

# INTERIM FINANCIAL REPORT

H1 2022/23

COMPANY ANNOUNCEMENT  
NO. 9 – 2022/23



*Harboe*

To NASDAQ OMX Copenhagen

Today, the Board of Directors of Harboes Bryggeri A/S has discussed and approved the following interim financial report for the first half of 2022/23.

Skælskør, 8 December 2022

Bernhard Griese

Chairperson

## CEO SØREN MALLING STATES:

*"Our second quarter was characterised by continued challenges with high prices for the manufacture and distribution of finished goods. We have not achieved sufficient coverage of the increased costs through sales prices, and combined with reduced turnover from export activities, this results in lower earnings for the quarter. Through ongoing efforts, we are working to create a balance in earnings in the short term, so that we can prepare the business for future growth.*

*In the second quarter, we launched the new design of our non-alcoholic beverages in the Harboe brand, completing the re-branding of the entire beverage portfolio under the Harboe brand in Denmark, which has been well received by consumers. At the same time, we see a positive consumer trend with increased activity in the budget segment, where we compete.*

*Overall, the first half of the year was not as expected, but we believe in the strategy and maintain our planned strategic measures to ensure a future foundation for growth and earnings. We maintain expectations for the year as a whole of an EBITDA in the range of 63-103 mDKK and profit before tax in the range of -30 – +10 mDKK".*

## FOR FURTHER INFORMATION

CFO Simon Andersson

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## TURNOVER GROWTH DRIVEN BY MAIN MARKETS

- **Net turnover increased by 10.4% to DKK 825.4m**
- **EBITDA fell from DKK 68.4m to DKK 27.2m**
- **Pre-tax profit was DKK -18.9m compared to DKK 17.2m in the first half of 2021/22**

The turnover increase was mainly driven by Beverage in Germany, where net turnover increased by 27.7%. Overall, turnover in Beverage increased by 9.4%, while turnover in Ingredients increased by 24.1%.

However, the increase in turnover was not enough to cover the high and rising input prices, so the result before depreciation and write-downs, financial items and tax (EBITDA) was DKK 27.2m for the first half of 2022/23, compared to DKK 68.4 m for the same period last year.

At DKK 21.5, depreciation and write-downs for the period were slightly lower than in the first half of last year, when they amounted to DKK 23.4 m. The period's pre-tax profit from continuing activities amounts to DKK -11.0m compared to DKK 2.6m last year.

## BUSINESS DEVELOPMENT

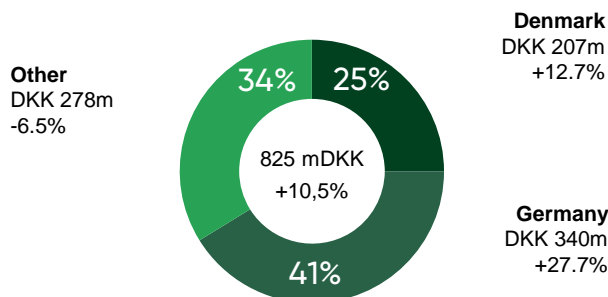
The development in turnover was driven by increasing volume and implemented price increases. In addition, new customer agreements have been concluded with increasing activity in Germany in particular.

Compared to last year, the results in the 1st quarter of 2022/23 were significantly affected by markedly increased costs, driven by high and rising prices for raw materials, packaging, distribution and energy. Furthermore, earnings were affected negatively by falling export turnover.

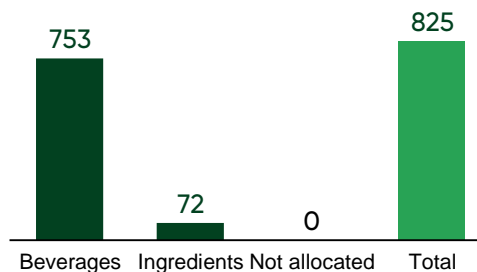
Harboe continuously collaborates and negotiates with customers to ensure sustained delivery and compensation for the increased costs through sales prices.

As a result of ongoing uncertainties surrounding energy provision, Harboe has implemented the necessary measures to be able to continue production without gas. These measures have also entailed additional costs.

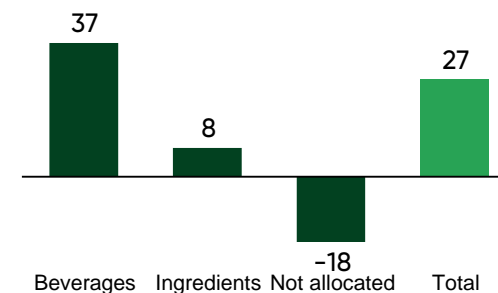
## NET TURNOVER



## SEGMENT turnover, DKKm



## SEGMENT EBITDA, DKKm



## CONTINUED TURNOVER GROWTH

- Net turnover increased by 10.4% to DKK 404.5m
- EBITDA fell from DKK 29.5m in Q2 2021/2022 to DKK 8.5m
- Pre-tax profit was DKK -14.6m compared to DKK 3.8m in the 2nd quarter of 2021/22

In the second quarter, the increase in turnover was also driven by the main markets, where net turnover in Germany increased by 34.9%, while in Denmark it increased by 17.3%. The overall increase in net turnover was, however, affected by declining turnover in export markets.

Profits before depreciation and write-downs, financial items and tax (EBITDA) was DKK 8 m in the second quarter of 2022/23, compared to DKK 29 m for the same period last year. Profits are affected by high and rising input prices for all essential raw materials, packaging, transport and energy, as well as declining volumes from export activities.

The period's pre-tax profit from continuing activities amounts to DKK -15m compared to DKK 4m last year.

