

DANISH CONFECTIONERY
LAKRIDS BY BÜLOW



**WE MAKE THE WORLD LOVE LIQUORICE
ONE LIQUORICE AT A TIME**

LAKRIDS JB HOLDING APS ANNUAL REPORT 2023
SYDHOLMEN 5, DK-2650 HVIDOVRE

was presented and adopted at the Annual General Meeting of the Company on 18th June 2024
Tue Mantoni, Chairman of the General Meeting

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MANAGEMENT REVIEW

AT A GLANCE

LAKRIDS BY BÜLOW is an international premium confectionery brand

DKKk
319.3

2023 Revenue
▲ +1%

DKKk
58.6

2023 EBITDA
▲ +30%

18.4%

2023 EBITDA margin
▲ +4.2%-points

+657,000

Community members
end of 2023
▲ +29% from 510k

DKKk
25.4

2023 Adjusted EBIT
▲ +87%

8.0%

2023 Adjusted EBIT margin
▲ +3.7%-points

70%

International share
of revenue in 2023
▲ +2%-points

63%

Direct-to-consumer
share of sales in 2023
▲ +2%-points

171

Employees (FTE)
end of 2023

WE MAKE THE WORLD LOVE LIQUORICE





TUE MANTONI
CHAIRMAN

LETTER FROM THE CHAIRMAN OF THE BOARD

Following an extraordinary 2022 shaped by significant cost increases, driven by disturbances in the chocolate and liquorice supply chains, rising inflation and interest rates, we knew that 2023 would be a decisive year. As I am writing this letter, I look back at the year of 2023 with pride. Despite a soft consumer sentiment, especially in the Nordics, LAKRIDS BY BÜLOW managed to grow its sales in 2023, although at lower levels than seen historically. What is even more impressive was the company's strong execution with regards to strengthened profitability and cash flow generation throughout 2023, which enabled LAKRIDS BY BÜLOW to grow its profitability significantly.

In 2023, we continued to deliver on our ambitious mission to *make the world love liquorice*. As in 2022, Germany was the most important market in terms of sales growth during the year, growing by 16%. For the first time in LAKRIDS BY BÜLOW's history, Denmark was not the largest market for the company, as Germany claimed the first place with 33% of total sales, above Denmark that accounted for 30% of total sales. With four new own retail store openings during the year, Germany also became the market where we have the largest number of own retail stores: 10 in total. Also, the UK saw strong sales growth of 39% in the year, as we are establishing a bridgehead into the market. In the summer of 2023, our first own retail store in London, UK was opened, followed by two additional UK units established to date. The successes in Germany and UK demonstrates the vast international potential of our unique product offering.

2023 was also a year of realizing operational efficiencies. Several initiatives were taken to mitigate the sharp cost increases facing the premium confectionery industry since early 2022, including production equalization, procurement projects within freight and

warehousing, as well as net working capital optimization. Total realized cost savings amounted to over 11 million DKK in 2023. At the same time, the management team sees a strong potential for further gains in operational efficiency over the course of 2024.

Over the year, we continued to invest in the long-term growth of LAKRIDS BY BÜLOW. Seven new own retail stores were opened during the year, of which four in Germany, two in the UK and one in Sweden.

We will remember 2023 for many things – both positive and negative. In 2023, Germany became our largest market. Profitability and cash flow were a strong focus, with significant improvements in both areas as a result. We will also remember 2023 for the high level of engagement and commitment shown by our employees. Looking ahead towards the future, we are confident that the strength of our brand, product range, and the loyalty of our community will help us navigate the challenges and opportunities in 2024.

Tue Manton
Chairman

LETTER FROM THE CEO

SOLID FOUNDATION FOR FUTURE GROWTH

The main priorities of LAKRIDS BY BÜLOW in 2023 were to restore our bottom-line, secure sales growth and invest across the commercial channels enabling reacceleration. Despite geopolitical and macroeconomic challenges coupled with low consumer confidence throughout our key markets, we managed to grow sales by 3% in constant currencies and 1% year-over-year. EBITDA grew by 30% with more than 100% cash conversion, driven by strong focus on leaner processes, return-on-investment, and

cash flow. We opened seven new stores, more than ever before and we prepared to change our front-end interface of our own e-commerce platform (go-live May 2024).

The growth in 2023 was driven by our complementary direct-to-consumer channels, which jointly grew by 2.5% during the year. After a strong first half of the year with double-digit sales growth, we saw lower growth during the second half, mainly driven by softened consumer sentiment in the

DANISH CONFECTIONERY
LAKRIDS BY BÜLOW



FREDRIK NILSSON

CEO



Nordics. For the full year, the retail channel grew by 7,3%, with strong development in Germany and the UK. Sales from the e-commerce channel was 1% below 2022 as especially Norway and Finland faced weaker consumer sentiment. In 2023, the direct-to-consumer channels accounted for 63% of total revenue; higher than ever before, and in line with LAKRIDS BY BÜLOW's direct-to-consumer led channel strategy.

The Group's own retail and e-commerce channels are tightly integrated with synergetic effects. We firmly believe that the substantial share of direct-to-consumer sales offers a competitive edge, enabling us to build strong connections with our customers and engage them in our mission to make the world love liquorice. Hence, the record pace of opening seven new stores in 2023 is as much an investment in the brand in general as it is in retail.

B2B saw negative sales growth of 2% in 2023 as wholesale customers experienced lower overall footfall, however with healthy growth in Germany. Germany was the strongest performing market growing 16% and now the largest market, accounting for one third of the company's sales. The UK, US and UAE markets also demonstrated strong sales growth in 2023, with 39%, 32% and 29% growth respectively. The three markets jointly constituted approximately 10% of LAKRIDS BY BÜLOW's total sales in 2023.

Following a difficult 2022 with severe headwinds and a significant pressure on the company's financial performance, the key focus during 2023 was to restore bottom-line, generate growth and invest into the future. Although the sales growth in 2023 was below our historical growth rate, we are happy to see that we made significant progress in terms of profitability, with EBITDA growing by 30% in the year

and EBITDA margin improving significantly from 14.2% in 2022 to 18.4% in 2023. The margin improvement was achieved through a persistent focus on operational efficiency throughout the year, which resulted in significant realised savings in both fixed and variable costs. Our margin expansion was driven by our internal efficiency program "YOGA", which delivered savings of more than DKK 11 million. Fixed OPEX's share of sales decreased by 0,6%-points due to the scalability in the overhead organization. The Group delivered a profit after tax of DKK 2.1 million before fair value adjustments in financial items of DKK -31.6 million. This is DKK 16 million better than in 2022.

Navigating in 2023 was demanding, but I am very satisfied with the way all colleagues embraced the challenges and uncertainties. I will remember 2023 as a year of market headwinds, but also a year when Germany became our biggest market, and our customer community reached 650k members, and we invested more in our commercial set-up than ever before. I am sincerely impressed by these achievements and the dedication of all our colleagues, and I want to take this opportunity to say thank you to all of you.

Looking into 2024, we anticipate that consumer sentiment will strengthen gradually over the year, unless new macro-economic events take place. We are in any case confident that the strength of our brand, our product range, the loyalty of our community and our significant investments in physical and digital sales will continue to benefit us with continued profitable growth.

Fredrik Nilsson
CEO

FINANCIAL HIGHLIGHTS

Seen over a four-year period, the development of the group is described by the following financial highlights:

In thousands DKK (IFRS consolidated financial statements)	2023	2022	2021	2020
Income statement				
Revenue	319,288	317,027	293,054	256,386
Gross profit	252,461	249,638	227,379	192,791
EBITDA	58,611	45,013	63,887	55,742
Adjusted EBIT*	25,445	13,614	35,011	28,519
EBIT	22,693	3,412	21,836	28,519
Net financials	(51,882)	(728)	(20,271)	(29,010)
Profit/loss before tax	(29,189)	2,684	1,565	(491)
Profit/loss for the year	(29,540)	5,069	(1,946)	(2,761)
Statement of financial position				
Balance sheet total	624,001	602,251	599,403	590,557
Equity	289,848	319,749	316,313	318,163
Cash flows				
Cash flows from operating activities	60,319	(909)	48,666	57,009
Cash flows from investing activities	(13,855)	(18,972)	(21,824)	(19,234)
- Hereof cash flows from investment in PP&E	(10,407)	(14,940)	(16,773)	(14,810)
Cash flows from financing activities	(40,194)	5,431	(27,625)	(25,051)
Financial ratios (%)				
Gross margin	79.1%	78.7%	77.6%	75.2%
EBITDA margin	18.4%	14.2%	21.8%	21.7%
Adjusted EBIT margin*	8.0%	4.3%	11.9%	11.1%
EBIT margin	7.1%	1.1%	7.5%	11.1%

The financial ratios have been calculated in accordance with the recommendations of the Association of Danish Financial Analysts.

* Adjusted EBIT is defined as EBIT (earnings before interest and tax) adjusted to exclude special items.






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OUR BUSINESS

A MODERN TAKE ON PREMIUM CONFECTIONERY



LIQUORICE ROOTS

It takes the liquorice plant four to seven years to grow before its roots have matured enough to be harvested. Once the roots are harvested and dried they are turned into liquorice powder, which is what we use for our products. Liquorice roots can be up to 10 meters long.



LAKRIDS BY BÜLOW was founded on the Danish island of Bornholm in 2007 by Johan Bülow with a dream of making the best liquorice in the world.

LAKRIDS BY BÜLOW was founded in 2007 by Johan Bülow on the Danish island of Bornholm with a dream of elevating the Scandinavian favourite liquorice into a gourmet treat. Based on the vision of creating a unique confectionery product, Johan Bülow launched the first premium chocolate-coated liquorice in 2009.

This pioneering act created an entirely new product category, based on the unique combination of chocolate and liquorice. Today, LAKRIDS BY BÜLOW is a widely recognizable brand rooted in the Scandinavian food and design heritage, with chocolate-coated products making up approximately 95% of total revenue in 2023.



OUR PRODUCTS

LAKRIDS BY BÜLOW has a distinctive and differentiated product offering including both a Permanent Collection as well as Limited Editions.

THE PERMANENT COLLECTION



The Permanent Collection consists of classic products that define and preserve the essence of our brand and contributes to the long-term customer loyalty by providing customers with familiar products.

LIMITED EDITIONS



Seasonal Limited Editions comprise both new flavours and recurring favourites that capture consumer attention on a seasonal basis (e.g. Valentine's Day, Easter and Christmas).

Limited Editions strengthen the occasions to generate brand awareness and create excitement and anticipation among loyal customers. Selected Limited Editions are tested and developed together with our customer community prior to seasonal launches.

45%

2023 total revenue

55%

2023 total revenue



CHRISTMAS CALENDAR

We created our first Christmas calendar in 2011 and it rapidly became popular among our customers. Featuring a plethora of new flavours – and equipped with a QR code for customer feedback – it is an ideal product for building customer engagement. Our Christmas calendar is also an excellent marketing tool, and it has obtained coverage in prominent media around the world.

