

We are Flügger

Summary of Annual Report 2023/24



This is an English summary of the consolidated annual report, and parts of the consolidated report have been intentionally omitted. In case of any matter of dispute or other divergences between the Danish and English text, the Danish text will prevail.

Guidance statements

Statements concerning the Group's future financial performance are necessarily subject to uncertainties and risks that may cause actual performance to differ from the expected future development.

General meeting

The company's annual general meeting is held on Wednesday, 21 August 2024 in Copenhagen.

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Dear shareholders

2023/24 has been another challenging year for the construction industry. For painters, the year has meant lower activity, especially in the Nordic countries, and at the same time, the private consumer has been price-sensitive. Despite this, we have managed to deliver according to our plan for the year and have achieved increased market shares in several markets as well as continued growth in our international business units.

It has also been a year where we have seen a certain degree of normalization in our supply chain. Both raw material availability and transport have improved compared to last year. Overall, this has contributed to improved earnings over the year.

Last but not least, in 2023/24, we have focused on divesting our Russian activities and developing a new business strategy for the coming three years.

Divestment of Eskaro Group and investment in Ukraine

A significant event for the year was the divestment of Eskaro Group AB, which has activities in Russia, Belarus, Estonia, Latvia, and Finland. In connection with the divestment, Flügger increased its ownership in Eskaro Ukraine from 70% to 80%.

We are therefore pleased to have found a solution where we have exited markets we do not consider strategically important for Flügger while maintaining ownership in Ukraine.

We continue to innovate

At Flügger, we aim to move our part of the construction industry in a greener direction. This ambition has led to several innovations during the year, including 'Dekso AIR', which is the first paint ever with the Asthma Allergy Nordic label.

Furthermore, we have launched the industry's first complete wet room system with the Nordical Swan Ecolabel 'Dekso H2O'. Both are created with the professional painter in mind – with significant benefits in terms of quality, work environment, health, and efficiency. We will continue to develop practical and innovative solutions for the benefit of painters, private consumers, and the green transition. It is part of our DNA and drive.

Flügger Organic – Delivering sustainable value

The strategy period for Going Green ended at the end of 2023/24 financial year. The new strategy, Flügger Organic, is centered around organic growth both within and outside the Nordic region and runs for the next three years. Our fundamental values of "customer focus" and being a "co-creator of a greener industry" have been carried forward into the new strategy.

The strategy aims to clarify Flügger's position in the market with commercial additions and subtractions, with the ambition of organic growth that contributes to overall increased profitability. All this focuses on our core customer, the professional painter, and is based on product quality, distribution, and the right sustainability profile.

By launching a new strategy, we are also building on our culture. As a family-run business, we feel responsible for strengthening our customers with our solutions.

Flügger Organic is presented broadly in this report and in connection with the general meeting of Flügger group A/S.

Thanks to customers, employees, and shareholders

A special thanks to our customers for providing support and feedback throughout the year. It has been invaluable for our work with the strategy but also our ongoing product development and adjustment of Flügger. We look forward to continuing to work to meet your expectations in the coming years.

Throughout the entire Flügger organization, from development, sales, production to branding, everyone has worked to deliver top-quality products and services that meet our customers' expectations and needs. We are proud of your professionalism, dedication, loyalty, and solution orientation. The year has required a dedicated effort from everyone in relation to the uncertain market dynamics. Also, a new strategy for Flügger, which sets the direction for the coming years, has required a great effort from many. A special thanks is therefore also directed to you.

Finally, a big thanks to Flügger's shareholders. Your faith in Flügger allows us to grow, innovate, and achieve our goals. We look forward to growing Flügger in the new year together with you.



Sune Dedenroth Schnack
Administrerende direktør



Peter Korsholm
Bestyrelsesformand

"Flügger is the supplier for the professional painters, delivering reliability and quality. We provide professional guidance and the same, consistent quality every time. We strive for our customers to achieve a great result with the fewest possible work steps and good durability."



Key figures 2023/24

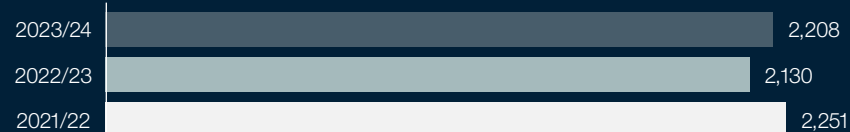
Financial year 2023/24 = 1 May 2023 – 30 April 2024