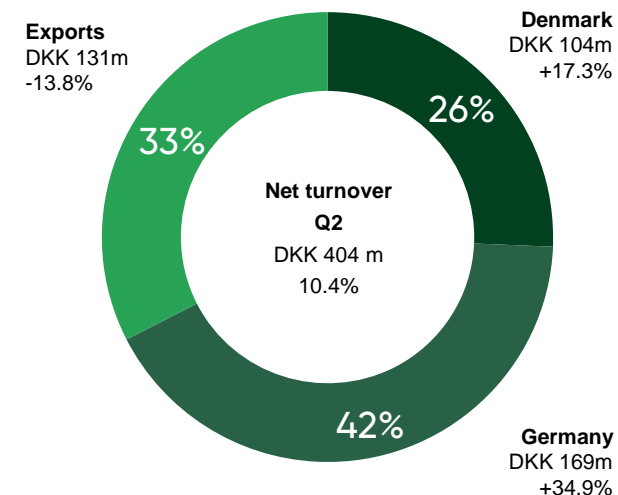
## BUSINESS DEVELOPMENT

The continued increase in turnover in Denmark and Germany is driven by implemented sales price increases and, in Germany, also by new business activities and a favourable product mix.

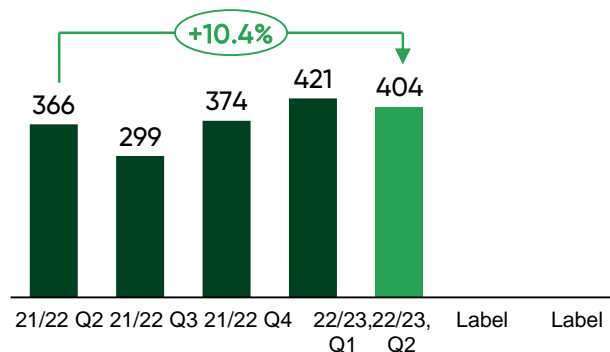
In the export markets, the decline in turnover has mainly been driven by the very high transport prices, combined with constrained supply chains and implemented price increases which have affected demand negatively.

In the second quarter, focus has also been on continuously implementing cost savings in order to counter cost increases, just as there is a close dialogue with customers to ensure continued delivery and compensation for the increased costs through sales prices.

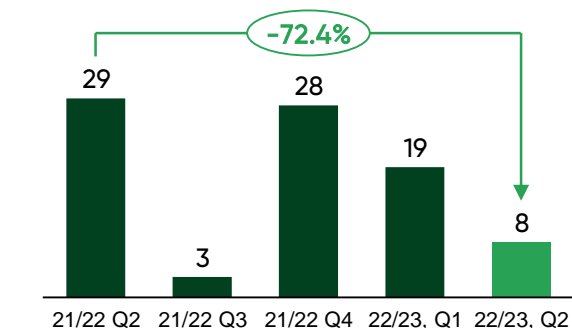
## NET TURNOVER



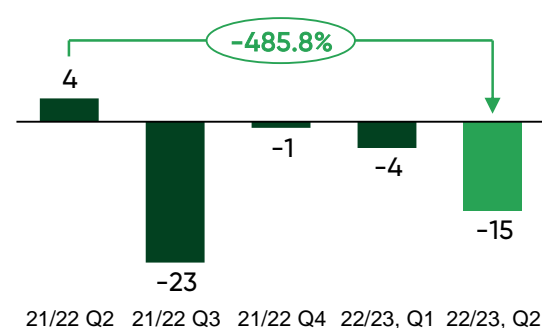
Net turnover, DKKm



EBITDA, DKKm



PRE-TAX PROFIT/(LOSS), DKKm



| DKK THOUSANDS  | Q2        |           | H1        |           | Full year<br>2021/22 |
|--|-----------|-----------|-----------|-----------|----------------------|
|  | 2022/23   | 2021/22   | 2022/23   | 2021/22   |                      |
| <b>Earnings (continuing activity)</b>                  |           |           |           |           |                      |
| Net turnover   | 404,503   | 366,257   | 825,406   | 746,664   | 1,419,353            |
| EBITDA   | 8,466     | 29,455    | 27,182    | 68,370    | 99,016               |
| Operating profit (EBIT)                                | (13,001)  | 6,057     | (15,985)  | 20,565    | (796)                |
| Pre-tax profit   | (14,581)  | 3,779     | (18,911)  | 17,170    | (6,957)              |
| The period's profit from continuing activities         | (10,961)  | 2,630     | (14,373)  | 12,326    | (4,227)              |
| <b>Balance</b>   |           |           |           |           |                      |
| Non-current assets                                     | 635,532   | 679,580   | 635,532   | 679,580   | 653,619              |
| Current assets   | 486,148   | 451,012   | 486,148   | 451,012   | 489,403              |
| Equity   | 666,524   | 692,904   | 666,524   | 692,904   | 680,903              |
| Long-term liabilities, other than provisions           | 157,483   | 185,286   | 157,483   | 185,286   | 167,172              |
| Short-term liabilities, other than provisions          | 297,673   | 252,402   | 297,673   | 252,402   | 294,947              |
| Balance sheet total                                    | 1,121,680 | 1,130,592 | 1,121,680 | 1,130,592 | 1,143,022            |
| Net interest-bearing debt                              | 164,024   | 154,592   | 164,024   | 154,592   | 82,930               |
| Working capital  | 341,400   | 317,474   | 341,400   | 317,474   | 278,212              |
| <b>Investments</b>                                     |           |           |           |           |                      |
| Investment in intangible assets                        | 0         | 1,104     | 0         | 1,104     | 1,219                |
| Investment in tangible assets                          | 8,466     | 8,427     | 23,708    | 18,933    | 49,244               |
| Depreciation, amortisation and write-downs             | 21,467    | 23,398    | 43,167    | 47,805    | 99,812               |
| <b>Cash flows</b>                                      |           |           |           |           |                      |
| Cash flows from operations                             | (30,192)  | (21,664)  | (56,619)  | 1,663     | 100,134              |
| Cash flows from investments                            | (9,227)   | (9,885)   | (24,469)  | (20,391)  | (47,119)             |
| Cash flows from financing                              | (6,352)   | (6,524)   | (6,492)   | (13,037)  | (23,384)             |
| Change in cash and cash equivalents (free cash flow)   | (45,771)  | (38,073)  | (87,580)  | (31,765)  | 29,631               |
| <b>Key figures</b>                                     |           |           |           |           |                      |
| EBITDA margin  | 2.1%      | 8.0%      | 3.3%      | 9.2%      | 7.0%                 |
| Operating margin                                       | -3.2%     | 1.7%      | -1.9%     | 2.8%      | -0.1%                |
| Solvency ratio   | 59.4%     | 61.3%     | 59.4%     | 61.3%     | 59.6%                |
| Return on invested capital (ROIC)                      | -2.0%     | 0.9%      | -2.4%     | 3.0%      | -0.1%                |
| Avg. Net interest-bearing debt/EBITDA (last 12 months) | 2.8       | 1.3       | 2.8       | 1.3       | 0.8                  |
| Number of full-time employees                          | 520       | 482       | 517       | 486       | 504                  |
| Kg CO <sub>2</sub> /hL                                 | 2.5       | 3.0       | 2.3       | 3.0       | 2.7                  |