A LARGE & GROWING MARKET

LAKRIDS BY BÜLOW's unique products are positioned in the high end of the premium confectionery market. The global premium confectionery market value is estimated at DKK 162 billion with the European market accounting for approximately DKK 64 billion¹.

Our current focus markets are the Nordics, the DACH region (Germany, Austria and Switzerland) and the United Kingdom, and we estimate the market value of these markets to DKK 24 billion with an expected annual average growth rate of 5% until 2026².

With an estimated market share for LAKRIDS BY BÜLOW of approximately 1%² of the premium confectionery in our focus markets - ranging from around 8% in Denmark to less than 1% in Germany and the United Kingdom - there is plenty of room for LAKRIDS BY BÜLOW to grow. Both in our existing focus markets and, in the longer term, beyond our focus markets.

We believe that the premium confectionery market will benefit from several long-term trends such as increased focus on health and wellness, driving consumers towards quality over quantity; increasing appreciation for taste differentiations and craftsmanship; a growing interest in natural ingredients and products free of additives; as well as a growing popularity of premium confectionery as an authentic gift with an engaging story behind it.

Premium confectionery products are sold for both self-indulgence and gifting purposes. LAKRIDS BY BÜLOW is positioned in the sweet spot of the premium confectionery market with our sales being evenly split between the two purchase occasions.

FOCUS MARKETS



Global premium confectionery market
market size, DKK billion

162

LAKRIDS BY BÜLOW's focus markets²
market size, DKK billion

24

Expected annual growth rate until 2028
LAKRIDS BY BÜLOW's focus markets²

5%

¹ Source: Company information

² Excluding Austria and Switzerland



OUR RETAIL STORES

We aim to bring the Factory Experience into all our own retail stores, which as of 31 December 2023 were located in:

- **Denmark** (9)
- **Finland** (2)
- **Germany** (10)
- **Norway** (4)
- **Sweden** (4)
- **United Arab Emirates** (2)
- **UK** (2)

In 2023, own retail stores experienced significant growth and represented 29% of total revenue. We will continue to open new, profitable and brand-building own retail stores in both existing and new geographies.

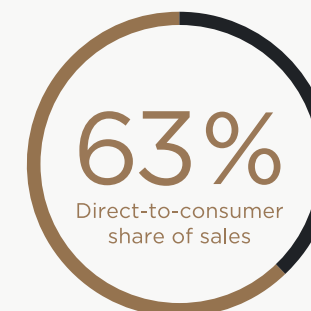
CUSTOMER ENGAGEMENT IS KEY TO SUCCESS

DIRECT-TO-CONSUMER

Customer engagement and a close dialogue with our customers are essential for our success. In order to enhance the brand experience and showcase the full LAKRIDS BY BÜLOW universe while building deep and engaging customer connections, our main focus is on our direct-to-consumer sales channels.

We have seen a significant increase in our e-commerce sales over the past few years. In 2023, e-commerce was our biggest direct-to-consumer channel, accounting for approximately 34% of our total revenue. In total, our two direct-to-consumer sales channels represented 63% of the total revenue in 2023.

Through our 33 retail stores, positioned in carefully selected locations, LAKRIDS BY BÜLOW is able to drive in-store purchases as well as act as brand beacons and venues for storytelling. Our physical stores are complemented by a rapidly growing e-commerce platform, allowing customers access to our full product range regardless of their physical location. In addition to our own web shops in six different languages that serve 36 markets across the world, LAKRIDS BY BÜLOW is also available on Amazon in the US and Germany. Our own retail stores accounted for approximately 29% of our total revenue in 2023.



BUSINESS-TO-BUSINESS

In addition to, and highly complementary to, our direct-to-consumer sales channels, we also sell our products through our business-to-business (B2B) channel, which comprises of approximately 2,000 carefully selected, high-quality third-party retailers across 36 countries, as well as blue-chip corporate customers.

The third-party retailers are often premium department stores and specialty stores. These accounted for approximately 30% of total revenue in 2023. Our corporate customers, ranging from small local companies to large multinational corporations typically use our products as gifts for their customers and employees. The corporate customers represented 7% of our total revenue in 2023. We believe that our strong brand equity is a significant driver for establishing partnerships with blue-chip corporate customers such as Mercedes-Benz, Bang & Olufsen and Emirates Airlines.



Number of third-party retailers (approx.)

2,000

Share of revenue through third-party retailers

30%

Share of revenue to corporate customers

7%



EMIRATES AIRLINES

Emirates Airlines has been a key corporate customer with LAKRIDS BY BÜLOW for seven years. We are proud to provide our branded products to first class passengers on their flights to over 120 destinations in 70 countries. This corresponds to approximately 36,000 jars per month and around 3 million pieces being served each year to first class passengers.

THE WORLD'S LARGEST TASTING PANEL

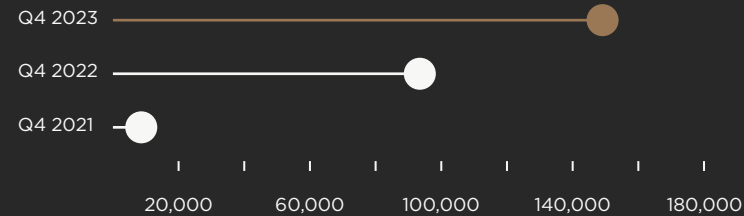
Our vision is to create the world's largest tasting panel through our community, driving customer engagement and loyalty. Over the past years, our customer community has seen remarkable growth, reaching 657,000 members by the end of 2023, compared to approximately 510,000 members by the end of 2022. The increase has largely been driven by a significant inflow of new members residing outside of Denmark, who now account for more than two thirds of all members.

The people in our community are treated to exclusive limited editions several times a year and are invited to competitions, factory tours, and other events. In return, the community members provide us with valuable feedback on taste, design, packaging and sometimes even recipe suggestions.

Our community demonstrates both a higher average repurchasing frequency and a higher average order value than the average customer. The community's share of our own e-commerce revenue in 2023 amounted to 74%.

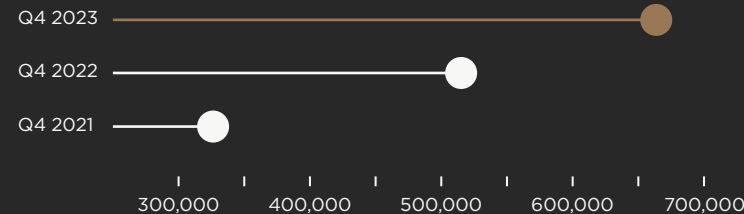
LAKRIDS LOVERS

Number of members



EMAIL SUBSCRIBERS

Number of members



Community's share of own e-commerce revenue
2023

74%

AMPLE ROOM TO GROW IN OUR CURRENT FACTORY SET-UP

All of our chocolate-coated and gourmet liquorice products are developed and produced in-house at our combined head-quarter and factory in Hvidovre, just outside of Copenhagen.

In our production factory of around 4,200 square meters, we manufactured approximately 4 million jars, corresponding to over 1,000 tons of premium confectionery in 2023. We use natural ingredients of the highest quality in our production.

The production process is mostly automated and thus highly scalable, but also includes elements of human touch, in line with our brand's core values of authenticity and craftsmanship.

We believe that we can double the production output within the current production set-up over the coming years, assuming a maintained production investment level compared to that of the recent years.



PROVEN STRATEGY FOR CONTINUED GROWTH

We have a strong track record of profitable revenue growth, and we are fully focused on continuing to deliver on this. We believe that our distinctive product offering, our growing international footprint along with the

ample room for increased consumer brand awareness underscore the significant runway for further growth for LAKRIDS BY BÜLOW. We will continue to execute on our proven strategy, based on three pillars.

1

Direct-to-consumer led growth

We aim to gradually increase our share of sales through our direct-to-consumer sales channels, driven by further scaling of our e-commerce platform and digital experience in combination with continuous expansion of our footprint of carefully selected own retail stores. The direct-to-consumer led growth does not only benefit the direct-to-consumer channel; the strong channel synergies result in increased brand awareness, traffic and credibility, which in turn benefit the business-to-business channel.

2

Further penetration of focus markets

With an estimated market share of approximately 1% of the premium confectionery market in our geographical focus markets¹, we see significant opportunities for further long-term growth. By driving a continuous increase in consumer brand awareness, we aim to capture the full potential in these markets, supported by the fact that we enjoy a strong conversion rate of at least 50% from awareness to purchase in most of our focus markets. Among our eight focus markets, Germany stands out with the strongest momentum in combination with the largest potential in terms of market size.

3

Deeper customer connections

We have a clear focus on deepening and further strengthening the connection with our consumers. Our large and fast-growing customer community allows us to establish a continuous dialogue with our customers, resulting in increased engagement levels, as well as valuable insights used in our product development and to increase marketing efficiency. We will continue to upgrade our community platform and see vast opportunities for growing engagement levels even further.

¹ Excluding Austria and Switzerland

BUSINESS REVIEW 2023

Revenue

In 2023, LAKRIDS BY BÜLOW recorded total revenue of DKK 319.3 million, up 1% from DKK 317.0 million in 2022 and 2% below the 2023 outlook of DKK 325-350 million due to a less strong Q4 than expected.

The increase was primarily driven by growth in direct-to-consumer sales.

Direct-to-consumer sales through LAKRIDS BY BÜLOW's own retail shops and e-commerce accounted for 63% of total revenue compared to 62% in 2022, while B2B accounted for the remaining 37% of

total revenue in 2023 vs. 38% in 2022.

Own retail shops revenue experienced strong growth and accounted for 29% of total revenue, while revenue through e-commerce accounted for 34% of total revenue.

Geographically, the international share of revenue increased to 70% of total revenue, up from 68% in 2022. LAKRIDS BY BÜLOW's products are sold in 36 countries.