Revenue

DKK million

2,208

▲ +4 %

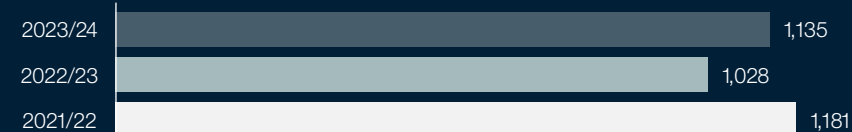


Gross profit/loss

DKK million

1,135

▲ +10 %



EBIT

DKK million

68

▲ +993 %

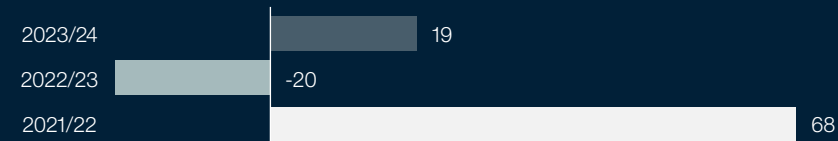


Net profit/loss after tax and minority interests

DKK million

19

▼ -154 %

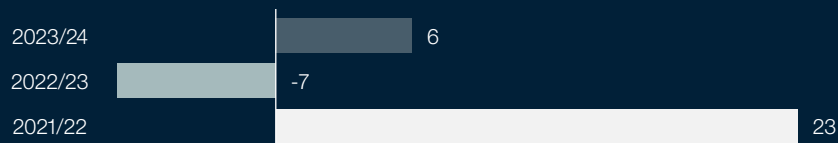


Net profit/loss per share after tax and minority interests

DKK

6

▼ -153 %



ROCE

4.6 %



Flügger 10-year development

DKK million

	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22 ¹	22/23 ¹	23/24 ¹
Income statement										
Revenue	1,833	1,850	1,849	1,818	1,824	1,895	2,162	2,251	2,130	2,208
Gross profit/loss	1,015	998	1,025	1,011	992	998	1,215	1,181	1,028	1,135
EBITDA	122	82	119	119	88	212	368	285	146	237
EBIT	65	21	44	58	41	83	228	108	-8	68
Net financial items	1	2	-2	-1	1	-7	-8	-16	-9	-22
Profit/loss before tax	66	23	41	56	41	76	220	93	-17	46
Profit/loss from continuing operations	54	13	29	33	32	60	180	56	-9	25
Profit/loss after tax and minority interest from continuing operations	54	13	29	33	32	58	171	68	-20	19
Profit/loss including discontinued operations	54	13	29	33	32	60	180	-8	14	16
Balance sheet										
Balance sheet total, year-end	1,250	1,243	1,189	1,139	1,095	1,691	1,842	2,226	2,132	1,939
Equity, year-end	859	811	797	760	742	787	951	919	774	821
Net interest-bearing debt (-)/cash and cash equivalents (+)	55	28	124	154	145	-301	-245	-758	-810	-713
Net interest-bearing debt excl. leases (-)/cash and cash equivalents (+)	55	28	124	154	145	105	141	-367	-471	-379
Working capital	322	324	270	255	281	217	236	442	419	409
Cash flows										
Cash flows before financing and tax	78	74	172	107	59	287	337	150	124	211
Cash flows from operating activities	85	67	158	96	51	272	313	80	88	194
Cash used in investing activities	-67	-41	-24	-21	-15	-159	-165	-265	-84	-66
Cash used in financing activities	-12	-12	-97	-54	-34	-126	-129	60	23	-130
Investments in property, plant and equipment	40	39	22	17	16	59	121	186	72	54
Financial ratios²										
Gross margin, %	55.4	53.9	55.4	55.6	54.4	52.7	56.2	52.5	48.2	51.4
EBITDA margin, %	6.7	4.4	6.4	6.6	4.8	11.2	17.0	12.7	6.8	10.8
EBIT margin, %	3.5	1.1	2.4	3.2	2.2	4.4	10.6	4.8	-0.4	3.1
Return on equity, %	6.3	1.6	3.6	4.3	4.3	7.6	20.7	6.0	-1.0	3.2
Equity ratio, %	68.7	65.2	67.1	66.7	67.8	46.5	51.1	41.3	36.3	42.3
ROCE, %	8.1	2.7	6.5	9.5	6.8	7.6	20.7	7.4	-0.5	4.6
Full-time employees, average	1,575	1,550	1,533	1,486	1,481	1,624	1,527	1,782	1,673	1,653

Share ratios, see p. 17

¹ Income statement, working capital and key figures are adjusted to only reflect the continuing operations.

² Financial ratios are calculated according to the recommendations of CFA Society Denmark

Definitions

Gross margin, %

Gross profit as a percentage of revenue

EBITDA margin, %

Operating profit before depreciation, amortisation and writedowns as a percentage of revenue

Net interest-bearing debt

Interest-bearing debt less securities and cash and cash equivalents.