## TURNOVER GROWTH AND CONTINUED FOCUS ON MEASURES TO IMPROVE PROFIT

Harboe's turnover for the 2nd quarter, which is traditionally slightly lower than in the peak season in the 1st quarter, increased by 10.4% to DKK 404.5m, particularly driven by the development in the main markets.

In the 2nd quarter, the group's EBITDA was also affected by continued, significant cost price increases on input prices. There are continuous and close negotiations with suppliers about prices and continued reliability of supply, but the supply chains continue to be affected by delays and changes in deliveries as a result of current market conditions. Internally, efforts has been put into ensuring supply chain efficiency, as well as continued collaboration and negotiations with customers and distributors on reliability of supply and compensation for rising costs.

The EBITDA margin in the second quarter was 2.1% compared to 8.0% for the same period last year.

Investments of DKK 8.5 m were made in the second quarter, including the completion of investment in a plant for the production of non-alcoholic beer in order to be able to meet increasing demand in this category.

The group's net interest-bearing debt amounts to DKK 164m as at 31 October 2022, which is slightly higher than at the end of the same period last year.

Cash flow from operations amounts to DKK -45.7m compared to a positive cash flow of DKK 38.1m for the same period last year. Among other things, the development is impacted by lower earnings and tie-up in higher inventory values, and also reflects the expected increased liquidity burden as a result of some customers having wound down their supply chain financing arrangements as a result of new EU regulations.

Despite the lower earnings in the 2nd quarter, Harboe continues to have a good financial basis that supports an expected increasing level of investment in the coming years, as part of the implementation of the group's strategy

## ASSUMPTIONS (FROM ANNUAL REPORT 2021/22)

- Continued intense competition and pressure on prices, especially in Danish and German retail markets.
- Rising turnover driven by export markets.
- Improved earnings in both business areas.
- Investments in a strengthened supply chain and efficiency improvements.
- Ongoing great uncertainty about the development in cost prices for raw materials, energy and freight as well as the results of ongoing negotiations to obtain necessary increases in sales prices with customers.
- Uncertainty about gas supply for own production and in supply chains, which could, among other impacts, potentially lead to significant additional costs.

- Restrictions in supply chains may cause delays and lost turnover.
- Continued risk of fluctuations in activities as a result of possible new waves of infection with COVID-19.

## ASSUMPTIONS (UPDATED)

- The above assumptions remain valid.
- However, it is estimated that further increases in raw material prices, high distribution costs and supply chain constraints will limit growth in export markets for the remaining part of the financial year.
- The continued cooperation with customers on reliability of supply and compensation for rising costs is expected to result in a gradual improvement of profits during the remaining part of the financial year.

## EXPECTATIONS FOR 2022/23 MAINTAINED

- Based on the realised results for the first half of the year and the above assumptions, the expectations for 2022/23 are maintained.
- It must be emphasised that the uncertainty surrounding expectations is significantly greater than usual, and that expectations are very sensitive to the development in cost prices and the speed with which price increases can be passed on to customers. Both the ongoing and the regular annual renegotiations of major contracts with customers are therefore of great importance for 2022/23 results.

## EXPECTATIONS FOR 2022/23

|  | Realised results<br>2021/22 | Expectations for<br>2022/23 (2021/22<br>annual report) | Expectations for<br>2022/23, currently |
|--|-----------------------------|--|--|
| EBITDA                                   | DKK 98.9m                   | DKK 63m – 103m   | DKK 63m – 103m                         |
| Pre-tax profit,<br>continuing activities | DKK -4.2m                   | DKK -30m – +10m  | DKK -30m – +10m                        |
| Profits from<br>discontinued activities  | DKK 4.3m                    | DKK 0m   | DKK 0m                                 |

## DISCLAIMER

The above statements regarding future performance involve risks and uncertainties about a number of factors, many of which are beyond the control of the Harboe Group. This may cause actual results to differ significantly from the forecasts given above. Factors that can affect expectations include general economic and business conditions, commodity price trends, new taxes and regulations, political conditions, demand, currency fluctuations and competitive conditions.

## OVERALL GROWTH DRIVEN BY GERMANY AND DENMARK

- Volume increased by 6.8% compared to the first half of last year
- Net turnover increased by 9.4% to DKK 753m
- EBITDA was DKK 37m compared to DKK 77m for the same period last year

## INCREASING VOLUME AND TURNOVER IN THE 2ND QUARTER

- In the 2nd quarter, volume increased by 5.2% compared to the same period last year.
- Net turnover increased by 9.2% to DKK 367m

## PRICE INCREASES AND NEW BUSINESS DRIVE GROWTH IN THE MAIN MARKETS

In the Danish market, turnover increased by 17.4% in the 2nd quarter, primarily due to increased volume and implemented increases in sales prices.

Harboe has received positive feedback on the new packaging design launched for the beer category in the Danish market in the spring, in line with the strategy. A corresponding upgrade for soft drinks was implemented and launched in the 2nd quarter.

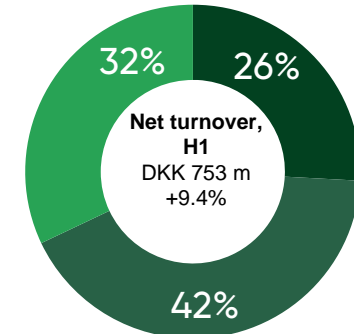
In Germany, turnover increased by 34.9% in the 2nd quarter, also driven by implemented price increases and reflecting the effect of new business activities and a favourable product mix.