Total revenue

DKK million

319.3

EBITDA

DKK million

58.6

▲ +30%

EBITDA margin

%

18.4%

▲ +4.2%-points

Adjusted EBIT

DKK million

25.4

▲ +87%

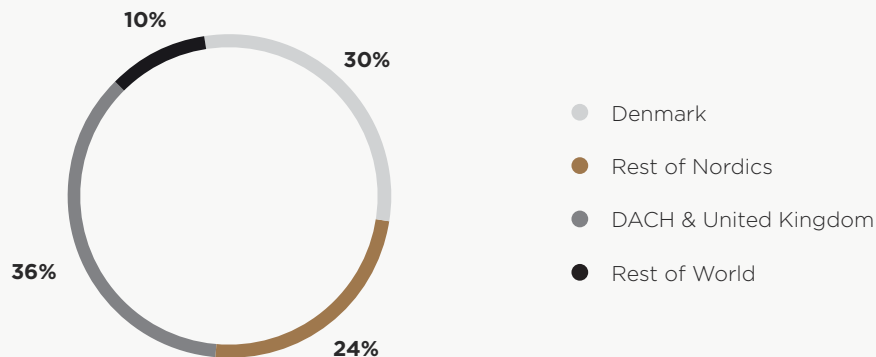
Adjusted EBIT margin

%

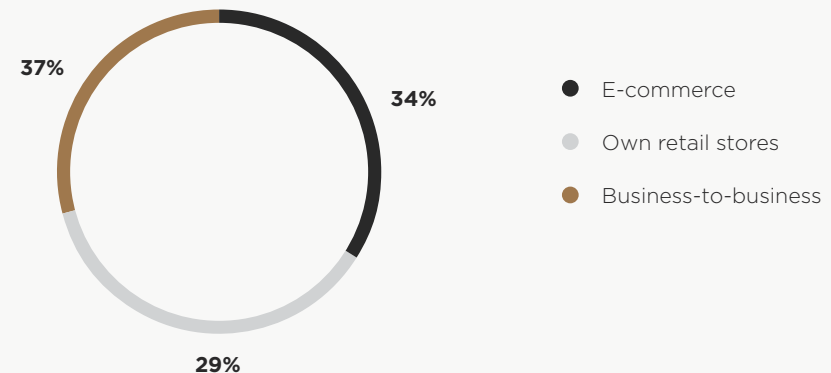
8.0%

▲ +3.7%-points

Geographical revenue split for 2023



Sales channel revenue split for 2023



BUSINESS REVIEW 2023 (continued)

Gross profit

Gross profit in 2023 was DKK 252.5 million, compared to DKK 249.6 million in 2022, corresponding to a gross margin of 79.1% in 2023 up from 78.7% in 2022. The gross margin expansion was driven by a continued shift to direct-to-consumer sales as well as an increasing share of international revenue.

EBITDA

EBITDA before special items was DKK 58.6 million, compared to DKK 45.0 million in 2022, an increase of 30% and corresponding to an EBITDA margin of 18.4% up from 14.2% in 2022. The EBITDA in 2023 was in the upper end of the EBITDA outlook for the year of 50-60 million.

Adjusted EBIT

Adjusted EBIT was DKK 25.4 million in 2023 compared to DKK 13.6 million in 2022, an increase of 87% and corresponding to an adjusted EBIT margin of 8.0% up from 4.3% in 2022.

Net result

Net result for the year 2023 was a loss of DKK 29.5 million compared to a profit of DKK 5.1 million in 2022. The Group delivered a profit after tax of DKK 2.1 million before fair value adjustments in financial items of DKK -31.6 million. This is DKK 16 million better than in 2022. Fair value adjustments in financial items is further explained in note 16 contingent liability and relates to a liability from the time of investment in the company by the majority owner, Valedo Partners Fund II AB.

Cash flow

Cash flow from operating activities in 2023 was positive DKK 60.3 million compared to negative DKK 0.9 million in 2022. The increase was primarily due to increase in operating profit as well as change in net working capital.

Capex

Capital expenditures amounted to DKK 12.8 million in 2023 compared to DKK 19 million in 2022. Capital expenditures for 2023 primarily comprised of new retail stores to support the growth strategy, strengthening our e-commerce platform and production site.

Financing

Borrowing is presented as short term on the balance sheet for 2023. The Group has refinanced the loans after the balance sheet date. A new bilateral loan agreement with Sydbank has been signed and closed in Q1 2024 and the Group's lender at the balance sheet date was repaid in Q1 2024.

OUTLOOK FOR 2024

Total revenue
DKK million

335-355

EBITDA
DKK million

60-70



ESG



BEING A B CORP MEANS LIVING
OUR VALUES AND INVESTING IN THE
WELLBEING OF THE PLANET AND PEOPLE

ENVIRONMENT, SOCIAL & GOVERNANCE

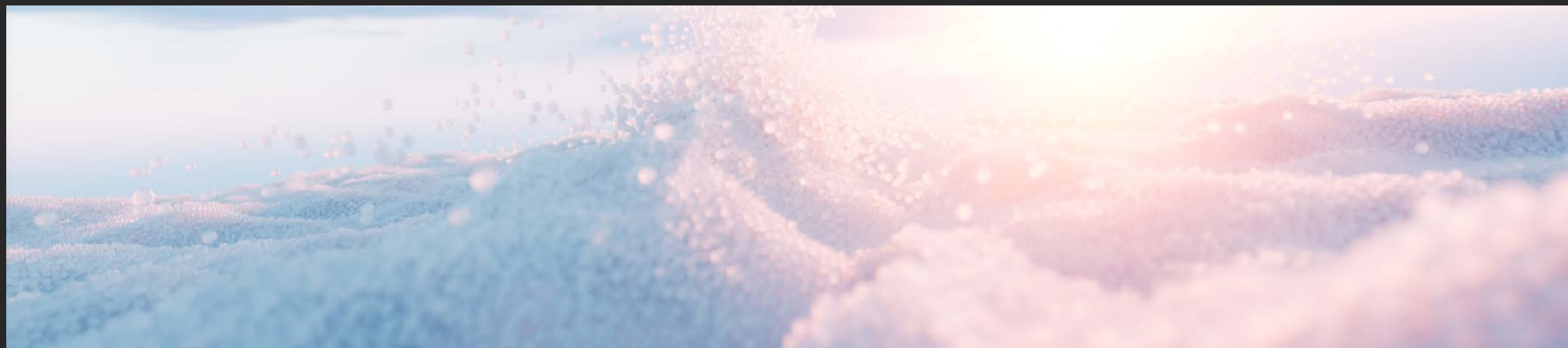


Since the beginning of our story in 2007, we have set the bar high, challenged the conventional and never accepted status quo. With a clear ambition to pioneer the concept of sustainable luxury within the premium confectionery market, environmental, social and governance (ESG) aspects constitute a core focus area for LAKRIDS BY BÜLOW.

In January 2024 we achieved B Corp certification, as the first Premium Confectionery company in the Nordics, marking a significant milestone in our commitment to social and environmental responsibility.

Certified B Corporations are companies verified by the non-profit organization B Lab to meet high standards of verified social and environmental performance, public transparency, and legal accountability to balance profit and purpose.

We have a continuous focus on driving sustainability initiatives across our entire value chain, from the sourcing of raw materials to the product packaging, as well as on energy consumption and the well-being of our employees.



ENVIRONMENT

We are strongly committed to reducing the environmental footprint of our supply chain, production and products. By investing in modern production equipment, improved production processes and addressing design for a circular economy, we have since 2016 managed to reduce water consumption and waste by 57% and 65% per kilogram produced, respectively. From 2022 to 2023 alone we reduced waste by 37% through initiatives such as SWIRL OF 2023 – a product launch crafted from upcycled chocolate leftovers from the general production.

Since 2020 100% of the power consumption at our factory is covered by Danish windmills through the purchase of green certificates.

Product packaging is another focused sustainability area, and since 2019 our plastic jars are made from 100% recycled and recyclable plastic (R-PET). All labels are made from 100% FSC (Forest Stewardship Council) certified paper.

In 2022 new glass jars – designed to be reused, was introduced for our organic product line SLOW CRAFTED and In 2023 we strengthened the concept further with the launch of refill bags contributing to minimising the material consumption.

Our organic sales has had an uplift of 373% since 2017. In 2023 7% of our sales came from our organic products.



REDUCING OUR CO₂ EMISSIONS



REDUCING WASTE FROM PRODUCTION



REDUCING WATER CONSUMPTION



100% OF THE POWER CONSUMPTION AT OUR FACTORY IS COVERED BY DANISH WINDMILLS



CONTINUOUS IMPROVEMENT AND REDUCTION OF MATERIAL CONSUMPTION IN PACKAGING



SOCIAL

As an integral part of our brand, we carefully select our suppliers to ensure products of the highest quality possible, produced with sustainable ingredients. For example, we buy the chocolate used to coat our liquorice products from the Cocoa Horizons sustainability program to ensure sustainable and ethically produced cocoa. Cocoa Horizons' chocolate producer Barry Callebaut's sustainability program focuses on improving the livelihoods of cocoa farmers through the promotion of sustainable farming.

Our primary focus remains on meeting and exceeding the expectations of our end consumers by consistently offering products of the highest standard. We are proud that our dedication to quality has been reflected in our customer satisfaction score, with a Net Promoter Score at 75, officially defined as an excellent score, reflecting the trust and loyalty of our consumers.

In addition, we are pleased that for the 4th year in a row we can report zero recalls of "potentially unsafe products withdrawn from

the market" in 2023 - a testament to our proactive approach to product safety.

The well-being and safety of LAKRIDS BY BÜLOW employees is also paramount to us. We believe it drives creativity, innovation, sound decision-making and ultimately stronger financial performance.

In 2023 we were able to report a total of one single work-related injury. We measure the well-being of our employees monthly, and by the end of 2023 we scored 29 in our ENPS - which is officially defined as a "good" result. 76% of employees answered "We have fun" at work, which is defined as one of our most important company values in *Our Way*.

We have a continuous focus on promoting a dynamic culture of diversity and equal opportunity for all, and we work based on the principle of minimum 40% representation of the underrepresented gender at all levels of management.

GOVERNANCE

LAKRIDS BY BÜLOW is committed to exercising good corporate governance at all times and the Board of Directors regularly assess the Corporate Governance Recommendations.

The company has a two-tier governance structure consisting of the Board of Directors and the Executive Management. The Executive Management undertakes the operational management of the company, whereas the Board of Directors determines the overall strategy and acts as a sparring partner to the Executive Management.

Risk management is an essential and natural part of the realization of our objectives and strategy. Consequently, risk management is seen as an integrated part of the daily activities and execution of the strategy, and we continuously develop risk management policies to manage and mitigate risks associated with the business and operations. The Board of Directors consists of five members, among which one Chairperson and one Vice Chairperson. Three of the members are regarded as independent. The Board of Directors represents broad international business experience and competencies considered to be relevant for LAKRIDS BY BÜLOW.

The Board of Directors meets 5-8 times a year and holds extraordinary meetings when required.

In 2023, five board meetings were held, including a strategy meeting. The Board of Directors has established an Audit committee and a Remuneration and Nomination committee. The purpose of the committees is to prepare decisions to be made by the Board of Directors. On an annual basis, the Board of Directors performs an evaluation of the efficiency, performance, achievements and competencies of the Board of Directors and of the individual members as well as the collaboration with the Executive Management. We have adopted a whistle-blower policy and a whistle-blower function in accordance with applicable regulation.