EBIT margin, %

Operating profit as a percentage of revenue

Return on equity, %

Profit/loss from ordinary activities after tax as a percentage of average equity

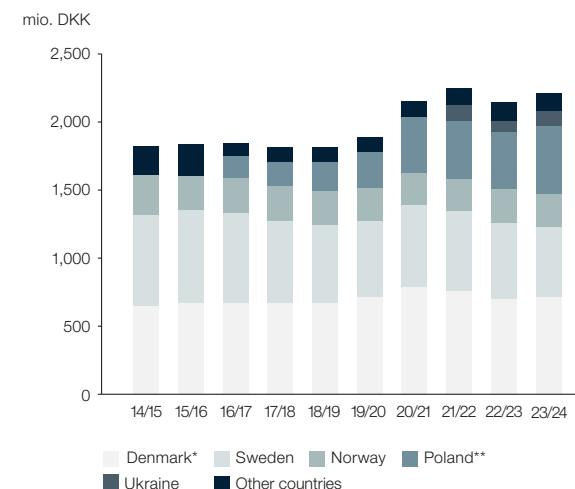
Equity ratio, %

Equity at year-end as a percentage of liabilities at year-end

ROCE, %

EBIT as a percentage of net working capital plus net non-current assets

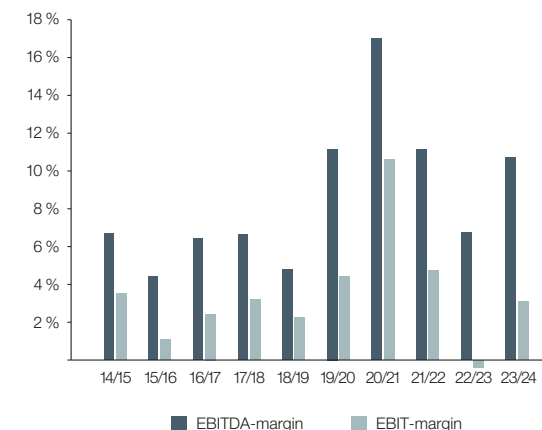
Revenue by markets



* Incl. Iceland, Greenland and the Faroe Islands

** Poland is included in Other countries until 2016/17

Earnings



Highlights 2023/24

- Revenue was DKK 2,208 million compared to DKK 2,130 million the year before, corresponding to an increase of 4%. Revenue was positively impacted by increases in sales prices as well as a slightly increasing volume overall.
- Earnings continued to be affected by higher prices for raw materials, energy, and transport at the beginning of the year. The gradual normalization combined with implemented price increases has strengthened the margin over the year. At the end of the financial year, the margin is considered to be back to a more natural level, although the gross margin is still not back to historical levels as implemented price increases have only partially compensated for cost developments after Covid.
- The Nordic market has generally been declining during the year with a slowdown in the professional segment. Particularly, Sweden and Norway have been challenging markets across segments and with currency headwinds. However, in Norway, Flügger has performed significantly better than the market.
- In Flügger's international markets, i.e., own stores and export outside the Nordic region, it has generally succeeded in significantly growing the business. Export has progressed in both the eastern markets and in Europe. Additionally, Poland grew by 17%, of which 7% was from currency in the financial year.
- The strengthened margin combined with optimized working capital and lower investment needs after major investments in previous years, such as modernization of factories and digitization, contribute to a strengthened cash flow from operations, which has contributed to debt reduction.
- Revenue in segment 1, which primarily covers Flügger's core businesses, increased by 3% in the period in local currency and 1% measured in DKK, primarily driven by price increases and stable volume overall.
- For segment 2, which includes sales to builders' merchants, revenue increased by 10%, primarily driven by increased organic growth. Growth came from new customers and growing sales to existing customers.
- For segment 3, which includes Eskaro in Ukraine, revenue was increased by 40%. 54% of this was organic growth, but this was reduced by 14 percentage points due to negative currency developments. Eskaro Ukraine is thus almost at the pre-war level.
- EBIT for the financial year 2023/24 was DKK 68 million compared to DKK -8 million in the same period the year before. The improvement is partly positively impacted by sales development and the improved margins from price increases and the gradual normalization in the supply chain.
- In the third quarter of the financial year, Flügger managed to sell its shares in Eskaro Group with activities in Estonia, Latvia, Finland, Russia, and Belarus and increase its ownership of Eskaro Ukraine from 70% to 80%. Unless otherwise stated, figures in the annual report are based on continuing operations. Reference is made to note 12 for a detailed description of the accounting treatment.
- As announced in company announcement 2024/1 of January 25, 2024, Poul Erik Stockfleth stepped down as CFO of Flügger group A/S at the end of the financial year. Lucas Eichild, former SVP Corporate Development, took over as the new CFO as of May 1, 2024.
- At the end of the financial year, a new strategy period begins, replacing Going Green. During the year, work has been done on the new strategy Flügger Organic, which runs until the end of the financial year 2026/27. More can be read about this under the section 'Strategy 2024-27'.

Guidance for 2024/25

Expected revenue: DKK 2,200 – 2,400 million

In the coming financial year, activity in the Nordic markets is expected to remain unchanged to slightly increasing. Continued increased activity is expected in the Eastern European markets and export in general.

Expected operating profit EBIT: DKK 75 – 95 million

EBIT is expected to improve compared to the financial year 2023/24. This is primarily due to the normalization of margins and further improvements from the new strategy taking effect throughout the year.



Financial Review 2023/24

Discontinued and continuing operations

As announced on November 10, 2023, Flügger sold its shares in Eskaro Group AB in Estonia, Latvia, Finland, Russia, and Belarus. Consolidated revenue, gross profit, primary operating profit, and profit for the year will be for the continuing operation. Profit after tax for the discontinued operations is presented in one line after the profit after tax for the continuing operations. Comparative figures have been adjusted.

Follow-up on announced expectations for the financial year 2023/24

In the original expectations for the financial year, the discontinued operation was included. As a consequence of the sale of Eskaro Group AB on November 10, 2023, the expectations were updated.

Sales development

Net revenue was DKK 2,208 million, corresponding to a growth of 4%. Revenue was influenced by increasing sales prices as well as stable volume.

Sales in Denmark including Iceland, Greenland, and Faroe Islands: DKK 710 million (2%)

Sales increased by 2% during the year, driven by an increase in sales to private consumers and a slight decline to professional painters.

The store network in Denmark consists of 61 own stores and 57 franchise stores. Flügger is the market leader in the Danish market.

Sales Sweden:

DKK 514 million (-8%) – local currency SEK 796 million (-2%)

Revenue in Sweden decreased by 2% in local currency, and the currency developed negatively by 6%. The reduction affected all customer segments.

The decline in market volume in Sweden is higher than in the other Scandinavian countries.

Flügger is one of the leading brands in the Swedish market with 66 own stores and 33 franchise stores.

Sales Norway:

DKK 244 million (0%) – local currency NOK 378 million (10%)

In Norway, Flügger has managed to increase its market share. Despite a challenging market, Flügger achieved positive sales development primarily driven by increasing sales to professional painters.

However, the increase is offset by the negative currency development.

The number of stores in Norway is 29 own stores and 11 franchise stores.

Sales Poland:

DKK 490 million (17%) – local currency PLN 293 million (10%)

The group has had another good year in Poland with revenue growth of 10% in local currency. There is no market data on sold volumes in Poland, but generally, market volume is assumed to have fallen significantly in the past year.

Activities in Poland consist of 56 own Flügger stores with growth of 13% in local currency (segment 1) and Unicell International with 9% growth in local currency. Unicell International sells to builders' merchants and is included in segment 2.

Sales Ukraine and Other countries:

DKK 250 million (16%)

Sales to other countries consist of subsidiaries in Ukraine, China, and Lithuania, as well as a number of export countries such as France, Kazakhstan, Latvia, etc. Flügger has continued progress in export markets. Likewise, sales in Ukraine have increased by 40% despite the war compared to last year.

Follow-up on published outlook for the 2022/23 financial year

DKK million	Original expectations	Update10 Nov 2023 (Divestment of Eskaro Group)	Realised 2023/24
	All segments	All segments	All segments
Revenue	2,500-2,700	2,100 - 2,200	2,208
EBIT	60-120	55 - 75	68

Cost and earnings development

In 2023/24, production costs amounted to DKK 1,073 million, corresponding to a decrease of 3%, compared to a revenue increase of 4%. The Group's gross profit thus increased by DKK 107 million to DKK 1,135. The positive development is due to the slightly falling prices of raw materials and energy combined with implemented price increases. The gross margin is still not back to the historical level as the implemented price increases have only partially compensated for the cost developments after Covid.

Sales and distribution costs increased from DKK 860 million to DKK 871 million in 2023/24, corresponding to an increase of 1%. The development is affected by lower prices of energy and transport and negatively affected by wage increases.

Administrative expenses increased by DKK 14 million to DKK 198 million, driven by stock-based compensation, provisions for terminated employees, and increased costs for IT system operations.

Other income/expenses decreased from +DKK 4 million last year to +DKK 2 million in 2023/24.

The Group's EBIT was DKK 68 million compared to -DKK 8 million last year.

Net financial items were -DKK 22 million compared to -DKK 9 million last year. The development is affected by increased interest expenses and exchange rate adjustments.