## EXPORT MARKETS UNDER PRESSURE

In the export markets, turnover fell by 17.9% in the 2nd quarter, which is a bigger drop than expected. The continued high transport prices and constrained supply chains as well as implemented price increases to counter the rising raw material costs put a significant dampener on demand. Work is ongoing to develop the export business, but it is expected that growth will be under continued pressure for as long as the current challenges continue.

## NET TURNOVER H1

Export  
DKK 246  
-9.1%

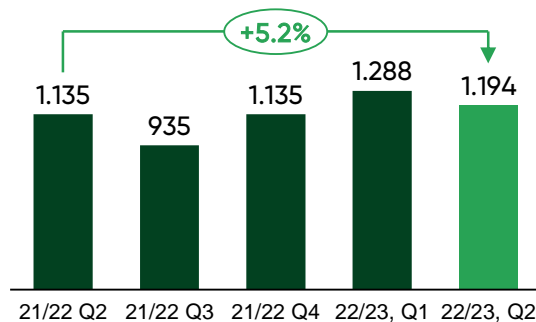


Denmark  
DKK 192 m  
+12.6%

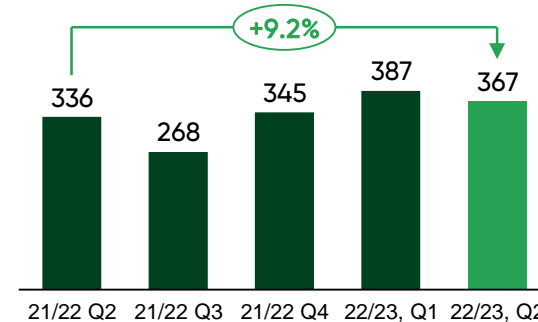
Germany  
DKK 314 m  
27.9%

| DKK m                                      | H1        |           | Full year  |
|--|-----------|-----------|------------|
|  | 2022/23   | 2021/22   | 2021/22    |
| Volume (hl, thousands)                     | 2,482     | 2,323     | 4,419      |
| Net turnover                               | 753       | 688       | 1,300      |
| Total expenditure                          | (716)     | (611)     | (1,183)    |
| <b>EBITDA</b>                              | <b>37</b> | <b>77</b> | <b>117</b> |
| Depreciation, amortisation and write-downs | (32)      | (35)      | (75)       |
| <b>Operating profit or loss (EBIT)</b>     | <b>5</b>  | <b>42</b> | <b>42</b>  |

## VOLUME, HL (THOUSANDS)

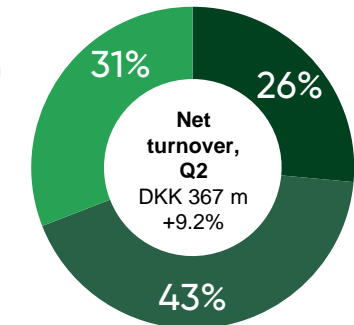


## NET TURNOVER DKK m



## NET TURNOVER, 2ND QUARTER

Exports  
DKK 113 m  
-17.9%



Denmark  
DKK 97 m  
+17.4%

Germany  
DKK 156 m  
+34.9%

## GROWTH AND IMPROVED EARNINGS IN THE FIRST HALF OF THE YEAR

- Volume increased by 7.4% compared to the first half of last year
- Net turnover increased by 24.1% to DKK 72m
- EBITDA was DKK 8m compared to DKK 6m in the same period last year

## CONTINUED GROWTH IN THE 2ND QUARTER

- Volume increased by 8.7% compared to the same period last year
- Net turnover increased by 31% to DKK 38m, driven by increasing volume and implemented sales price increases

## INCREASING TURNOVER IN DENMARK AND GERMANY

Intensified sales efforts aimed at both existing and new customers formed the basis for an increasing level of activity, just as the implementation of sales price increases contributed to increased turnover in both Denmark and Germany.

In Denmark, turnover increased by 14.9% in the 2nd quarter, while in Germany it increased by 34.8%.

There is continued high demand for ingredients that meet sustainability and clean label requirements for foodstuffs, and Harboe has continued to work closely with customers to develop and implement new uses for the malt-based ingredients.

## POSITIVE DEVELOPMENT IN EXPORT MARKETS

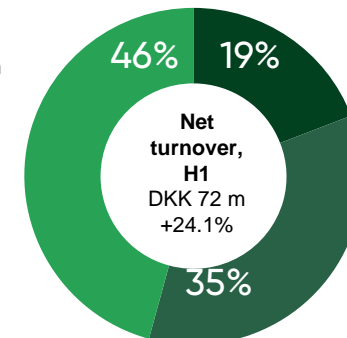
turnover in export markets increased by 26.6% in the 2nd quarter and reflects a continued effort to build the business following the loss of a major customer at the end of the 2020/21 financial year.

Harboe will continue its sales efforts aimed at existing and new customers and expects to further strengthen growth and earnings in export markets through the remaining part of the financial year.

Harboe has positive expectations for the continued development of the ingredients business, which has been reorganised with a new, independent management structure in 2022.