EXECUTIVE MANAGEMENT



FREDRIK NILSSON
CEO

Swedish, born 1980

With LAKRIDS BY BÜLOW
as CEO since 2017

Previous experience:
Nestlé Switzerland,
Nestlé Nespresso (Country
Manager Denmark)



NIKOLAJ ENEVOLDSEN
CFO

Danish, born 1979

With LAKRIDS BY BÜLOW
as CFO since 2023

Previous experience:
Maersk, Svitzer, Carlsberg,
Hempel



JOHAN BÜLOW
Creative director

Danish, born 1984

Founded LAKRIDS BY BÜLOW
in 2007

Previous experience:
Entrepreneur

BOARD OF DIRECTORS

TUE MANTONI

Chairperson

(Independent)

Danish, born 1975

Other positions:

Organic Crave (Chair),
Stine Goya (Chair),
Soundboks (Vice Chair),
Joe & The Juice (board member),
GUBI (board member)

Previous experience:

Bang & Olufsen (CEO),
Triumph Motorcycles (CEO),
McKinsey & Company

CHARLOTTE STRAND

Vice chairperson

(Independent)

Danish, born 1961

Other positions:

Evida (Chair), Per Aarsleff
(board member),
Faerch (board member),
Reventus Power
(board member),
Aibel (board member)

Previous experience:

Ørsted (SVP),
PostNord (board member),
Flügger (board member)

LOUISE CRUTTENDEN

(Independent)

British, born 1977

Other positions:

Real Handful Snacks
(board member),
Action4Youth
(board member)

Previous experience:

HUEL, Diageo,
Kimberly-Clark Corporation

JOHAN BÜLOW

Danish, born 1984

Other positions:

Founded LAKRIDS BY
BÜLOW in 2007

Previous experience:

Entrepreneur

PER FORSBERG

Swedish, born 1973

Other positions:

Partner at Valedo Partners,
Origio Group (board member),
Prosero Security (Chairman),
Twig Com (board member),
Pincho Nation (board member)

Previous experience:

EQT Partners

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4

FINANCIAL STATEMENTS

FINANCIAL STATEMENTS

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CONSOLIDATED INCOME STATEMENT

for the year ended 31 December 2023

DKK '000	Notes	2023	2022
Revenue	3	319,288	317,027
Changes in inventory of finished goods and work in progress		(1,313)	8,857
Raw materials and consumables used	4	(65,514)	(76,246)
Gross Profit		252,461	249,638
Employee wage & compensation	5	(98,295)	(100,678)
Other external expenses		(95,555)	(103,948)
Earnings before amortisation and depreciation and before special items (EBITDA)		58,611	45,013
Depreciation and amortisation	7	(33,166)	(31,399)
Operating profit before special items (EBIT)		25,445	13,614
Special items	6	(2,752)	(10,202)
Operating profit (EBIT)		22,693	3,412
Financial income	8	1,464	1,626
Financial costs	8	(21,746)	(21,327)
Fair value adjustments	16	(31,600)	18,973
Profit / (Loss) before tax		(29,189)	2,684
Income tax expense	9	(351)	2,385
Profit / (Loss) for the year		(29,540)	5,069

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2023

DKK '000	2023	2022
Profit / (Loss) for the year	(29,540)	5,069
Other comprehensive income		
<i>Items that may be reclassified to profit or loss</i>		
Exchange differences on translation of foreign operations	(394)	(1,696)
Other comprehensive income for the year, net of tax	(394)	(1,696)
Total comprehensive income for the year	(29,934)	3,373

CONSOLIDATED BALANCE SHEET

as at 31 December 2023

DKK '000	Notes	2023	2022
Assets			
Non-current assets			
Intangible assets	10	415,661	415,748
Property, plant and equipment	11	45,875	49,435
Right-of-use assets	12	60,548	36,943
Other non-current assets		4,946	3,902
Deferred tax assets	13	7,410	5,378
Total non-current assets		534,440	511,406
Current assets			
Inventories	14	36,370	44,645
Trade receivables	17	25,142	25,071
Other receivables		68	220
Current tax assets		-	-
Prepayments		4,300	3,498
Cash and cash equivalents		23,681	17,411
Total current assets		89,561	90,846
Total assets		624,001	602,251

DKK '000	Notes	2023	2022
Equity			
Share capital	19	7,516	7,516
Share premium		354,596	354,596
Foreign currency translation reserve		(1,709)	(1,315)
Retained earnings		(70,555)	(41,048)
Total equity		289,848	319,749
Liabilities			
Non-current liabilities			
Borrowings	15	-	145,044
Lease liabilities	12	42,004	23,172
Provisions	21	2,878	2,878
Other payables		3,521	3,388
Total non-current liabilities		48,403	174,482
Current liabilities			
Borrowings and bank overdrafts	15	148,441	23,072
Trade payables		37,280	31,531
Lease liabilities	12	20,881	16,061
Current tax liabilities		3,897	58
Shareholder loans	15	14,051	12,679
Contingent consideration liability	16	35,400	3,800
Other payables		25,800	20,819
Total current liabilities		285,750	108,020
Total liabilities		334,153	282,502
Total equity and liabilities		624,001	602,251

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2023

DKK '000	Share capital	Share premium	Foreign currency translation reserve	Retained earnings	Total equity
Equity at 1 January 2023	7,516	354,596	(1,315)	(41,048)	319,749
Profit / (Loss) for the year	-	-	-	(29,540)	(29,540)
Other comprehensive income for the year	-	-	(394)	-	(394)
Total comprehensive income for the year	-	-	(394)	(29,540)	(29,934)
Sale of Warrants	-	-	-	33	33
Total transaction with owners	-	-	-	33	33
Equity at 31 December 2023	7,516	354,596	(1,709)	(70,555)	289,848
Equity at 1 January 2022	7,516	354,596	381	(46,180)	316,313
Profit / (Loss) for the year	-	-	-	5,069	5,069
Other comprehensive income for the year	-	-	(1,696)	-	(1,696)
Total comprehensive income for the year	-	-	(1,696)	(5,069)	3,373
Sale of Warrants	-	-	-	63	63
Total transaction with owners	-	-	-	63	63
Equity at 31 December 2022	7,516	354,596	(1,315)	(41,048)	319,749

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 December 2023

DKK '000	Notes	2023	2022
Operating profit		22,693	3,412
Adjustments for non-cash items, etc.			
- Depreciation and amortisation		33,166	31,399
Interest received		1,464	1,626
Interests paid		(14,975)	(10,453)
Income tax paid		(446)	(3,243)
Cash flow from operating activities before working capital changes		41,902	22,741
Change in working capital		18,417	(23,650)
Cash flow from operating activities		60,319	(909)
Purchase of intangible assets		(2,404)	(3,526)
Purchase of property, plant and equipment		(10,407)	(14,940)
Proceeds from sales of property, plant and equipment		-	-
Payments of rent deposits		(1,044)	(506)
Cash flow from investing activities		(13,855)	(18,972)
Principal elements of lease payments		(18,705)	(16,187)
Change in borrowings		(21,522)	21,555
Repayment of loan from shareholders		-	-
Sale of warrants		33	63
Cash flow from financing activities		(40,194)	5,431
Cash flow for the year		6,270	(14,450)
Cash and cash equivalents, beginning of the year		17,411	31,861
Cash and cash equivalents at end of the year		23,681	17,411

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Lakrids JB Holding ApS is a limited liability company incorporated in Denmark. The principal activities through its subsidiaries (the Group) are to develop, manufacture and sell liquorice and products with liquorice flavor.

The consolidated financial statements of Lakrids JB Holding ApS and its subsidiaries ('the group') for the year ended 31 December 2023 were authorised for issue in accordance with a resolution of the Board of directors and Executive Management on 3rd June 2024.

The Group has changed its presentation of special items. Special items are presented before EBIT in the income statement.

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The consolidated financial statements are for the group consisting of Lakrids JB Holding ApS and its subsidiaries.

Basis of preparation

The consolidated financial statements of the group have been prepared in accordance with IFRS Accounting Standards as adopted by the EU as well as additional the Danish disclosure requirements applying to entities of reporting class C for medium enterprises.

The financial statements have been prepared on a historical cost basis, except for contingent consideration liabilities which are measured at fair value.

The consolidated financial statements are presented in Danish Kroner (DKK), as this is the parent company's functional currency. The financial statements have been rounded to the nearest thousand, except when other-

wise stated.

New standards and interpretations not yet adopted

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for 31 December 2023 reporting periods and have not been early adopted by the group. Lakrids JB Holding ApS expects to adopt these standards, amendments and interpretations when they become mandatory.

There are no standards that are not yet effective that would be expected to have a material impact on Lakrids JB Holding ApS in the current or future reporting periods and on foreseeable future transactions.

Principles of consolidation Subsidiaries

The consolidated financial statements include the parent company and its subsidiaries. Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. This is generally established through holding of the majority of voting rights. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the group.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised

losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and balance sheet respectively.

Segment reporting

The group is operated as a single entity without any internal reporting structure below consolidated level. Consequently, no segment reporting is provided.

Foreign currency translation

Functional and presentation currency
Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are generally recognised in profit or loss. They are deferred in equity if they form part of the net investment in a foreign operation.

Group companies

The results and financial position of foreign operations that have a functional currency different from the presentation currency (DKK) are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet
- income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive income

On consolidation, exchange differences arising from the translation of any net investment in foreign entities are recognised in other comprehensive income. When a foreign operation is sold the cumulative exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Revenue recognition

The group's income is generated mainly by the sale of liquorice and products with liquorice flavor. Revenue is recognised when control is transferred to the customer, generally being at the point in time of delivery. Revenue is recognised at the transaction price being the gross consideration less any discounts and amounts collected on behalf of third parties.

A substantial part of the sales transactions comprises transportation by a third party. In most transactions, the group has responsibility vs. the customer for the transportation service. Consequently, freight is considered a separate performance obligation resulting in freight income included in revenue and freight expenses classified as expenses. Local tax authorities impose multiple taxes, duties and fees. These include excise duties

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

on sale or manufacturing of products comprising sugar and/or alcohol. Management has applied judgment when determining whether such taxes are amounts collected on behalf of the tax authorities or a production tax. The taxes are considered a production tax as they become payable when goods leave the production site or a bonded warehouse and are based on an per item value rather than the sales value. Further, the obligation to pay is independent of whether the receivable from the customer can be collected, and there is no explicit obligation to pass on any changes in the taxes to the customers. Consequently, these taxes are included in the line-item raw materials and consumables used.

Other operating income

Other operating income comprise items of a secondary nature to the main activities of the group. They mainly comprise of granted rent concessions. Further, gains on the sale of intangible assets and property, plant and equipment are classified as other operating income.

Changes in inventories of finished goods and work in progress

Comprises the change in the carrying amount of finished goods for the year.

Raw materials and consumables used

Expenses for raw materials and consumables comprise the raw materials and consumables consumed for the year.

Employee benefits

Employee benefits comprise wages and salaries as well as payroll related expenses. Wage compensation has been set-off in employee benefits.