Income tax for the year amounted to an expense of DKK 21 million compared to an income of DKK 8 million last year due to positive development in the Group's profit before tax, higher non-deductible expenses, and adjustments to previous years' tax.

Cost development

DKK million	22/23	23/24	Change
Production costs	-1,102	-1,073	-3 %
Gross profit/loss	1,028	1,135	10 %
Sales and distribution costs	-860	-871	1 %
Administrative expenses	-184	-198	8 %
Other income/costs	4	2	-43 %
Operating profit before writedowns, EBIT	-12	68	-
Writedown Eskaro	4	-	-
Operating profit, EBIT	-8	68	-

Sales development

DKK million	2022/23	2023/24	Organic growth**	Currency	Total growth
Sales – Denmark*	695	710	2 %	0 %	2 %
Sales – Sweden	558	514	-2 %	-6 %	-8 %
Sales – Norway	244	244	10 %	-10 %	0 %
Sales – Poland	418	490	10 %	7 %	17 %
Sales – Ukraine	83	117	54 %	-14 %	40 %
Sales – Other countries	132	133	1 %	-1 %	0 %
Total revenue	2,130	2,208	6 %	-2 %	4 %

* Incl. Iceland, Greenland and the Faroe Islands

** Organic growth is calculated as the development in revenue, adjusted for the effect of foreign currency and company acquisitions/divestments

Balance Sheet

The group's balance sheet at the end of the financial year 2023/24 amounted to DKK 1,939 million compared to DKK 2,132 million last year. The decline is particularly due to inventories and fixed assets, including the sale of Eskaro Group AB, as well as holding back on new investments combined with the translation effect from falling currencies.

The discontinued activities related to Eskaro reduce inventories by DKK 67 million and tangible fixed assets by DKK 52 million. In return, receivables have increased due to the parent company's guarantee in Eskaro Estonia and Eskaro Finland's credit agreement, which expired on April 15, 2024. The group's receivable in this connection has, however, been almost fully settled shortly after the balance sheet date.

In addition, the put option related to the discontinued activities has lapsed due to the sale. Further details can be found in note 12.

Working capital for the continuing operation was DKK 409 million, DKK 10 million lower than last year.

The company's share of equity increased by DKK 54 million to DKK 749 million after deduction of minority interests of DKK 72 million.

Net interest-bearing debt was DKK 713 million compared to DKK 810 million last year. Primarily driven by lower bank debt after the sale of Eskaro Group AB as well as reduction of bank debt with income from operations.

Cash Flow Statement

Cash flows from operations were DKK 194 million compared to DKK 88 million last year. The cash flow was affected by the increasing operating result and a positive development in working capital.

Cash flows for investments amount to DKK 66 million compared to DKK 84 million last year.

Cash flows for financing activities were affected by repayments on the company's bank debt and debt to related parties. In addition, the group bought its own shares for DKK 3 million, and dividend payments impacted by DKK 15 million.

Cash holdings amounted to DKK 18 million compared to DKK 18 million last year.

Events after the end of the financial year

There have been no events after the end of the financial year that significantly affect the content of this annual report.

Balance sheet

DKK million	22/23	23/24	Change
Intangible assets	241	228	-5 %
Property, plant and equipment	913	836	-8 %
Deferred tax asset	40	24	-40 %
Inventories	468	362	-23 %
Receivables	452	471	4 %
Securities, cash and cash equivalents	18	18	-
Total assets	2,132	1,939	-9 %
Equity	774	821	6 %
Deferred tax	29	27	-6 %
Lease liability	339	334	-2 %
Bank debt etc.	467	387	-17 %
Suppliers	253	192	-24 %
Income tax	21	10	52 %
Other payables	167	163	-2 %
Liability, put option	82	5	-94 %
Total liabilities	2,132	1,939	-9 %

Cash flow statement

DKK million	22/23	23/24	Change
Cash from operations	88	194	119 %
Cash from investing activities	-84	-66	-21 %
Cash from financing activities	-23	-130	-452 %
Cash and cash equivalents, year-end	18	18	-



Quarterly Analysis

A seasonal business

Flügger operates a seasonal business with large fluctuations in customer influx and the primary interest in products. Flügger has a staggered financial year where the 1st quarter – May, June, and July – is characterized by customers primarily demanding outdoor products.

Normally, the 1st quarter is the most profitable of the year due to a better customer and product mix. In the 2nd quarter – August, September, and October – demand decreases.

The 3rd quarter – November, December, and January – is the low season and is typically a loss-making period.

The 4th quarter – February, March, and April – is the start of the high season and can vary with the period shift in relation to Easter and weather conditions. The period is usually profitable with sales of both indoor and outdoor products.

Inventories are typically highest at the beginning of May and lowest at the beginning of September. Similarly, liquidity is best in September and lowest in May.

4th quarter 2023/2024

Sales development

The group's net revenue was DKK 567 million in the 4th quarter compared to DKK 517 million in the 4th quarter last year, which is an increase of 10%.

Revenue in Denmark increased by 3% where sales to professional painters slowed down while sales to private consumers increased. In local currency, Sweden fell by 1% compared to the same period last year, while Norway increased by 11%. Norway's growth is primarily driven by the professional segment while Sweden is experiencing a general market decline, although there was an increase in the private consumer segment during the quarter. Despite volume increases in Denmark and Norway, the quarter has overall seen a slight decline in the Nordic region due to the decline in the Swedish market.

Sales in Poland increased by 20% measured in local currency with positive development for both consumers and professionals.

Sales to other countries developed positively in the 4th quarter 2023/24, particularly driven by export markets and Ukraine, which was almost stagnant at the same time last year.

Earnings development

The group's gross profit increased by DKK 46 million in the 4th quarter, positively affected by the increase in sales to private consumers in Denmark as well as generally increased sales prices combined with a slight decline in raw material, energy, and transport prices.

EBIT was DKK 20 million in the 4th quarter compared to -DKK 17 million in the 4th quarter last year.

Group, DKK million	2022/23					2023/24				
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
Revenue	606	574	433	517	2,130	621	579	441	567	2,208
Gross profit/loss	315	286	182	245	1,028	332	296	216	291	1,135
EBITDA	90	66	-30	20	146	111	77	-13	62	237
EBIT	53	27	-71	-17	-8	71	35	-58	20	68
Profit/loss before tax	60	19	-74	-22	-17	65	29	-58	10	46
Profit/loss after tax	51	17	-56	-21	-9	52	23	-47	-3	25
Equity	986	978	878	774	774	840	838	829	821	
Year-end exchange rate, SEK 100	72	68	66	66		64	63	66	63	
Year-end exchange rate, NOK 100	75	72	68	63		67	63	66	63	
Year-end exchange rate, ISK 100	5	5	5	5		5	5	5	5	
Year-end exchange rate, PLN 100	157	158	158	163		169	168	172	173	
Year-end exchange rate, CNY 100	108	103	102	98		95	96	96	96	
Year-end exchange rate, EUR 100	744	744	744	745		745	746	746	746	
Year-end exchange rate, UAH 100	20	20	19	18		19	19	18	18	



Say hi
to
Croissant

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Atlas

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Flügger

The Flügger share

Why is Flügger listed?

Flügger is a family-based company whose class B shares were listed on the NASDAQ Copenhagen A/S exchange in autumn 1983 at a price of DKK 875 per share (DKK 52 per share adjusted for bonus shares and share splits). The company's class A shares are not listed on the stock exchange, but are owned by the founding family.

The primary reason for the listing was to give the company, which has substantial domestic market sales, the attention and PR value that a listed company receives. A secondary motive was to make it possible for family members who were not active in the company to sell their shares.

The company's ambition is to remain a listed company, as this is regarded as contributing to marketing, to professional leadership and to making the company a credible and attractive workplace.

Purchase of own shares

The company has previously used surplus liquidity to purchase its own shares, but in recent years it has refrained from making further share purchases, as the liquidity in the Flügger share has been low.

Dividend policy

The company's policy has been to distribute a relatively high dividend seen in relation to the market price and market rate, with due consideration being given to the company's capital structure.

For the 2022/23 financial year, the Board of Directors recommends to the general meeting that a dividend of DKK 5 per share of DKK 20 be distributed.

Share capital and ownership structure

Composition of share capital - 30 April 2024

No. of shares	Shares	%	Votes	%
Class A shares	590,625	19.7	5,906,250	71.0
Class B shares	2,405,907	80.2	2,405,907	28.9
Class B shares in the company ¹	3,468	0.1	3,468	0.1
Total	3,000,000	100.0	8,315,625	100.0

Ownership structure 30 April 2024

Major shareholders (≥5 %)	Shares	%	Votes	%
Susan Schnack	150,069	5.0	150,069	1.8
M+ II A/S ²	851,487	28.4	851,487	10.2
Ulf & Sune Schnack ³	1,354,101	45.1	6,669,726	80.2
Total	2,355,657	78.5	7,671,282	92.2

¹ The voting right cannot be exercised for the company's holding of its own shares.

² M+ II A/S owns 845,745 class B shares in Flügger group A/S. Bettina Antitsch Mortensen exercises decisive influence in M+ II A/S.

³ Ulf and Sune Schnack (father and son) together own a total of 1,354,101 Flügger shares, of which 590,625 class A shares and 720,610 class B shares are held by SUS 2013 ApS (Flügger Holding).

At the end of the 2022/23 financial year, 1,938 shareholders were registered by name in the company's register of shareholders. Together they owned 97.4% of the share capital and held 99.1% of the votes.

Communication with investors

The company publishes regular quarterly reports and financial statements for the market containing accounting figures and revised forecasts for the future, where necessary. These can be viewed under Investor at www.flugger.com.

The company seeks to maintain a high and reliable level of information, and is keen to participate in open and active dialogue with investors, analysts and the press. However, the company refrains from giving any detailed interviews or announcements during the last four weeks prior to the publication of financial reports.



DKK million	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23	23/24
Share data, year-end*										
Market price, DKK	390	359	372	352	300	290	749	485	364	333
Number of outstanding shares, 1,000 shares	2,877	2,877	2,877	2,881	2,887	2,887	2,891	2,943	2,996	2,997
Market capitalisation, DKK million	1,122	1,033	1,070	1,014	866	836	2,167	1,427	1,092	999
Equity value, DKK million	859	811	797	760	742	754	911	906	695	749
Net profit/loss after tax and minority interests, DKK million	54	13	29	33	32	58	171	68	-20	19
Proposed dividend per share of DKK 20	15	15	15	15	10	10	15	10	5	5
Net profit/loss after tax and minority interests per share (EPS), DKK	19	5	10	12	11	20	59	3	-7	6
Price/book value (P/BV), DKK	1.3	1.3	1.3	1.3	1.2	1.1	2.3	1.6	1.6	1.3
Price/earnings ratio (P/E), DKK	21	78	37	30	27	14	13	21	neg.	54

Definitions

Outstanding shares

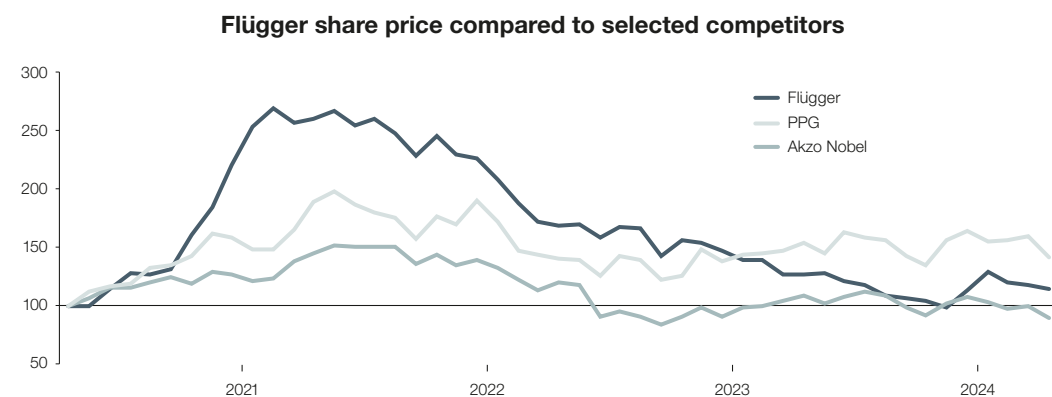
The total number of shares, less the company's own holdings, is used to calculate share data