## NET TURNOVER H1

Export  
DKK 33 m  
+24.1%



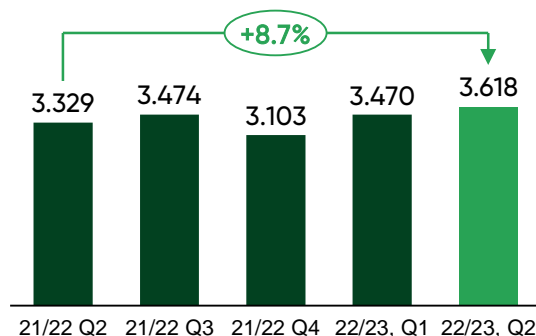
Denmark  
DKK 14 m  
+14.7%

Germany  
DKK 25 m  
+25.8%

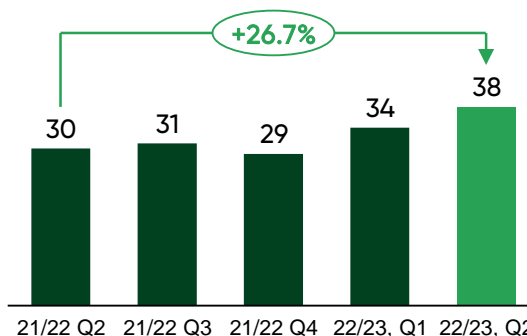
Net  
turnover,  
H1  
DKK 72 m  
+24.1%

| DKKm                                       | H1       |            | Full year  |
|--|----------|------------|------------|
|  | 2022/23  | 2021/22    | 2021/22    |
| Sales (tonnes)                             | 7,088    | 6,599      | 13,176     |
| Net turnover                               | 72       | 59         | 119        |
| Total expenditure                          | (64)     | (53)       | (108)      |
| <b>EBITDA</b>                              | <b>8</b> | <b>6</b>   | <b>11</b>  |
| Depreciation, amortisation and write-downs | (7)      | (7)        | (14)       |
| <b>Operating profit or loss (EBIT)</b>     | <b>1</b> | <b>(1)</b> | <b>(3)</b> |

## VOLUME, TONNES

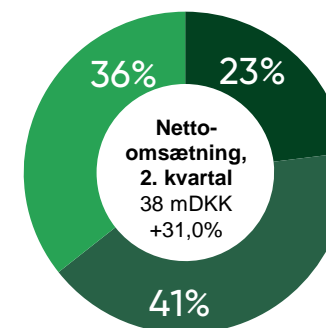


## NET TURNOVER DKKm



## NET TURNOVER, 2ND QUARTER

Export  
DKK 18 m  
+26.6%



Denmark  
DKK 7 m  
+14.9%

Germany  
DKK 13 m  
+34.8%

Netto-  
omsætning,  
2. kvartal  
38 mDKK  
+31,0%



## RISK MANAGEMENT

Harboe continuously analyses and considers the business and financial risks that impact the company's development and results. The market for beer and soft drinks is characterised by intense competition in all of the group's main markets, which results in constant pressure on prices.

Harboe is therefore very sensitive to seasonal fluctuations and market-related increases in the prices of raw materials and consumables, because increased costs cannot be immediately transferred to sales prices. This is especially true of Group products that are marketed to large retail chains.

Political unrest and conflicts in a number of the Group's markets give rise to special precautions and risk assessments.

The business risk exposure in these areas is continuously coordinated with the Group's Executive Board and Board of Directors, who assess the concrete framework and criteria for business activities, contracting, monetary transactions, etc.

The group's risk exposure is described in more detail in the annual report for 2022/23.

## EVENTS AFTER THE END OF THE PERIOD

No events occurred after the end of the period that might affect the Group's earnings and financial position.

## DISCLAIMER

The interim financial report contains statements about the future, including forecasts of future performance. Such statements are associated with risks and uncertainties regarding a number of factors, many of which are beyond the control of Harboe Group. This may cause actual results to differ significantly from the forecasts made in the interim financial report. Factors that may affect expectations include general economic and business conditions, commodity price developments, new taxes and regulations, political conditions, demand, exchange rate fluctuations and competitive conditions. The interim financial report is published in Danish and English. In case of discrepancies between the Danish and English texts, the Danish text shall prevail.

## FINANCIAL CALENDAR

Harboes Bryggeri A/S expects to publish its financial statements according to the following calendar.

| DATE         | ANNOUNCEMENT                                     |
|--------------|--|
| 9 March 2023 | Interim financial statement, 3rd quarter 2022/23 |
| 22 June 2023 | Annual report 2022/23                            |

## COMPANY ANNOUNCEMENTS

In the period from 1 May until 31 October 2022, the company has sent the following company announcements to NASDAQ OMX Copenhagen, which can be found on the company's website [www.harboes.dk](http://www.harboes.dk)

| DATE              | ANNOUNCEMENT  |
|-------------------|---|
| 12 May 2022       | Managerial change   |
| 17 June 2022      | Annual Report 2021/22                                       |
| 20 June 2022      | Notice of annual general meeting 2022                       |
| 7 July 2022       | Managerial change   |
| 21 July 2022      | Notice of annual general meeting 2022                       |
| 19 August 2022    | General meeting held, appointment of the board of directors |
| 29 September 2022 | Interim financial statement 1st quarter 2022/23             |

# STATEMENT BY THE EXECUTIVE BOARD AND THE BOARD OF DIRECTORS ON THE INTERIM FINANCIAL REPORT, H2 2021



Today, we have reviewed and approved the interim financial report for the period 1 May to 31 October 2022 for Harboes Bryggeri A/S.

The interim financial report, which has not been audited or reviewed by the company's auditors, has been submitted in accordance with IAS 34, Presentation of interim financial statements, as approved by the EU, and in accordance with additional Danish disclosure requirements for interim financial reports for listed companies.

It is our opinion that the interim financial statements offer a true and fair account of the group's assets, liabilities and financial position as at 31 October 2022, as well as the result of the group's activities and cash flows for the first half of 2022/23.

It is also our opinion that the management's review offers a fair account of the development in the group's activities and financial situation, profits for the period and of the group's financial position as a whole, as well as a description of the most significant risks and security factors that the group faces.