Other external expenses

Other expenses comprise of various operating expense such as manufacturing overheads, premise costs etc, various administrative costs.

Special items

Material items of a non-recurring nature are presented as Special items to distinguish them from items which relate to the Group's ordinary operations or investment in future activities.

Depreciation and amortisation

Depreciation and amortisation comprise amortisation, depreciation and impairment of intangible assets, property plant and equipment and right of use assets.

Financial income and expenses

Net financials include interest income and expenses as well as interest calculated using the effective interest rate method, foreign currency gains and losses, interest on lease liabilities, fair value changes related to contingent consideration liabilities.

Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income, based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations

in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and tax loss carry-forwards.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it

relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Property, plant and equipment

Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciations are calculated using the straight-line method, net of their residual values over their estimated useful lives, as follows:

Leasehold improvements	2 - 10 years
Furniture, fittings and equipment	3 - 10 years
Assets under constructions	None

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss as other operating income/expenses.

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. The leases of the group consist mainly of property rentals.

Contracts may contain both lease and non-lease components. The group has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- payments in optional lease periods if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be determined, or the group's incremental borrowing rate, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

For leases based on an index or rate, the change is included in the lease liability when they take effect. The amount of remeasurement of the lease liability is adjusted against the right of use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Lease liabilities are subsequently measured by increasing the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

The lease term comprises the minimum lease term with addition of optional lease periods which are considered reasonably certain to be exercised.

Payments associated with short-term leases and leases of low value assets are recognised on a straight-line basis as an expense in profit or loss under the line-item Other operating expenses. Short-term leases are leases with a lease term of 12 months or less.

Rent concessions are treated as lease modi-

fications.

Intangible assets

Goodwill

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for any previous interest held over the identifiable assets acquired and liabilities assumed.

Goodwill is not amortised but is tested for impairment annually, or more frequently, if events or changes in circumstances indicate that it might be impaired. Goodwill is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relation to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash generating units or groups of cash-generating units that are expected to benefit from the business combination in which goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, however not higher than an operating segment. The Group is considered one operating segment and consequently, goodwill is tested for impairment at Group level.

Completed development projects

Intangible assets include in progress and completed development projects.

They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses. Development costs that are directly attributable to the design and testing of identifiable and unique IT projects controlled by the

group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the projects include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the software is ready for use.

Costs associated with maintaining IT-platforms are recognised as an expense as incurred.

Amortisation methods and useful lives

The group amortises intangible assets with a finite useful life using the straight-line method over the following periods:

Completed development projects 5-10 years

Other non-current assets

Other non-current assets consist of rent deposits.

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of assets

Goodwill and development projects in progress are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-current assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials, and cost of raw materials, consumables and direct labour and those overheads that have incurred in bringing the present location and condition. These costs are assigned on the basis of first-in-first-out (FIFO) method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

Trade receivables

Trade receivables are recognised initially at the transaction price and subsequently measured at the transaction price less loss allowance.

The group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost.

The group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

See note 17 for a description of the group's impairment policies for trade receivables.

Prepayments

Prepayments recognised as an asset comprise prepaid expenses regarding subsequent financial reporting years.

Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances.

Equity

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Share premium

Premium on issue of ordinary shares are recognised as share premium.

Foreign currency translation reserve

Exchange differences arising on translation of the foreign controlled entity are recognised in other comprehensive income and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed.

Liabilities

Financial liabilities

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Contingent consideration liabilities arising from business combinations are measured at fair value on each balance sheet date. The amount of remeasurement to fair value is included in financial items.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

Provisions

Provisions are recognised when the group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. Provisions are not recognised for future operating losses. Provisions comprise of refurbishment obligations and are measured at the present value of management's best estimate of the

expenditure required to settle the present obligation at the end of the reporting period.

Trade payables

These amounts represent liabilities for goods and services provided to the group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Statement of cash flows

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

Cash flows from operating activities are calculated as the net profit/loss for the year adjusted for changes in working capital and non-cash operating items such as share-based payment expenses, depreciation, amortisation and impairment losses. Working capital comprises current assets less short-term debt, excluding items included in cash and cash equivalents.

Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, property, plant and equipment as well as fixed asset investments.

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt and principal element on lease payments as well as payments to and from shareholders.

Key figures

The financial ratios have been calculated in accordance with the recommendations of the Association of Danish Financial Analysts.

Note 2 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the group's accounting policies. Further, when applying accounting policies, Management exercises judgement within certain areas.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be wrong. Detailed information about each of these estimates and judgements is included in other notes together with information about the basis of calculation for each affected line item in the financial statements. In addition, this note also explains where there have been actual adjustments this year as a result of an error and of changes to previous estimates.

Accounting estimates

Impairment tests for goodwill

As disclosed in note 10, the recoverability of the carrying amount of goodwill, DKK 405 million, has been assessed based on an earnings multiple. Determining fair value of a DCF model. The DCF model is based on a 5-year forecast and the 2024 budget as approved by management and the Board of Directors.

Recognition of deferred tax assets

The deferred tax assets include an amount of 10.3 MDKK which relates to carried-forward tax losses of 46.8 MDKK. The group has concluded that the deferred assets will be recoverable using the estimated future taxable income based on the approved business plans and budgets. The losses can be carried forward indefinitely and have no expiry date.

Contingent consideration liability

The group has a liability to pay 50 MDKK + a fixed annual increment of 3 MDKK to the former controlling shareholder if upon an exit, the controlling shareholder achieves a certain minimum return. Fair value measurement of the liability is associated with significant estimation uncertainty. The most critical assumptions are the current equity value, the expected term and the share price volatility. Refer to note 16 for further information.

Judgements

Determining the lease term

The group has a number of "Evergreen" property leases where the lessor does not have the practical ability to terminate the lease. The assessment of the determined lease term is based on extension- and termination options exercised in the past as well as unexpected events. If the lease is not terminated upon expiry of the initial lease term as determined by Management, the lease term is reassessed. Refer to note 12 for further information.

Note 3 REVENUE

DKK '000	2023	2022
The group's revenue can be attributed to the following sales channels:		
E-commerce	108,229	109,604
Own retail	92,250	86,012
Business-to-business	118,809	121,411
	319,288	317,027

The group's revenue can be attributed to the following countries based on the location of the customer:

DKK '000	2023	2022
Denmark	95,804	101,473
Rest of Nordics	75,445	89,076
DACH & UK	115,996	96,678
Rest of world	32,043	29,800
	319,288	317,027

The DACH region refers to the three Central European countries of Germany (D), Austria (A), and Switzerland (CH).

Note 4 RAW MATERIALS AND CONSUMABLES USED

DKK '000	2023	2022
Sugar tax	7,983	8,771
Raw materials and packaging	49,567	56,228
Other production costs	7,964	11,246
	65,514	76,246

Note 5 EMPLOYEE BENEFITS

DKK '000	2023	2022
Wages and salaries	88,955	85,709
Defined contribution plans	2,859	1,823
Other social security costs	1,975	1,729
Other staff costs	4,506	11,417
	98,295	100,678
Employee benefits segmentation		
Production	18,450	22,977
Sales and marketing	58,100	55,045
Administration	21,745	22,656
	98,295	100,678
Average number of employees	171	178

Key management personnel compensation
Key management personnel consist of the Executive Board, the Board of Directors and

Other key management. The compensation paid or payables to key management personnel for employee services is shown below:

DKK '000	Other Key management	Executive Management	Board of Directors
2023			
Short term benefits	5,924	5,376	-
Defined contribution plans	117	28	-
Board compensation	-	-	1,250
Total	6,041	5,404	1,250
2022			
Short term benefits	4,745	5,159	-
Defined contribution plans	-	-	-
Board compensation	-	-	2,075
Total	4,745	5,159	2,075

Total remuneration to registered Executive Management and the Board of Directors in Lakrids JB Holding ApS is shown below:

DKK '000	2023	2022
Executive Management	5,404	5,159
Board of Directors	1,250	2,075
	6,654	7,234

Management options

In December 2023, shareholders of the parent company granted 66,000 options over shares in the parent company to the certain members of the Board of Directors and Executive Management at a consideration of 0.84 DKK per option. The Board member received 33,000 options and executive management received 33,000 options. One option entitles the holders to acquire one B-share of the parent company at an exercise price of 0.01 DKK.

The options are exercisable only upon an exit event resulting in an equity value of at least 750 MDKK and subject to continued employment. The options expire on 31 December 2026.

The consideration paid is equal to fair value at grant date, and consequently, no expense has been recognised.

Fair value has been determined based on a black scholes option pricing model taking into account the preference value attributable to A-shares disclosed in note 19.

The main assumptions applied are:

Equity value	181 MDKK
Expected share price volatility	47%
Expected term:	
Probability weighted between	1.1 – 3.6 years

Warrant program

Seven key employees have been granted 24,250 warrants over shares in the parent company for a consideration of 1,372 DKK per warrant. One warrant entitles the holders to subscribe one B-share of the parent company at an exercise price of 1.00 DKK.

The options are exercisable only upon an exit event resulting in an equity value of at least 550 MDKK and subject to continued employment. The options expire on 31 December 2026.

The consideration paid is equal to fair value at grant date, and consequently, no expense has been recognised.

Fair value has been determined based on a black scholes option pricing model taking into account the preference value attributable to A-shares disclosed in note 19. The main assumptions applied are:

Equity value	181 MDKK
Expected share price volatility	47%
Expected term:	
Probability weighted between	1.1 – 3.6 years

Note 6 OTHER EXTERNAL EXPENSES

In 2023, Special items include restructuring costs of DKK 2,752 thousand as the Group carried out a restructuring project as part of the focus on cost and efficiency. Hereof DKK 2.575 thousand relates to other personnel costs.

In 2022, special items include non-recurring transaction costs of DKK 10,202 thousand. The non-recurring transaction costs relate to professional and legal fees associated with corporate financing activities.

Adjusted underlying EBIT (non-IFRS)

Adjusted EBIT is defined as EBIT (earnings before interest and tax) adjusted to exclude these special items.

Management believes that this adjusted measure of performance should be separately disclosed to understand the underlying operating of the group.

DKK '000	2023	2022
Operating profit (EBIT)	22,693	3,412
Special items	2,752	10,202
Adjusted EBIT (non-IFRS)	25,445	13,614

Note 7 DEPRECIATION, AMORTISATION AND IMPAIRMENT

DKK '000	2023	2022
Depreciation of property, plant and equipment	12,152	12,146
Depreciation of right-of-use assets	18,770	16,728
Amortisation of intangible assets	2,491	1,924
Loss on disposals	(247)	601
	33,166	31,399

Note 8 FINANCIAL INCOME AND EXPENSES

DKK '000	2023	2022
Financial income		
Interest income	1,406	42
Foreign exchange rate gains	58	1,584
Total financial income	1,464	1,626
Financial expenses		
Interest expense borrowings	19,084	19,064
Interest expense on lease liabilities	1,628	1,380
Foreign exchange rate losses	1,034	883
Total financial expenses	21,746	21,327

Note 9 INCOME TAX EXPENSE

DKK '000	2023	2022
Current tax		
Current tax on profits for the year	2,782	539
Adjustments for current tax of prior periods	(399)	1,003
Deferred income tax	(2,032)	(2,485)
Adjustment of deferred tax of prior periods	-	(1,442)
Income tax expense	351	(2,385)

Reconcillation of effective tax rate

DKK '000	2023	2022
Calculated 22% (2022: 22%) tax on income for the period before income tax	(6,422)	591
Less tax in foreign group entities compared with 22% rate (2022: 22%)	208	143
<i>Tax effects of amounts which are not deductible (taxable) in calculating taxable income:</i>		
Fair value adjustments of contingent consideration liability	6,952	(4,174)
Non-deductible expenses	12	1,958
Adjustments for current tax of prior periods	(399)	(439)
Changes in unrecognised deferred tax assets	-	(464)
Income tax expense	351	(2,385)

Note 10 INTANGIBLE ASSETS

DKK '000	Goodwill	Completed development projects	Development projects in progress	Total
<i>Cost</i>				
At 1 January 2023	404,844	13,005	4,304	422,153
Additions	-	2,404		2,404
Transfers		2,189	(2,189)	-
Disposals	-	-	-	-
At 31 December 2023	404,844	17,598	2,115	424,557
<i>Accumulated amortisation and impairment</i>				
At 1 January 2023	-	6,405	-	6,405
Amortisation charge	-	2,491	-	2,491
Impairment	-	-	-	-
At 31 December 2023	-	8,896	-	8,896
Carrying amount 31 December 2023	404,844	8,702	2,115	415,661
<i>Cost</i>				
At 1 January 2022	404,844	11,116	3,087	419,047
Transfers from property plant and equipment	-	1,551	(1,965)	(414)
Additions	-	338	3,188	3,526
Transfers	-	-	-	-
Disposals	-	-	(6)	(6)
At 31 December 2022	404,844	13,005	4,304	422,153
<i>Accumulated amortisation and impairment</i>				
At 1 January 2022	-	4,481	-	4,481
Amortisation charge	-	1,924	-	1,924
Impairment	-	-	-	-
At 31 December 2022	-	6,405	-	6,405
Carrying amount 31 December 2022	404,844	6,600	4,304	415,748

Development projects

Development projects comprises the cost directly related to the further development of ERP applications, reporting tools and web-shop. The group estimates the remaining useful life of the development projects to be 5-10 years.

Assumptions for impairment tests for goodwill

The Group is operated as a single entity, and consequently only one operating segment has been identified and consequently, goodwill is not allocated for impairment testing purposes.

Management has performed an impairment test for goodwill as of 31 December 2022 and 31 December 2023 respectively. The group comprises one operating segment and goodwill is not monitored for internal management purposes at any lower level. Consequently, goodwill is attributed to the Group as a whole. The carrying amount of goodwill is DKK 405 million at each balance sheet date.

Intangible assets

The Group determines value-in-use based on a 5 year forecast period based on a 2024 budget approved by Management and the Board of Directors.

The key assumptions for determining the forecasted cash flows are:

1. Revenue development
2. EBITDA margin

Management expects an increase in revenue in the first years of the forecast period with a decrease down to terminal period growth rate of 2.5% (2022: 2.5%). Management expects an increasing EBITDA margin in the forecast period. The expectations to revenue growth and the EBITDA margin are primarily based on the current markets and sales channels and expectations to additional sales. The expectations to the development in these assumptions are based on historical experience. The terminal period growth rate is determined on the basis of general global growth expectations. The Management has applied a discount rate of 12,5% (2022: 13%) after tax based on what market participants would require in return for investments in similar entities.

Based on the impairment test performed, Management has concluded that the recoverable amount of goodwill exceeds the carrying amount.

Note 11 PROPERTY, PLANT AND EQUIPMENT

DKK '000	Leasehold improve- ments	Other fixtures, fittings and equip- ment	Plant and equipment in progress	Total
<i>Cost</i>				
At 1 January 2023	49,325	54,983	1,678	105,986
Transfers to intangible assets	-	-	-	-
Additions	8,501	563	1,343	10,407
Transfers	-	-	-	-
Disposals	(9)	-	(1,732)	(1,741)
Exchange differences	(183)	-	38	(145)
At 31 December 2023	57,634	55,546	1,327	114,507
<i>Accumulated amortisation and impairment</i>				
At 1 January 2022	31,430	25,121	-	56,551
Transfers to intangible assets	-	-	-	-
Depreciation charge	6,492	5,660	-	12,152
Disposals	(5)	-	-	(5)
Exchange differences	(66)	-	-	(66)
At 31 December 2023	37,851	30,781	-	68,632
Carrying amount 31 December 2023	19,783	24,765	1,327	45,875

DKK '000	Leasehold improve- ments	Other fixtures, fittings and equip- ment	Plant and equipment in progress	Total
<i>Cost</i>				
At 1 January 2022	44,683	42,313	5,671	92,667
Transfers to intangible assets	-	10,679	(10,265)	414
Additions	6,965	1,991	6,272	15,228
Transfers	-	-	-	-
Disposals	(2,315)	-	-	(2,315)
Exchange differences	(8)	-	-	(8)
At 31 December 2022	49,325	54,983	1,678	105,986
<i>Accumulated amortisation and impairment</i>				
At 1 January 2022	26,624	19,255	-	45,879
Transfers to intangible assets	-	-	-	-
Depreciation charge	6,280	5,866	-	12,146
Disposals	(1,461)	-	-	(1,461)
Exchange differences	(13)	-	-	(13)
At 31 December 2022	31,430	25,121	-	56,551
Carrying amount 31 December 2022	17,895	29,862	1,678	49,435

Note 12 LEASES

DKK '000	2023	2022
Amounts recognised in the balance sheet		
The balance sheet shows the following amounts relating to leases:		
<i>Right-of-use assets</i>		
Properties	58,691	36,331
Vehicles	1,857	612
	60,548	36,943
Additions to the right-of-use assets during the financial year	42,561	8,311
<i>Lease liabilities</i>		
Current	20,881	16,061
Non-current	42,004	23,172
	62,885	39,233
Amounts recognised in the statement of profit and loss		
The statement of profit or loss shows the following amounts relating to leases:		
<i>Depreciation charge of right-of-use assets</i>		
Properties	18,087	15,805
Vehicles	683	923
	18,770	16,728
Interest expense on lease liabilities	1,628	1,380
Expense relating to leases of low-value assets	-	-
Expense relating to variable lease payments not included in lease liabilities	3,659	3,865
Total cash outflow for leases	18,705	16,187

The Group leases various properties and vehicles.

A substantial part of the group's lease contracts comprises of property leases. The vast majority of the contracts have extension options and are considered non-cancelable from the perspective of the lessor. In general, the Group can terminate the leases with short term notice and taken in consideration the degree of historic exercise of extension and termination options as well as unexpected events, it is the Group's assessment that the remaining lease term with reasonably certainty will be 5 years from the initiation of the property leases. The group reassesses the lease term upon the occurrence

of either a significant event or significant changes in circumstances that are within the control of the group.

In general, other property leases with fixed terms consists of a remaining non-cancelable period between 3 and 8 years as of 31 December 2023. These contracts contain renegotiation clauses effective upon expiry of the original lease term.

All other leases are fixed term leases with a 12 to 60 month fixed time span.

The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

Note 13 DEFERRED TAX

DKK '000	2023	2022
Deferred tax		
Deferred tax at the beginning of period	5,378	1,451
Deferred tax recognised in the statement of profit or loss	2,032	3,927
Deferred tax at year end	7,410	5,378
Deferred tax relates to:		
Intangible assets	(2,380)	(2,399)
Property, plant and equipment	731	379
Right-of-use assets	514	504
Tax losses carried forward	10,309	7,824
Other	(1,764)	(930)
Total	7,410	5,378
Deferred tax asset, recognised		
Of which presented as deferred tax assets	7,410	5,378
Of which presented as deferred tax liabilities	-	-
Deferred tax asset not recognised in the balance sheet	-	432
Deferred tax at 31 December	7,410	5,810

In line with the requirements of IAS 12, the deferred tax assets and liabilities are offset as they have a legal right to set off and relate to income tax with the same taxation authority.

The recognised tax assets that relates to tax losses carried forward, which is the result of previous years taxable income, mainly relates to tax losses carry forwards in Denmark. In connection with the assessment of the utilisation of the tax assets, special

emphasis has been placed on that the most significant tax loss carry forward are in Denmark, where the group is well established, and this operation is expected to generate positive results going forward.

Note 14 INVENTORIES

DKK '000	2023	2022
Raw materials and packaging materials	16,106	25,744
Finished goods	20,264	21,577
Allowance for obsolete inventory	-	(2,675)
Total inventories	36,370	44,646

Note 15 BORROWINGS

	2023		
	Current	Non-current	Total
DKK '000			
Facility agreements	146,891	-	146,891
Bank overdrafts	1,550	-	1,550
Shareholder loans	14,051	-	14,051
	162,492	-	162,492
	2022		
	Current	Non-current	Total
DKK '000			
Facility agreements	-	145,044	145,044
Bank overdrafts	23,072	-	23,072
Shareholder loans	12,679	-	12,679
	35,751	145,044	180,795

Facility agreements

In May 2019, the group entered into a unitranch facility agreement denominated in EUR. The loan bears an interest margin of fixed annual interest rates of 3,5% (cash interest) and 4,5% (paid in kind interest), and matures in June 2024. As of 31 December 2022 and 31 December 2023, fair value is determined to be approximately equal to its carrying amount.

A condition for draw down on the loan was granting of warrants to subscribe for shares in the parent company according to separate warrant agreement. The warrant agreement entitles NEST to subscribe for 114,123 A-warrants and 48,910 B-warrants at an exercise price of 1 DKK per share and are exercisable upon an exit event.

Part of the proceeds equal to the issue date fair value of the warrants 3.3 MDKK, has been treated as consideration for the warrants. The warrants meet the definition of equity instruments and consequently, 3.3 MDKK has been recognised as an increase in equity and treated as a discount on the loan.

In March 2024, the Group has completed a new bilateral facility agreement with Sydbank

and repaid the unitranch loan from 2019.

Bank overdrafts

The bank overdraft facilities are common short-term facilities.

Shareholder loans

In September 2018, the Group entered into a shareholder loan denominated in DKK. The loan bears a combination of fixed annual interest rates of 10% (cash interests) and 12,5% (paid in kind interests). The loan has no stated maturity but will become due upon an exit.

Fair value is estimated not to differ significantly from the carrying value.

Note 15 BORROWINGS (continued)

Changes in liabilities arising from financing activities

This section sets out an analysis of liabilities arising from financing activities and the movements in each of the periods presented

DKK '000	Non-cash changes						31 December 2023
	1 January 2023	Cash flows	New loans / leases*	Changes in fair value	Changes in foreign exchange rates	Other changes**	
Borrowings, current and non-current	168,116	(21,522)	-	-	(1,008)	2,855	148,441
Lease liabilities	39,233	(20,333)	42,561	-	(204)	1,628	62,885
Loan from shareholders	12,679	-	-	-	-	1,372	14,051
Contingent consideration liability	3,800	-	-	31,600	-	-	35,400
Total liabilities from financing activities	223,828	(41,855)	42,561	31,600	(1,212)	5,855	260,777

DKK '000	Non-cash changes						31 December 2022
	1 January 2022	Cash flows	New loans / leases*	Changes in fair value	Changes in foreign exchange rates	Other changes**	
Borrowings, current and non-current	134,602	21,600	-	-	(32)	11,946	168,116
Lease liabilities	47,114	(17,567)	8,062	-	244	1,380	39,233
Loan from shareholders	11,755	-	-	-	-	924	12,679
Contingent consideration liability	22,773	-	-	(18,973)	-	-	3,800
Total liabilities from financing activities	216,244	4,033	8,062	(18,973)	212	14,250	223,828

* New leases include remeasurements.

**Other changes include non-cash movements such as accrued interest expense.

Note 16 CONTINGENT CONSIDERATION

Contingent consideration liabilities

When acquiring the Lakrids by Johan Bülow Group in 2016, part of the consideration was agreed to be contingent upon Valedo's gain on a subsequent initial public offering of the group, sale of the group or an event under which Valedo, indirectly loses control over the group.

The payment amounts to 50 MDKK + a fixed annual increment of 3 MDKK and becomes payable if Valedo's cash-on-cash return is at least 100%.

Fair value of the liability is determined based on a Monte-Carlo simulation including 20.000 * 30 simulations. The simulation is based on assumptions about the current share price, mean share return, the expected share price volatility and the expected term.

Fair value of the shares has been determined based on an earnings multiple".

Due to the fact that the share of the company is not traded, it is not possible to observe historical share price volatility. Expected volatility has therefore been determined based on historical volatility for a Group of listed entities comparable in respect of activities adjusted for difference in size, leverage etc. for a period equal to the expected term.

In outcomes where the share price as of the valuation date is less than twice the original share price, the assumption is made that Valedo will hold the investment for an additional year or 2.

Fair value is determined mainly based on unobservable input (level 3).

The following assumptions have been applied:

	31 December 2023	31 December 2022
Share price, % of original investment	180,3%	49,2%
Expected volatility	62,5%	60%
Expected exit date	30 November 2024 - 30 April 2026	31 March 2024 - 31 March 2026

Fair value is based mainly on unobservable input.

The movement in the carrying amount of the liability is set out below:

	2023	2022
Beginning of year	3,800	22,773
Fair value adjustment recognised as a financial expense	31,600	(18,973)
End of year	35,400	3,800

Fair value of the liability is sensitive to a number of assumptions. The below table

sets out the change arising from reasonably possible changes in assumptions

	31 December 2023	31 December 2022
Share price + / - 20%	7,775,343 / (9,141,611)	2,060,198 / (1,491,986)
Expected volatility + / - 10%	(1,518,298) / 1,397,148	1,153,273 / (1,292,582)
Expected term + 1 year	(4,099,771)	1,378,042

Note 17 FINANCIAL RISK MANAGEMENT

The group's principal financial liabilities comprise loans and borrowings, and trade and other payables. The main purpose of these financial liabilities is to finance the group's operations. The group's principal financial assets include trade receivables, and cash and cash equivalents.

The group is exposed to market risk (interest rate and foreign exchange rate), credit risk and liquidity risk. The group's management oversees the management of these risks on an ongoing basis and responds to those risks as appropriate.

Market risk

Interest rate risk

Interest rate risk is that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's interest rate risk is expected to be approx. 1.5 MDKK impact on financial items at +/- 1% market interest rate change.

Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a balance sheet exposure will fluctuate because of changes in foreign exchange rates.

The group generates its sales primarily in DKK, EUR, NOK, SEK, AED, GBP and USD. Purchases directly attributable to the sales are primarily made in DKK and consequently, foreign currency risk arises when sales are generated in a different currency than DKK. Due to the fixed DKK/EUR exchange rate policy, the exposure to foreign currency is primarily considered to arise from sales in NOK, SEK, AED, GBP and USD

The following table demonstrates the sensitivity to a reasonably possible change in foreign exchange rates. With all other variables held constant, the group's profit is affected as follows:

	Impact on post tax profit	
	2023	2022
DKK '000		
DKK/NOK exchange rate - increase 10%	758	447
DKK/NOK exchange rate - decrease 10%	(758)	(447)
DKK/SEK exchange rate - increase 10%	155	35
DKK/SEK exchange rate - decrease 10%	(155)	(35)
DKK/GBP exchange rate - increase 10%	354	193
DKK/GBP exchange rate - decrease 10%	(354)	(193)
DKK/USD exchange rate - increase 10%	248	201
DKK/USD exchange rate - decrease 10%	(248)	(201)
DKK/AED exchange rate - increase 10%	825	902
DKK/AED exchange rate - decrease 10%	(825)	(902)

The impact above sensitivity analysis is based on the financial assets and financial liabilities recognised as of 31 December 2023.

Credit risk

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables.

Risk management

Credit risk is managed on a group basis.

The most significant counterparty risk related is related to deposits with banks and financial institutions, as the groups cash balance at 31 December 2023 amounts to DKK 23,681 thousand (2022: DKK 17,411 thousand). To mitigate this risk, the group only enters into money market deposits with financial counterparties processing a satisfactory long-term credit rating from an internationally recognised agency (credit rating of minimum investment grade equivalent). The carrying amounts represents the maximum credit exposure.

Financial risk management

Sales to retail customers are required to be settled in cash or using major credit cards. Online sales require to be settled using credit cards, both mitigating credit risk.

Hence, majority of our credit risk from trade receivables originates from our B2B sales.

Payments are generally due for settlement within 30 days after invoice date, and are therefore classified as current. Due to the short-term nature of the current receivables,

the carrying amounts is considered to approximate the fair value.

The group has historically not incurred any material losses from trade receivables.

Note 17 FINANCIAL RISK MANAGEMENT (continued)

Liquidity risk

Maturities of financial liabilities

The amounts disclosed in the following table are the contractual undiscounted cash flows.

Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities DKK '000	Less than 1 year	Between 1-5 years	More than 5 years	Total contractual cash flows	Carrying amount
At 31 December 2023					
Trade payables	37,280	-	-	37,280	37,280
Borrowings*	148,441	-	-	148,441	148,441
Shareholder loans*	14,051	-	-	14,051	14,051
Contingent consideration liability*	72,350	-	-	72,350	35,400
Lease liabilities	21,547	43,563	6,553	71,663	62,885
	293,669	43,563	6,553	343,785	298,057
At 31 December 2022					
Trade payables	31,531	-	-	31,531	28,309
Borrowings	23,072	145,044	-	168,116	168,116
Shareholder loans*	12,679	-	-	12,679	11,755
Contingent consideration liability*	69,300	-	-	69,300	3,800
Lease liabilities	16,292	23,111	2,947	42,350	39,233
	152,874	168,155	2,947	323,976	251,213

* As described in note 16 "Contingent consideration", the liability is due to be settled upon Valedo's realisation of its investment with 50 MDKK + a fixed annual increment of 3 MDKK. Therefore, the liability is presented with the amount due should an exit resulting in Valedo obtaining the specified return occur as of this point in time. The shareholder loan will also become due for payment upon an exit event.

The group expect to generate sufficient liquidity from its operations to settle the obligations as they fall due. Information about how the group manages capital is set out in note 22 "Capital management".

The group holds the following financial instruments:

DKK '000	2023	2022
Financial assets		
<i>Financial assets at amortised cost</i>		
Trade receivables	25,142	25,071
Cash and cash equivalents	23,681	17,411
Other receivables	68	220
	48,891	42,702
Financial liabilities		
<i>Liabilities at amortised cost</i>		
Trade payables	37,280	31,531
Borrowings	148,441	168,116
Lease liabilities	62,885	39,233
Shareholder loans	14,051	12,679
	262,657	251,559
<i>Liabilities at fair value through profit or loss</i>		
Contingent consideration liability	35,400	3,800
	35,400	3,800

For financial assets and liabilities of short-term nature, such as trade receivables and

trade payables, the carrying amount approximates fair value.

Note 18 CASH FLOW SPECIFICATIONS

DKK '000	2023	2022
Change in working capital		
Change in inventories	8,275	(15,737)
Change in receivables	(721)	(1,837)
Change in trade payables and other payables	10,863	(6,076)
	18,417	(23,650)

Note 19 SHARE CAPITAL

	2023		2022	
	Number of shares	Nominal value DKK	Number of shares	Nominal value DKK
The share capital comprises:				
A-shares	5,143,541	5,143,541	5,143,541	5,143,541
B-shares	2,372,580	2,372,580	2,372,580	2,372,580
Share capital (fully paid)	7,516,121	7,516,121	7,516,121	7,516,121

Note 19 SHARE CAPITAL (continued)

	A-shares		B-shares	
	2023	2022	2023	2022
	Number of shares	Number of shares	Nominal value DKK	Nominal value DKK
Changes in share capital				
Opening balance	5,143,541	5,143,541	2,372,580	2,372,580
Total	5,143,541	5,143,541	2,372,580	2,372,580

All shares have nominal value of DKK 1.

All shares have equal voting rights. A-shares have a preferential dividend and liquidation right comprising the amount paid in + 10% interest p.a. Holders of B shares are entitled to Proceeds in excess of the A-share preference amount.

The group has issued warrants for the subscription of 114,123 A shares and 48,910 B shares respectively to a lender as part of a loan agreement. Refer to note 15. Furthermore we also refer to note 5 in respect to warrants issued to key employees.

Note 20 INTERESTS IN OTHER ENTITIES

The group's principal subsidiaries at year end are set out below. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the group, and the proportion of

ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Ownership interests held by the group			
	Place of business	2023	2022
Name of entity			
Lakrids JB ApS	Denmark	100%	100%
Lakrids by Johan Bülow A/S	Denmark	100%	100%
Lakrids by Johan Bülow GmbH	Germany	100%	100%
Lakrids by Johan Bülow Norge AS	Norway	100%	100%
Lakrids by Johan Bülow AB	Sweden	100%	100%
Lakrids by Johan Bülow OY	Finland	100%	100%
Lakrids by Johan Bülow Dubai	Dubai	100%	100%
Lakrids by Bülow Inc.	USA	100%	100%
Lakrids by Bülow Ltd.	United Kingdom	100%	100%

Note 21 PROVISIONS

DKK '000	2023	2022
Refurbishment obligation		
At 1 January	2,878	2,845
Additional provisions recognised	-	33
Carrying amount 31 December	2,878	2,878

The group is required to restore the leased premises of its retail stores to their original condition at the end of the respective lease term. A provision has been recognised for the present value of the estimated expenditure required to remove any

leasehold improvements. These costs have been capitalised as part of the cost of leasehold improvements and are amortised over the shorter of the term of the lease and the useful life of the asset.

Note 22 CAPITAL MANAGEMENT

The group's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to aid such objectives Management prepares cash flow forecast regularly. This enables Management to act in due time in order to comply with the capital management objectives.

The Group was technically in breach of 1 covenant as at 31st Dec 2023 however a refinancing was ongoing and the group has refinanced the loans after the balance sheet date. A new bilateral loan agreement with Sydbank has been signed and closed in Q1 2024 and the Group's lender at the balance sheet date repaid in Q1 2024.

Note 23 CONTINGENT LIABILITIES, COMMITMENTS, AND CONTINGENCIES

	2023	2022
Corporate mortgage as security for bank engagement in Danske Bank	3,000	3,000
The group has committed to suppliers in 2024 to buy raw materials for a total of	9,700	12,556
Charges and security		
The parent company has provided shares in the subsidiaries, Lakrids JB ApS and Lakrids by Johan Bülow A/S, as security for group debt to credit institutions	147,556	142,679

Note 24 RELATED PARTY TRANSACTIONS

The group is controlled by Valedo Partners Fund II AB, which is also the ultimate controlling party.

Information about remuneration to key management personnel has been disclosed in note 5 "Employee benefits".

Lease liability from entities with significant influence

The group has commenced into a lease agreement with entities with significant influence with monthly rental payments. The group can terminate the lease on 1 September 2026 at the earliest and the lessor can terminate the lease on 1 September 2030 at the earliest. The lease agreement is recognised as a lease liability in the balance sheet based on a 3% incremental borrowing rate.

Transactions and outstanding balances from related parties

	2023	2022
Beginning of the year	10,060	12,556
Remeasurement	-	-
Interests on lease liability	256	331
Rental payments	(2,855)	(2,827)
End of year	7,461	10,060
Loan from entities with significant influence		
Beginning of the year	12,679	11,755
Loan repayments	-	-
Interests accrued on loans	1,372	1,356
Interest paid	-	(432)
Conversion of loans to equity	-	-
End of year	14,051	12,679

Terms and conditions

Loan from entities with significant influence has no stated maturity but will become due upon an exit event. The loan is subordinated to a unitranche facility agreement and bears a combination of annual interest rate of 10% (cash interest) and 12,5%% (paid in kind interest).

Contingent consideration liabilities with entities with significant influence

A contingent consideration agreement has been made with entities with significant influence. Terms and conditions, commitments and outstanding balances are disclosed in note 16 "Contingent consideration liabilities".

Note 25 SUBSEQUENT EVENTS

The Group has refinanced the loans after the balance sheet date. A new bilateral loan agreement with Sydbank has been signed and closed in Q1 2024 and the Group's lender at the balance sheet date repaid in Q1 2024.

No other events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

FINANCIAL STATEMENTS OF THE PARENT COMPANY

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STATEMENT OF PROFIT OR LOSS (PARENT)

for the year ended 31 December 2023

	Group		
DKK '000	Notes	2023	2022
Gross Profit		1,841	(3,343)
Employee wage & compensation	2	(2,077)	(3,280)
Profit before net financials		(236)	(6,623)
Finance income	3	406	462
Finance costs		(1,542)	(1,373)
Profit before tax		(1,372)	(7,534)
Income tax expense	4	320	205
Profit/(loss) for the year		(1,052)	(7,329)

BALANCE SHEET (PARENT)

as at 31 December 2023

	Parent		
DKK '000	Notes	2023	2022
Assets			
Investments in subsidiaries	5	338,000	338,000
Fixed asset investments		338,000	338,000
Fixed assets		338,000	338,000
Receivables from group enterprises		14,355	14,907
Deferred tax		1,112	792
Corporation tax		-	-
Prepayments		15	-
Receivables		15,482	15,699
Cash at bank and in hand		40	60
Currents assets		15,522	15,759
Total assets		353,522	353,759

	Parent		
DKK '000	Notes	2023	2022
Liabilities			
Share capital	6	7,516	7,516
Retained earnings		331,426	332,445
Total equity		338,942	339,961
Payables to group entities	7	14,051	12,679
Other payables		529	1,119
Short-term debt		14,580	13,798
Total debt		14,580	13,798
Total equity and liabilities		353,522	353,759

STATEMENT OF CHANGES IN EQUITY (PARENT)

for the year ended 31 December 2023

Parent

DKK '000	Share capital	Retained earnings	Total
Equity at 1. January 2023	7,516	332,445	339,961
Sale of warrants	-	33	33
Net profit/loss for the year	-	(1,052)	(1,052)
Equity at 31. December 2023	7,516	331,763	338,942

Note 1 ACCOUNTING POLICIES

The separate financial statements for the parent company ("the Parent") of the Group has been prepared in accordance with the Danish Financial Statements Act applying to medium enterprises of reporting class C.

The Parent Company Financial Statements for 2023 are presented in Danish kroner (TDKK).

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts earlier recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Leases

All contracts are considered and classified as operating lease. Lease payments are recognised in the statement of profit or loss

on a straight-line-basis over the lease term.

Income statement

Revenue

Revenue from the sale of services is recognised when the risks and rewards relating to the services sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Other external expenses

Other external expenses comprise costs for administration, office, etc.

Gross profit

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue and other external expenses.

Employee benefits

Staff expenses comprise wages and salaries as well as payroll expenses and salary related expenses.

Financials

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with wholly owned Danish and foreign subsidiaries. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

Balance sheet

Investments in subsidiaries

Investments in subsidiaries are measured at cost. Where cost exceeds the recoverable amount, write-down is made to this lower value.

Receivables

Receivables are recognised in the balance sheet at amortised cost, which substantially corresponds to nominal value. Provisions for estimated bad debts are made.

Prepayments

Prepayments recognised as assets comprise prepaid expenses.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to

crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial debt

Financial debts are measured at amortised cost, substantially corresponding to nominal value.

Cash flow statement

No cash flow statement has been prepared for the parent company, as the parent company's cash flows are included in the cash flow statement for the group.

Note 2 EMPLOYEE BENEFITS

	Parent	
DKK '000	2023	2022
Wages and salaries	2,070	3,267
Other social security costs	3	5
Other employee benefit costs	4	8
	2,077	3,280
Average number of employees	1	2

Management remuneration in Lakrids JB Holding ApS is shown below:

	Parent	
DKK '000	2023	2022
Executive Management	2,077	2,115
	2,077	2,115

Refer to note 5 in the consolidated financial statements for more information about Management remuneration.

Note 3 FINANCIAL INCOME

	Parent	
DKK '000	2023	2022
Interests from group entities	406	462
	406	462

Note 4 TAX ON PROFIT/LOSS FOR THE YEAR

	Parent	
DKK '000	2023	2022
Current tax for the year	-	-
Deferred tax for the year	320	(205)
Adjustment of deferred tax of prior years	-	-
Total	441	(205)

Note 5 INVESTMENTS IN SUBSIDIARIES

	Parent	
DKK '000	2023	2022
Cost at 1 January	338,000	338,000
Carrying amount at	338,000	338,000

Investments in subsidiaries are specified as follows:

Name:	Lakrids JB ApS
Place of registered office:	Hvidovre
Share capital:	DKK 6.810.000
Votes and ownership:	100%
Equity:	DKK 294,864 thousand
Profit or loss for the year:	DKK -10,848 thousand

Refer to note 20 in the consolidated financial statements for the subsidiaries of the group.

Note 6 SHARE CAPITAL

Refer to note 19 in the consolidated financial statement for an overview of the changes in share capital.

Note 7 LONG-TERM DEBT

Payments due within 1 year are recognised as short-term debt. Other debt is recognised as long-term debt.

The debt falls due for payment as specified below:

	Parent	
DKK '000	2023	2022
Payables to group entities		
Between 1 and 5 years	-	-
Long-term part	-	-
Within 1 year	14,051	12,679
	14,051	12,679

Note 8 COMMITMENTS AND CONTINGENT LIABILITIES

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

Refer to note 23 in the consolidated financial statements for more information.

Note 9 RELATED PARTIES

Refer to note 24 in the consolidated financial statements for more information about related parties.

Consolidated Financial Statements:

The separate financial statements and the consolidated financial statements of Lakrids JB Holding ApS are included in the ultimate controlling party's consolidated financial statements:

Name:

Place of registered office

Valedo Partners Fund II AB

Stockholm, Sweden

Note 10 EVENTS AFTER THE BALANCE SHEET DATE

Refer to note 25 in the consolidated financial statements for more information.

MANAGEMENT'S STATEMENT

The Board of Directors and the Executive Management have today considered and adopted the Annual Report of Lakrids JB Holding ApS for the financial year 1 January - 31 December 2023.

The Consolidated Financial Statements have been prepared in accordance with IFRS Accounting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act, and the Parent Company Financial Statements have been prepared in accordance with the Danish Financial Statements Act. Management's Review has been 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 at 31 December 2023 of the Group and the Parent Company and of the results of the Group and Parent Company operations and consolidated cash flows for the financial year 1 January - 31 December 2023.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Hvidovre, June 3rd, 2024

Executive Management

Fredrik R. Nilsson

Johan Askari Bülow

Nikolaj Enevoldsen

Board of Directors

Tue Manton (Chairperson)

Charlotte Strand (Vice Chairperson)

Johan Askari Bülow

Per Forsberg

Louise Margaret Cruttenden

INDEPENDENT AUDITOR'S REPORT

To the shareholders of Lakrids JB Holding ApS

Opinion

In our opinion, the Consolidated Financial Statements give a true and fair view of the Group's financial position at 31 December 2023 and of the results of the Group's operations and cash flows for the financial year 1 January to 31 December 2023 in accordance with IFRS Accounting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act.

Moreover, in our opinion, the Parent Company Financial Statements give a true and fair view of the Parent Company's financial position at 31 December 2023 and of the results of the Parent Company's operations for the financial year 1 January to 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 Lakrids JB 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 statement of comprehensive income and cash flow statement for the Group ("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.

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 Statement 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 that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act and for the preparation of 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 mate-

rial 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 judgment and maintain professional skepticism throughout the audit. We also:

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

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

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 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.

Hellerup, June 3rd 2024

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR.nr. 33 77 12 31

Thomas Wraae Holm	Claus Damhave
State Authorised	State Authorised
Public Accountant	Public Accountant
mne30141	mne34166



DANISH CONFECTIONERY

LAKRIDS^{BY} BÜLOW