The company's market capitalisation
Number of outstanding shares
(including class A shares) x share price

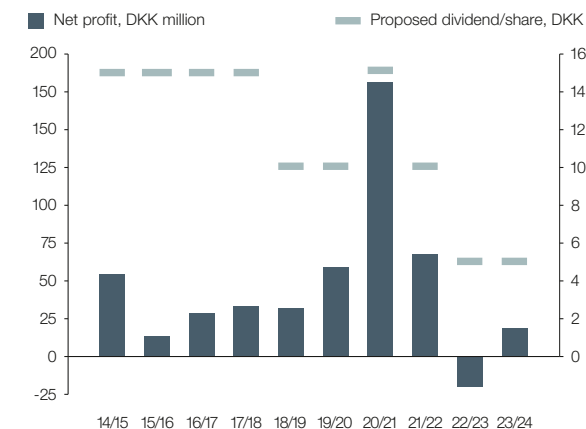
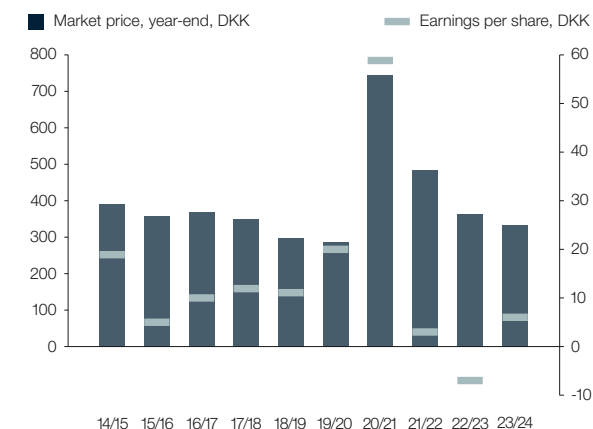
Net profit/loss after tax and minority
interests per share, DKK
Net profit/loss after tax and minority interests
divided by number of shares outstanding

Equity value, DKK
Equity, excl. minorities

* Financial ratios are calculated according to the recommendations of CFA Society Denmark



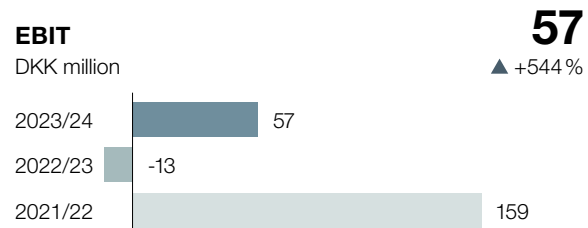
Kilde: FactSet



Segments in Flügger

SEGMENT 1

The segment comprises the group's historical core business, which primarily sells Flügger products and secondarily PP and Stiwex. Sales occur through own stores or dealers who have close cooperation with the group.



Measured in local currency, growth was 3% in 2023/24, positively influenced by sales to private consumers. Denmark and Norway had growth of 1% and 10%, respectively, while Sweden had a decline of 4% measured in local currency. Poland achieved a 13% increase in local currency driven by all customer categories. Sales in Other countries had an increase of 7%.

DISTRIBUTION CHANNELS

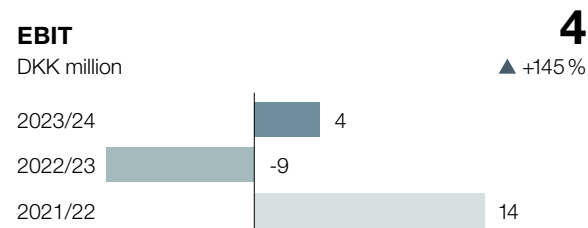
Own stores and franchise stores.

Flügger



SEGMENT 2

In addition to selling own brands in our own distribution channels, the group also sells to independent dealers and builders' merchants with the brands Yunik, Primacol, Lux Decor, or private label. Sales are characterized by larger customers with lower gross margins and lower distribution costs as there are no store operating costs.



The segment had 8% growth in local currency where the Nordic region increased by 8% and the rest increased by 9%.

DISTRIBUTION CHANNELS

Builders' merchants and dealers.

**PRIVATE
LABEL**



SEGMENT 3

The segment consists solely of activities in Eskaro Ukraine as Eskaro Group AB's activities in Finland, Estonia, Latvia, Russia, and Belarus are classified as discontinued activities. Eskaro's products consist of a mix of Eskaro's own brands and private label. Sales channels include sales to builders' merchants and own stores.

REVENUE

DKK million

108

▲ +30 %



EBIT

DKK million

7

▼ -48 %



Measured in local currency, growth was 44%. Revenue is thus close to approaching the level before the war broke out. The comparison figure for 2021/22 was affected by impairment in connection with the outbreak of the war.

DISTRIBUTION CHANNELS

Builders' merchants, dealers and own stores.



Risks

Flügger is exposed to a range of different risks that vary by customer segment, market, and product area. The Board of Directors and Executive Management continuously assess the group's overall risk profile and significant individual risks. The purpose of the group's risk management is to identify and assess relevant risks and to reduce, minimize, or control the impact of these risks.

Risk management and reporting

Flügger's risk management model is divided according to production, sales, and cross-functional corporate functions. This ensures that all functions in the organization are aware of relevant risks and manage them continuously.

Flügger's risk matrix

Flügger's risks are included in the risk matrix based on the likelihood of their occurrence and the impact on financial results if they occur.

The risk picture has essentially been reduced compared to the previous year. Risk No. 6 related to "Recession in the market" is reduced in light of the current market situation. Markets in Norway, Denmark, and Poland are beginning to strengthen again, and while the Swedish market is weak it is not expected to decline further.

Risk No. 3 "Activities in Ukraine affected by the war" remains significant despite the sale of most activities in Eastern Europe. There is still a significant investment in Ukraine where there is substantial risk.

Risk No. 4 "Currency fluctuations" affected Flügger both positively (Poland) and negatively (Norway and Sweden). We still assess that there is significant risk for currency fluctuations in the coming period.