Skælskør, 8 december 2022

## EXECUTIVE BOARD

Søren Malling  
CEO

Martin Schade  
COO

Simon Andersson  
CFO

## Board of Directors

Bernhard Griese  
Formand

Sabine Disse

Ruth Schade

Jakob Skovgaard

Bettina Køhlert Larsen

Constantijn Antoine Josef Deelen

Jens Bjarne Søndergaard Jensen\*

\* Elected by employees

# INCOME STATEMENT

| DKK THOUSANDS  | Q2              |                | H1              |                | Full year        |
|--|-----------------|----------------|-----------------|----------------|------------------|
|  | 2022/23         | 2021/22        | 2022/23         | 2021/22        | 2021/22          |
| Net turnover   | <b>404,503</b>  | <b>366,257</b> | <b>825,406</b>  | <b>746,664</b> | <b>1,419,353</b> |
| Production costs   | (341,005)       | (290,223)      | (685,241)       | (595,148)      | (1,161,534)      |
| Gross profit   | <b>63,498</b>   | <b>76,034</b>  | <b>140,165</b>  | <b>151,516</b> | <b>257,819</b>   |
| Other operating income   | 1,763           | 2,387          | 3,878           | 4,820          | 10,802           |
| Sales and distribution costs                                   | (61,507)        | (56,847)       | (125,386)       | (103,244)      | (202,934)        |
| Administrative costs   | (15,641)        | (13,693)       | (31,678)        | (29,547)       | (60,161)         |
| Other operating costs  | (1,114)         | (1,824)        | (2,964)         | (2,980)        | (6,322)          |
| Operating profit (EBIT)  | <b>(13,001)</b> | <b>6,057</b>   | <b>(15,985)</b> | <b>20,565</b>  | <b>(796)</b>     |
| Financial income   | 3               | 75             | 56              | 117            | 206              |
| Financial costs  | (1,583)         | (2,353)        | (2,982)         | (3,512)        | (6,367)          |
| Pre-tax profit, continuing activities                          | <b>(14,581)</b> | <b>3,779</b>   | <b>(18,911)</b> | <b>17,170</b>  | <b>(6,957)</b>   |
| Tax on profit or loss for the period                           | 3,620           | (1,149)        | 4,538           | (4,844)        | 2,730            |
| The period's profit from continuing activities                 | <b>(10,961)</b> | <b>2,630</b>   | <b>(14,373)</b> | <b>12,326</b>  | <b>(4,227)</b>   |
| Net profit or loss for the period from discontinued activities | (2)             | (175)          | (6)             | (336)          | 4,288            |
| Profit/(loss) for the period                                   | <b>(10,963)</b> | <b>2,455</b>   | <b>(14,379)</b> | <b>11,990</b>  | <b>61</b>        |

# TOTAL INCOME STATEMENT

| DKK THOUSANDS  | Q2              |              | H1              |               | Full year    |
|--|-----------------|--------------|-----------------|---------------|--------------|
|  | 2022/23         | 2021/22      | 2022/23         | 2021/22       | 2021/22      |
| Profit/(loss) for the period                                   | <b>(10,963)</b> | <b>2,455</b> | <b>(14,379)</b> | <b>11,990</b> | <b>61</b>    |
| Other total income   |                 |              |                 |               |              |
| <i>Items that can be reclassified for the income statement</i> |                 |              |                 |               |              |
| Exchange rate regulation regarding foreign companies           | 0               | 114          | 0               | 114           | 207          |
| Other total income   | 0               | 1,008        | 0               | 1,008         | 797          |
| Tax on other total income                                      | 0               | 0            | 0               | 0             | 46           |
| <b>Other total income</b>                                      | <b>0</b>        | <b>1,122</b> | <b>0</b>        | <b>1,122</b>  | <b>1,050</b> |
| <b>Total income</b>  | <b>(10,963)</b> | <b>3,577</b> | <b>(14,379)</b> | <b>13,112</b> | <b>1,111</b> |
| Allocation of the period's profit or loss:                     |                 |              |                 |               |              |
| The parent company's shareholders                              | (10,963)        | 2,455        | (14,379)        | 11,990        | 35           |
| Minority interests   | 0               | 0            | 0               | 0             | 26           |
|  | (10,963)        | 2,455        | (14,379)        | 11,990        | 61           |
| Distribution of total income for the period:                   |                 |              |                 |               |              |
| The parent company's shareholders                              | (10,963)        | 3,577        | (14,379)        | 12,104        | 1,085        |
| Minority interests   | 0               | 0            | 0               | 0             | 26           |
|  | (10,963)        | 3,577        | (14,379)        | 12,104        | 1,111        |
| Earnings and diluted earnings per share                        |                 |              |                 |               |              |
| Continuing and discontinued activities                         | (2.60)          | 0.58         | (3.41)          | 2.84          | 0.01         |
| Continuing activities  | (2.60)          | 0.62         | (3.40)          | 2.92          | (1.00)       |

| ASSETS<br>DKK THOUSANDS        | 31 October<br>2022 | 31 October<br>2021 | 30 April<br>2022 | LIABILITIES<br>DKK THOUSANDS                        | 31 October<br>2022 | 31 October<br>2021 | 30 April<br>2022 |
|--------------------------------|--------------------|--------------------|------------------|---|--------------------|--------------------|------------------|
| Intangible assets              | 5,757              | 12,002             | 6,218            | Share capital                                       | 60,000             | 60,000             | 60,000           |
| Tangible assets                | 597,606            | 631,731            | 613,578          | Other reserves                                      | (225)              | (1,161)            | (225)            |
| Investment properties          | 29,811             | 33,274             | 31,460           | Transferred total income                            | 606,749            | 634,065            | 621,128          |
| Other equity and securities    | 2,358              | 2,573              | 2,363            | <b>Equity</b>                                       | <b>666,524</b>     | <b>692,904</b>     | <b>680,903</b>   |
| <b>Non-current assets</b>      | <b>635,532</b>     | <b>679,580</b>     | <b>653,619</b>   | Minority shareholders                               | 40                 | 7                  | 40               |
| Inventories                    | 188,897            | 146,788            | 164,926          | <b>Equity of parent company's shareholders</b>      | <b>666,484</b>     | <b>692,897</b>     | <b>680,863</b>   |
| Receivables                    | 289,931            | 295,483            | 271,883          | Mortgage debt                                       | 62,489             | 78,491             | 70,318           |
| Prepayments and accrued income | 7,320              | 7,641              | 6,504            | Recognised leasing obligations                      | 34,478             | 36,190             | 33,029           |
| Tax receivable                 | 0                  | 1,100              | 0                | Deferred tax liabilities                            | 44,633             | 51,493             | 46,453           |
| Cash and cash equivalents      | 0                  | 0                  | 46,090           | Deferred recognition of income                      | 15,883             | 19,112             | 17,372           |
| <b>Current assets</b>          | <b>486,148</b>     | <b>451,012</b>     | <b>489,403</b>   | <b>Long-term liabilities, other than provisions</b> | <b>157,483</b>     | <b>185,286</b>     | <b>167,172</b>   |
| <b>Assets</b>                  | <b>1,121,680</b>   | <b>1,130,592</b>   | <b>1,143,022</b> | Debt to credit institutions                         | 41,496             | 15,110             | 0                |
|                                |                    |                    |                  | Debt to mortgage credit institutions                | 15,928             | 15,924             | 15,990           |
|                                |                    |                    |                  | Recognised leasing obligations                      | 9,633              | 8,877              | 9,683            |
|                                |                    |                    |                  | Trade payables                                      | 137,428            | 124,797            | 158,597          |
|                                |                    |                    |                  | Deferred recognition of income                      | 2,623              | 3,156              | 2,869            |
|                                |                    |                    |                  | Other debt and other liabilities                    | 90,565             | 84,538             | 107,808          |
|                                |                    |                    |                  | <b>Current liabilities</b>                          | <b>297,673</b>     | <b>252,402</b>     | <b>294,947</b>   |
|                                |                    |                    |                  | <b>Commitments</b>                                  | <b>455,156</b>     | <b>437,688</b>     | <b>462,119</b>   |
|                                |                    |                    |                  | <b>Passiver</b>                                     | <b>1.121.680</b>   | <b>1.130.592</b>   | <b>1.143.022</b> |

# CASH FLOW STATEMENT, H1 2022/23

| DKK THOUSANDS                                      | Q2              |                 | H1              |                 | Full year       |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|
|  | 2022/23         | 2021/22         | 2022/23         | 2021/22         | 2021/22         |
| Operating profit                                   | <b>(13,001)</b> | <b>6,057</b>    | <b>(15,985)</b> | <b>20,565</b>   | <b>(796)</b>    |
| Depreciation, amortisation and write-downs         | 21,467          | 23,398          | 43,167          | 47,805          | 99,812          |
| Income-recognised investment grants                | (869)           | (1,025)         | (1,735)         | (2,034)         | (4,053)         |
| Other adjustments                                  | 354             | (85)            | (588)           | (88)            | 0               |
| Changes in working capital                         | (35,417)        | (47,049)        | (76,432)        | (50,923)        | 16,680          |
| Discontinuing activity                             | (30)            | (107)           | (207)           | (233)           | 5,569           |
| <b>Cash flows from primary operations</b>          | <b>(27,497)</b> | <b>(18,811)</b> | <b>(51,781)</b> | <b>15,092</b>   | <b>117,212</b>  |
| Financial income                                   | 3               | 23              | 56              | 65              | 206             |
| Financial costs                                    | (1,583)         | (1,295)         | (2,982)         | (2,458)         | (5,359)         |
| Corporate tax paid                                 | (1,115)         | (1,581)         | (1,912)         | (11,036)        | (11,925)        |
| <b>Cash flows from operations</b>                  | <b>(30,192)</b> | <b>(21,664)</b> | <b>(56,619)</b> | <b>1,663</b>    | <b>100,134</b>  |
| Purchase of intangible assets                      | 0               | (1,104)         | 0               | (1,104)         | (1,219)         |
| Purchase of tangible assets                        | (8,466)         | (11,437)        | (27,178)        | (22,321)        | (49,452)        |
| Sale of tangible assets                            | 0               | 3,010           | 3,470           | 3,388           | 208             |
| Sale of financial assets                           | 0               | 0               | 0               | 0               | 3,312           |
| Dividends received from financial assets           | 0               | 0               | 0               | 0               | 32              |
| Change in financial assets                         | (761)           | (354)           | (761)           | (354)           | 0               |
| <b>Cash flows from investments</b>                 | <b>(9,227)</b>  | <b>(9,885)</b>  | <b>(24,469)</b> | <b>(20,391)</b> | <b>(47,119)</b> |
| Repayments on debt to mortgage-credit institutions | (3,934)         | (4,179)         | (7,891)         | (8,198)         | (16,193)        |
| Incurrence of leasing liabilities                  | 0               | 0               | 6,571           | 62              | 2,721           |
| Payments on leasing liabilities                    | (2,418)         | (2,345)         | (5,172)         | (4,901)         | (9,912)         |
| <b>Cash flows related to financing</b>             | <b>(6,352)</b>  | <b>(6,524)</b>  | <b>(6,492)</b>  | <b>(13,037)</b> | <b>(23,384)</b> |
| <b>Change in cash and cash equivalents</b>         | <b>(45,771)</b> | <b>(38,073)</b> | <b>(87,580)</b> | <b>(31,765)</b> | <b>29,631</b>   |
| Cash and cash equivalents, start of period         | 4,284           | 22,950          | 46,090          | 16,642          | 16,642          |
| Translation adjustment, start of period            | (9)             | 13              | (6)             | 13              | (183)           |
| <b>Cash and cash equivalents, end of period</b>    | <b>(41,496)</b> | <b>(15,110)</b> | <b>(41,496)</b> | <b>(15,110)</b> | <b>46,090</b>   |

