

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	2023/24	300,000	0	300,000
	Member	2022/23	0	0	0
Jan Pietras	Joined 2023	2023/24	300,000	0	300,000
	Member	2022/23	0	0	0
Simone Bagge Jensen	Joined 2023	2023/24	300,000	0	300,000
	Member	2022/23	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 Kjærgaard 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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