Risk No. 7 "Receivables Eskaro" is new and concerns receivable loans to Eskaro companies that were sold in November 2023. According to the sales agreement, the loans must be gradually repaid over a period of 12-18 months from the conclusion of the agreement. There is risk related to repayment, but Flügger is secured by a pledge in underlying assets. After the sale, Flügger settled Eskaro Estonia and Eskaro Finland's credit agreement,

which led to an increase in the receivable by DKK 40 million. However, DKK 37 million was repaid by the end of May 2024, thereby reducing the risk.

Other risks remain unchanged, and no risks have been added or removed compared to last year.

RISIKO	BESKRIVELSE	PÅVIRKNING	HANDLING
1 Availability and price development of raw materials and packaging	Flügger is dependent on the availability and price development of raw materials. This applies particularly to titanium dioxide and binders, which are key ingredients in the production of paint and filler. The risk is assessed to be lower for the coming period as delivery is stable and raw material prices are declining.	Increasing raw material prices are difficult to pass on directly to sales prices in the short term, and the opposite applies in the case of falling raw material prices. Lack of availability of key raw materials can lead to production disruptions, backorders, and lost revenue.	Flügger has identified alternative suppliers for significant raw materials and has possibly entered into agreements with at least two suppliers to be in the best possible position. Furthermore, the development of raw material prices is closely monitored so that we can quickly react in case of significant changes. The price development in the market is also closely monitored, and Flügger intends to continue raising sales prices if they can be realized without losing competitiveness.
2 Regulatory changes affecting production processes and product formulations	Requirements for product content, CO ₂ footprint, and environmental impact, as well as labeling requirements, are constantly changing and require us to stay ahead of new requirements, whether they arise directly through legislation or as demands from customers.	Changes in product formulations, labeling, etc., can affect production costs. If alternative products are not developed in a timely manner, there is also a risk of lost revenue.	Continuous updates of product formulations and improvements to production facilities are carried out to meet upcoming regulatory tightening.
3 Activities in Ukraine affected by the war	War and sanctions have significantly impacted our activities in Eastern Europe. Further escalation or de-escalation of the war in Ukraine will significantly affect the possibilities of conducting business in these countries.	In November 2023, the Group divested activities in Russia, Belarus, and Estonia due to the war. In case of escalation, there is a risk that the remaining assets in segment 3 (Ukraine) could be lost. Smaller parts of the impairments could be reversed if lasting peace occurs.	Activities in Ukraine are running at normal capacity. As long as it is assessed to be safe, the factory and sales are staffed with a core team that can continue the activities after the war. No investments are made as long as the war continues.
4 Currency fluctuations	Flügger's omsætning, indtjening og nettoinvesteringer i udenlandske dattervirksomheder påvirkes konstant af udsving i valutakurser.	Flügger er naturligt sikret for valutaudsving i lande, hvor der er både salg og produktion. Dette er gældende for langt de fleste markeder.	Currency fluctuations can be mitigated by price increases, but depending on the customer segment, it typically takes 1-3 months to implement. In some cases, currency risk is hedged using financial contracts if the risk is assessed to exceed an acceptable level.
5 IT system breakdowns or cyber-attacks	Flügger's operations depend on stable IT systems to ensure that production continuously adapts to demand. A breakdown can affect the ability to produce, invoice, and deliver. The war in Ukraine generally increases the risk of cyber-attacks.	Extended breakdowns in IT systems, whether caused by internal issues or external attacks, can have significant economic consequences.	The resilience of the systems is continuously ensured, including a solid foundation for systems hosted by external partners. In addition, basic insurance coverage has been taken out to reduce the risk of cybercrime. A disaster recovery plan has also been prepared.
6 Recession in the market	Over the past year, activity in the construction sector has been declining, driven by rising interest rates and a decline in purchasing power. However, markets in Denmark, Norway, and Poland are starting to improve again, while Sweden is expected to remain weak in the coming financial year.	The recession in the market will naturally affect revenue and earnings, but the extent is difficult to determine. By comparison, Flügger's revenue fell by 6% during the financial crisis, and earnings were halved. However, revenue and earnings normalized again three years after the crisis began.	The organization and investments are continuously adjusted to be ahead of a positive or negative development in demand. Painters are typically one of the last tradesmen on a project, so we can usually react in time if the market starts to decline.
7 Receivables from Eskaro	Receivable loans to Eskaro companies that were sold in November 2023. According to the sales agreement, the loans must be gradually repaid over a period of 12-18 months from the conclusion of the agreement.	The receivable amounts to DKK 68 million as of April 30, 2024. Flügger is secured by a pledge in underlying assets. By the end of May 2024, DKK 37 million has been repaid.	Flügger is in close contact with the buyer of the Eskaro activity to ensure that agreements are kept and that the pledge is only released when the payment plan is fulfilled.

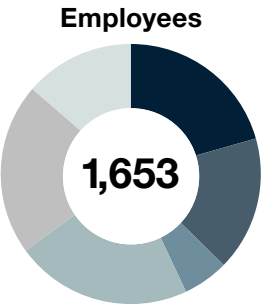
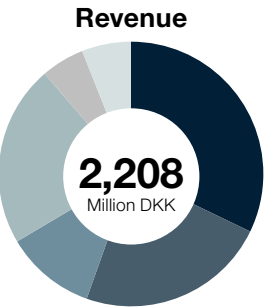
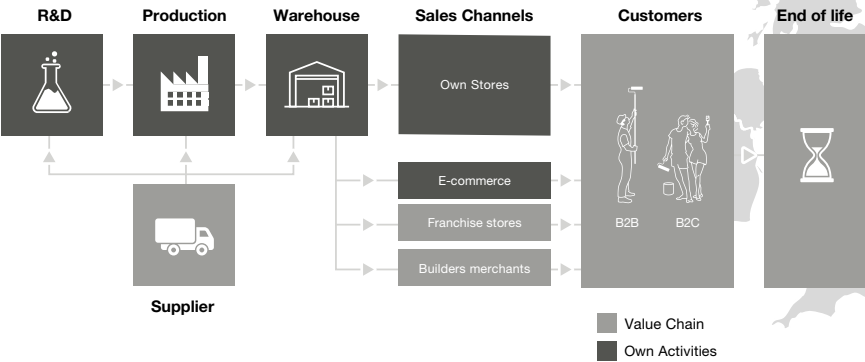
STRATEGY AND CORPORATE SOCIAL RESPONSIBILITY



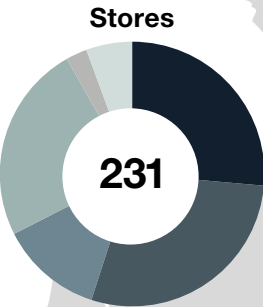
Our Business

Flügger is an international group, headquartered in Denmark, which develops, produces, markets, and sells a wide range of products including building paints, wood stains, fillers, wallpaper, and accessories. Our target groups are the professional painter and the private consumer. We see it as our most important task to develop and provide products and solutions that enable our customers to deliver high-quality results as efficiently as possible.

