or financial expenses.

Public grants

Public grants are recognised when a final commitment has been received from the grantor and it is probable that the conditions of the grant will be fulfilled. Grants are recognised as income in the income statement as earned. Grants awarded for acquisition of assets are recognised as deferred income in the balance sheet, which is taken to income on a straight-line basis over the useful life of the asset.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, changes in inventories of finished goods and work in progress, other operating income, costs of raw materials and consumables and external expenses.

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities, including gains from the sale of property, plant and equipment

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for normal inventory writedowns.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Property costs

Property costs include costs incurred to operate the Entity's properties in the financial year, including repair and maintenance costs, property tax and electricity, water and heating, which are not charged directly from the lessee.

Staff costs

Staff costs comprise wages and salaries, and social security contributions, pension contributions, etc. for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment, amortisation and impairment losses for the financial year.

Other operating expenses

Other operating expenses comprise expenses of a secondary nature as viewed in relation to the Entity's primary activities, including losses from the sale of property, plant and equipment

Other financial income

Other financial income comprises interest income, interest income on receivables from group enterprises, payables and transactions in foreign currencies etc.

Financial expenses from group enterprises

Financial expenses from group enterprises comprise interest expenses etc. from payables to group enterprises.

Other financial expenses

Other financial expenses comprise interest expenses, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Parent is jointly taxed with all of its Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Goodwill

Goodwill is the positive difference between cost and fair value of assets and liabilities arising from acquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area.

Useful lives are reassessed annually. The amortisation periods used are 10 years.

Goodwill is written down to the lower of recoverable amount and carrying amount.

Intellectual property rights etc.

Intellectual property rights etc. comprise acquired trademarks

Intellectual property rights acquired are measured at cost less accumulated amortisation. Acquired trademarks is amortised straight-line over its estimated useful life.

Useful lives are reassessed annually. The amortisation periods used are 10 years.

Intellectual property rights etc. are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Land and buildings, plant and machinery, and other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation. For assets held under finance leases, cost is the lower of the asset's fair value and present value of future lease payments.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

	Useful life	Residual value
Buildings	20-35 years	0-52%
Plant and machinery	2-15 years	0-11%
Other fixtures and fittings, tools and equipment	2-5 years	0-12%
Leasehold improvements	5-15 years	0%

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises

Investments in group enterprises are measured at cost. Investments are written down to the lower of recoverable amount and carrying amount.

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs. Cost of manufactured goods and work in progress consists of costs of raw materials, consumables, direct labour costs and indirect production costs.

Indirect production costs comprise indirect materials and labour costs, costs of maintenance of, depreciation on machinery, factory buildings and equipment used in the manufacturing process, and costs of factory administration and management. Finance costs are not included in cost.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value, less writedowns for bad and doubtful debts.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Mortgage debt

At the time of borrowing, mortgage debt to mortgage credit institutions is measured at cost which corresponds to the proceeds received less transaction costs incurred. Mortgage debt is subsequently measured at amortised cost. This means that the difference between the proceeds at the time of borrowing and the nominal repayable amount of the loan is recognised in the income statement as a financial expense over the term of the loan applying the effective interest method.

Lease liabilities

Lease liabilities relating to assets held under finance leases are recognised in the balance sheet as liabilities other than provisions, and, at the time of inception of the lease, measured at the present value of future lease payments. Subsequent to initial recognition, lease liabilities are measured at amortised cost. The difference between present value and nominal amount of the lease payments is recognised in the income statement as a financial expense over the term of the leases.

Operating leases

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Deferred income

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.

Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities, and cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes, and financial income, financial expenses and income tax paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments, and purchase, development, improvement and sale, etc. of intangible assets and property, plant and equipment.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs, and the raising of loans, repayments of interest-bearing debt, including lease liabilities, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash.