

REMUNERATION REPORT

FINANCIAL YEAR 2023/24



REMUNERATION REPORT FOR THE BOARD OF DIRECTORS AND EXECUTIVE BOARD

This remuneration report provides an overview of the total remuneration received by each member of the Board of Directors and Executive Board of Harboes Bryggeri A/S during the 2023/24 financial year compared to last year. The Executive Board includes the members who are registered with the Danish Business Authority.

The remuneration of the Board of Directors and Executive Board for the past financial year has been awarded in accordance with the company's remuneration policy approved at the annual general meeting of 20 August 2021, which is available on Harboe's website:

 [Remuneration Policy](#)

The overall purpose of the remuneration policy is to attract, motivate and retain qualified members of the Board of Directors and the Executive Board, and to ensure an alignment of interests between the management and the company's shareholders. The remuneration policy must help to support Harboe's business strategy, long-term interests, sustainability and value creation by supporting Harboe's long-term and short-term goals.

Results for the year

Net revenue was mDKK 1,817 million, which represents an increase of 12%. The results were positively impacted by increasing net revenue in both Beverage and Ingredients, and driven by growth in all three geographical market segments.

The increase in net revenue is primarily due to a combination of increased sales in strategic growth markets, necessary price increases and new product launches, as well as a positive product mix.

EBITDA was mDKK 158 in 2023/24, compared to mDKK 85 in 2022/23, representing an 82% increase in earnings. The improved result is primarily driven by improved product mix in both business areas and efficiency improvements implemented in production and the supply chains. The EBITDA margin increased to 8.7%.

Harboe's profit before tax was in line with the most recently announced expectations, and the result is considered satisfactory. Positive earnings were delivered in all four quarters of the financial year, and we expect to continue to deliver positive results and create value for our shareholders in the coming year.

REMUNERATION FOR THE BOARD OF DIRECTORS

Fixed annual fee

Members of the Board of Directors receive a fixed annual basic fee, which is approved at the general meeting.

The annual basic fee must be in accordance with market practice for comparable listed companies, taking into account the required competences, efforts and amount of work for Board members.

Members of the Board of Directors who also chair a Board committee received a fixed additional fee as remuneration for their committee work.

The following remuneration for the 2023/24 financial year was approved at the annual general meeting of 24 August 2023:

No members of the Board of Directors receive share-based incentive remuneration, other variable remuneration or pension contributions.

| | Board of Directors | Chair of the Audit Committee | Chair of the Nomination and Remuneration Committee |
|--------|--------------------|------------------------------|--|
| Member | 300,000 | | |
| Chair | 600,000 | 60,000 | 60,000 |

FEES TO THE BOARD OF DIRECTORS

| Name | Position | Year | Board fee | Committee fee | Total fee |
|----------------------------------|--|----------------|------------------|----------------|------------------|
| Bernhard Griese | Chair | 2023/24 | 600,000 | 0 | 600,000 |
| | | 2022/23 | 600,000 | 0 | 600,000 |
| Bettina Køhlert | Member | 2023/24 | 300,000 | 60,000 | 360,000 |
| | Chair of the Nomination and Remuneration Committee | 2022/23 | 300,000 | 60,000 | 360,000 |
| Ruth Schade | Member | 2023/24 | 300,000 | 60,000 | 360,000 |
| | Chair of the Audit Committee | 2022/23 | 300,000 | 60,000 | 360,000 |
| Jakob Skovgaard | Member | 2023/24 | 300,000 | 0 | 300,000 |
| | | 2022/23 | 300,000 | 0 | 300,000 |
| Sabine Disse | Member | 2023/24 | 300,000 | 0 | 300,000 |
| | | 2022/23 | 300,000 | 0 | 300,000 |
| Constantijn Antoine Josef Deelen | Member | 2023/24 | 300,000 | 0 | 300,000 |
| | | 2022/23 | 300,000 | 0 | 300,000 |
| Jens Bjarne Søndergaard Jensen | Stepped down 2023 | 2023/24 | 0 | 0 | 0 |
| Louise Kjærgaard Pedersen | Member | 2022/23 | 300,000 | 0 | 300,000 |
| | Member | 2023/24 | 0 | 0 | 0 |
| Jan Pietras | Member | 2022/23 | 300,000 | 0 | 300,000 |
| | Member | 2023/24 | 0 | 0 | 0 |
| Simone Bagge Jensen | Member | 2022/23 | 300,000 | 0 | 300,000 |
| | Member | 2023/24 | 0 | 0 | 0 |
| Total fees | | 2023/24 | 3,000,000 | 120,000 | 3,120,000 |
| | | 2022/23 | 2,400,000 | 120,000 | 2,520,000 |

REMUNERATION FOR THE EXECUTIVE BOARD

The remuneration of members of the Executive Board is determined annually. The remuneration and its components are approved by the Board of Directors based on the recommendations given by the Nomination and Remuneration Committee.

Members of the Executive Board are entitled to an annual remuneration in accordance with the remuneration policy.

The total remuneration may consist of the following fixed and variable remuneration components:

- fixed basic salary,
- defined pension contribution,
- short-term incentive programme consisting of an annual cash bonus,
- termination and severance pay, and
- non-monetary staff benefits.

The composition of the remuneration of each individual member of the Executive Board is determined with a view to attracting and retaining competent key employees, while ensuring that the Executive Board has an incentive to create additional value to the benefit of Harboe's shareholders.

The Executive Board's short-term incentive schemes are directly linked to the financial objectives that support Harboe's strategy and aim to ensure an alignment of interests between the individual directors and Harboe's short-term objectives.

The ordinary notice period on the part of Harboe may not exceed 24 months. In the event that control of the company changes, the notice period can be extended by six months. A member of the Executive Board may resign from their position with an ordinary notice period of at least six months.

The Executive Board also receives the usual work-related benefits in the form of a company car, computer and telephone.

Short-term incentives

The short-term incentive bonus for the Executive Board is determined at the discretion of the Board of Directors.

In the 2023/24 financial year, a total cash bonus was paid to the Executive Board corresponding to DKK 1.3 million related to the 2022/23 financial year.

This corresponds to 23% of the fixed base salary and is thus in line with the approved remuneration policy.

The bonus is awarded according to the individual director's personal performance and developments in the company's operating results.

Total remuneration to the Executive Board

| Name | Position | Year | Basic salary | Pension | Cash bonus | Total remuneration |
|-----------------------|----------|------------------|------------------|----------------|------------------|--------------------|
| Søren Malling | CEO | 2023/2024 | 1,920,000 | 218,560 | 812,000 | 2,950,560 |
| | | 2022/2023 | 1,920,000 | 188,426 | 435,331 | 2,543,757 |
| Simon Andersson | CFO | 2023/2024 | 1,800,000 | 208,960 | 812,000 | 2,820,960 |
| | | 2022/2023 | 1,028,400 | 102,587 | 253,943 | 1,384,930 |
| Michael Møller Jensen | CFO | 2023/2024 | 0 | 0 | 0 | 0 |
| | | 2022/2023 | 480,000 | 48,400 | 125,000 | 653,400 |
| Martin Schade | CCO | 2023/2024 | 1,920,000 | 218,560 | 812,000 | 2,950,560 |
| | | 2022/2023 | 1,920,000 | 188,426 | 435,331 | 2,543,757 |
| Total | | 2023/2024 | 5,640,000 | 646,080 | 2,436,000 | 8,722,080 |
| | | 2022/2023 | 5,348,400 | 527,839 | 1,249,605 | 7,125,844 |

OVERVIEW AND COMPARISON OF REMUNERATION

| DKK | 2023/24 | Changes | 2022/23 |
|--|-----------|---------|-----------|
| Executive Board | | | |
| Søren Malling | 2,950,560 | 16% | 2,543,757 |
| Simon Andersson | 2,820,960 | 104% | 1,384,930 |
| Michael Møller Jensen | 0 | | 653,400 |
| Martin Schade | 2,950,560 | 16% | 2,543,757 |
| Board of Directors | | | |
| Bernhard Griese | 600,000 | 0% | 600,000 |
| Bettina Køhlert | 360,000 | 0% | 360,000 |
| Ruth Schade | 360,000 | 0% | 360,000 |
| Jakob Skovgaard | 300,000 | 0% | 300,000 |
| Sabine Disse | 300,000 | 0% | 300,000 |
| Constantijn Antoine Josef Deelen | 300,000 | 0% | 300,000 |
| Jens Bjarne Søndergaard Jensen | 0 | | 300,000 |
| Louise Kjærsgaard Pedersen | 300,000 | | 0 |
| Jan Pietras | 300,000 | | 0 |
| Simone Bagge Jensen | 300,000 | | 0 |
| Financial results | | | |
| EBITDA (tDKK) | 158,015 | 86% | 85,116 |
| Profit before tax (tDKK) | 67,872 | | -9,021 |
| Average remuneration of employees in the Group | 528,070 | 8% | 488,440 |

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