# STATEMENT OF CHANGES IN EQUITY, H1 2022/23

| DKK THOUSANDS                             | Share capital | Reserve for exchange rate adjustments | Reserve for value adjustment of financial assets available for sale | Other reserves total | Retained earnings | Equity total | Equity attributable to minority interests | Equity attributable to equity holders of the parent company |
|---|---------------|---------------------------------------|---|----------------------|-------------------|--------------|---|---|
| Equity 01.05.2022                         | 60,000        | (716)                                 | 491   | (225)                | 621,128           | 680,903      | 40  | 680,863   |
| <b>Equity movements during the period</b> |               |                                       |   |                      |                   |              |   |   |
| Profit/(loss) for the period              | 0             | 0                                     | 0   | 0                    | (14,379)          | (14,379)     | 0   | (14,379)  |
| Other total income in the period          | 0             | 0                                     | 0   | 0                    | 0                 | 0            | 0   | 0   |
| Total income for the period               | 0             | 0                                     | 0   | 0                    | (14,379)          | (14,379)     | 0   | (14,379)  |
| Equity 31.10.2022                         | 60,000        | (716)                                 | 491   | (225)                | 606,749           | 666,524      | 40  | 666,484   |
| <b>Equity movements during the period</b> |               |                                       |   |                      |                   |              |   |   |
| Profit/(loss) for the period              | 0             | 0                                     | 0   | 0                    | 61                | 61           | -7  | 68  |
| Other total income in the period          | 0             | 207                                   | 843   | 1,050                | 0                 | 1,050        | 0   | 1,050   |
| Total income for the period               | 0             | 207                                   | 843   | 1,050                | 61                | 1,111        | (7)                                       | 1,118   |
| Equity 31.10.2021                         | 60,000        | (716)                                 | 491   | (225)                | 621,128           | 680,903      | 7   | 680,896   |

## 1. ACCOUNTING POLICIES APPLIED

The interim financial statements are presented in condensed form in accordance with IAS 34, Interim Financial Reporting, as endorsed by the EU. No interim financial statements have been prepared for the parent company. The interim financial statements are presented in Danish kroner (DKK), which is the functional currency of the parent company. The accounting policies used in the interim financial statements are unchanged from the accounting policies used in the consolidated financial statements for 2021/22, which are in accordance with International Financial Reporting Standards as approved by the EU. We refer to the annual report for 2021/22 for a more detailed description of the accounting policies applied, including the definitions of the specified key figures, which have been calculated in accordance with definitions in the Danish Financial Analysts Association's guidance "Recommendations & Key Figures 2015".

## TURNOVER AND NON-CURRENT ASSETS

| DKK THOUSANDS             | Q2             |                | H1             |                | Full year<br>2021/22 |
|---------------------------|----------------|----------------|----------------|----------------|----------------------|
|                           | 2022/23        | 2021/22        | 2022/23        | 2021/22        |                      |
| <b>Net turnover</b>       |                |                |                |                |                      |
| Denmark                   | 103,906        | 88,611         | 206,769        | 183,425        | 383,976              |
| Germany                   | 169,053        | 125,334        | 339,594        | 265,927        | 502,174              |
| Other countries           | 131,544        | 152,312        | 279,043        | 297,312        | 533,203              |
| <b>Total</b>              | <b>404,503</b> | <b>366,257</b> | <b>825,406</b> | <b>746,664</b> | <b>1,419,353</b>     |
| <b>Non-current assets</b> |                |                |                |                |                      |
| Denmark                   | 357,384        | 373,910        | 357,384        | 373,910        | 363,060              |
| Germany                   | 275,790        | 298,697        | 275,790        | 298,697        | 288,196              |
| Other countries           | 0              | 4,400          | 0              | 4,400          | 0                    |
| <b>Total</b>              | <b>633,174</b> | <b>677,007</b> | <b>633,174</b> | <b>677,007</b> | <b>651,256</b>       |

## 2. ESTIMATES AND PROJECTIONS

The preparation of interim financial reports requires management to make accounting projections and estimates that affect the application of accounting policies and recognised assets, liabilities, income and costs. Actual results may differ from these estimates. The most significant estimates that management makes when applying the group's accounting policies, and the most significant estimative uncertainty associated with this, are the same in the preparation of the condensed interim financial report as in the preparation of the 2021/22 annual report.

## 3. TURNOVER AND NON-CURRENT ASSETS BY GEOGRAPHIC AREA

The Group's activities are primarily divided between Denmark, Germany and other countries (Africa, Asia, Middle East, Americas and Europe). The Group's net turnover and non-current assets by geographic area are detailed below, with net turnover broken down by customer location and non-current assets by physical location.

## INFORMATION ABOUT MAIN CUSTOMERS

Out of the group's total net turnover in Denmark and Germany, sales to 3 customers respectively amount to approx. 20% (14%), 18% (18%) and 10% (10%). The corresponding period last year is indicated in brackets.



## 1. SEGMENTS

## H1 2022/23

| DKK THOUSANDS                              | Beverages      | Ingredients   | Not allocated   | Total           |
|--|----------------|---------------|-----------------|-----------------|
| Sales (thl/tonnes)                         | <b>2,482</b>   | <b>7,088</b>  |                 |                 |
| Net turnover                               | 753,642        | 71,764        | 0               | 825,406         |
| Total expenditure                          | (716,791)      | (63,394)      | (18,039)        | (798,224)       |
| EBITDA                                     | <b>36,851</b>  | <b>8,370</b>  | <b>(18,039)</b> | <b>27,182</b>   |
| Depreciation, amortisation and write-downs | (31,912)       | (7,136)       | (4,119)         | (43,167)        |
| Operating profit or loss (EBIT)            | <b>4,939</b>   | <b>1,234</b>  | <b>(22,158)</b> | <b>(15,985)</b> |
| Non-current assets                         | <b>423,771</b> | <b>97,469</b> | <b>111,934</b>  | <b>633,174</b>  |

## H1 2021/22

| DKK THOUSANDS                              | Beverages      | Ingredients    | Not allocated   | Total          |
|--|----------------|----------------|-----------------|----------------|
| Sales (thl/tonnes)                         | <b>2,349</b>   | <b>6,599</b>   |                 |                |
| Net turnover                               | 688,147        | 58,517         | 0               | 746,664        |
| Total expenditure                          | (611,391)      | (52,806)       | (14,097)        | (678,294)      |
| EBITDA                                     | <b>76,756</b>  | <b>5,711</b>   | <b>(14,097)</b> | <b>68,370</b>  |
| Depreciation, amortisation and write-downs | (34,997)       | (6,732)        | (6,076)         | (47,805)       |
| Operating profit or loss (EBIT)            | <b>41,759</b>  | <b>(1,021)</b> | <b>(20,173)</b> | <b>20,565</b>  |
| Non-current assets                         | <b>446,289</b> | <b>107,230</b> | <b>123,488</b>  | <b>677,007</b> |