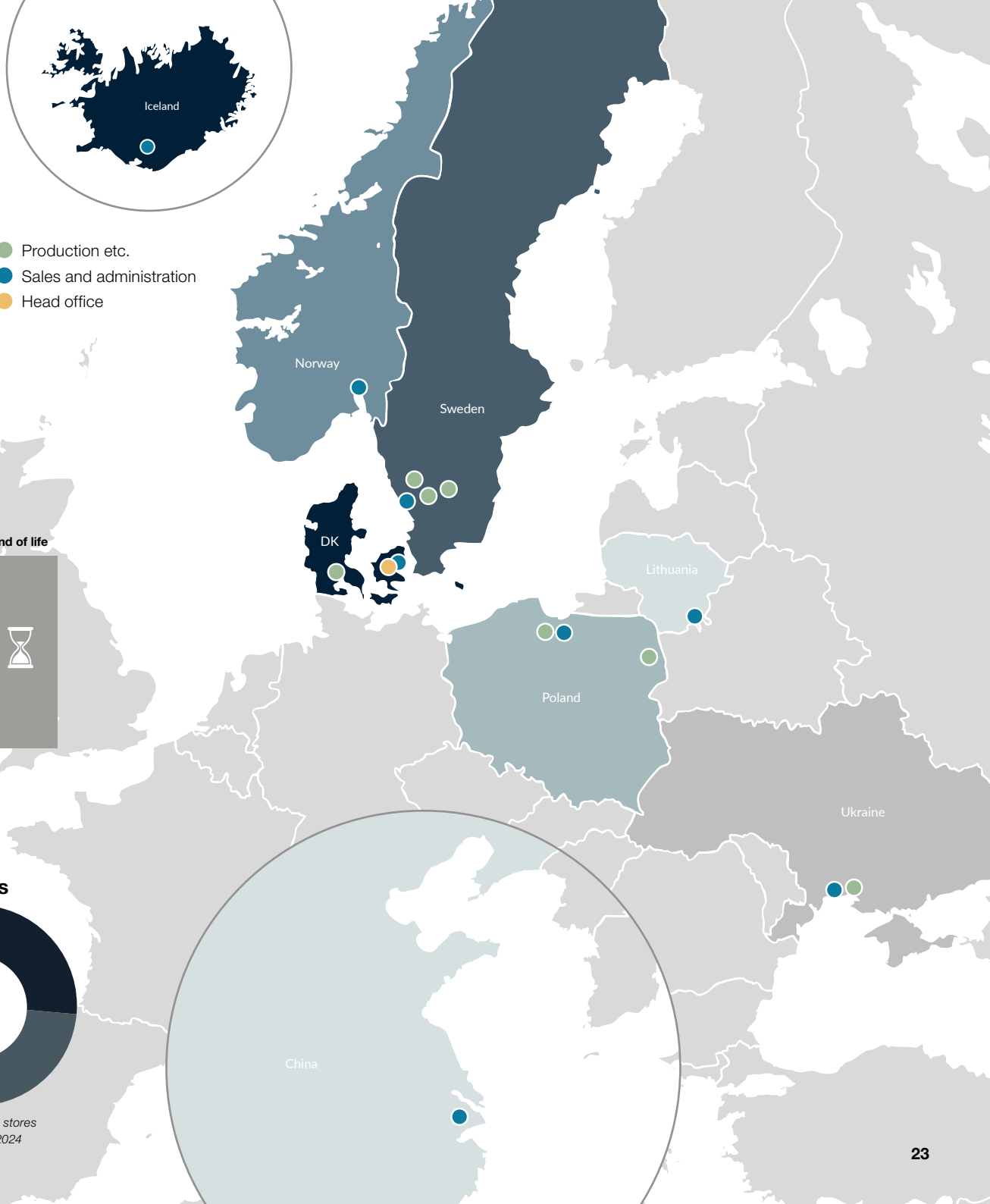
We develop and improve products from a central development department, produce in our own factories, and follow the products all the way to the stores, where our employees guide and assist customers to achieve an optimal result. Our end-to-end value chain is unusual in a European context, where most of our competitors focus on either sales or production. We believe that our business model contributes to maintaining high quality, meeting our customer needs, and protecting the Flügger brand, which has roots dating back to 1783.



Average number of full-time employees as of 30.04.2024



Number of own stores as of 30.04.2024



Highlights from Going Green 2023/24 The 6 strategic areas

Value-based pricing structure

Normalisation of margins and competitive strength achieved through cost reductions in raw materials and operations as well as adjusted sales prices.

Store network

Updated retail concept for professionals, optimisation of e-commerce operations, and increased training of store employees.

Growth

Divestment of Eskaro Group activities, optimisation of the assortment, and increased number of customers in the Nordic region, Poland, and Export.

Production and distribution

Phasing out of wallpaper production and normalisation of supply chains.

Assortment and inventory

Introduction of a new product platform and reduced assortment and inventory.

Digitalisation

Documentation platform for B2B, optimisation of internal administration systems, introduction of Learning Experience Platform, and optimization of resources and competencies through the use of AI and automation tools in marketing and HR.

The employees at Flügger have shown strength and adaptability through the execution of Going Green, and we are well-founded for the future with a strengthened operational and commercial foundation as well as improved assortment and digital competencies.

Strategy 2024-27

Flügger Organic – New three-year strategy

In the summer of 2020, Flügger launched the Going Green strategy to ensure continued progress and development in a sustainable direction, both in business and environmental terms. The purpose was to secure a more competitive position with an optimized operational structure. Going Green added goals for CO₂ reduction in production, recycled plastic in packaging, and eco-labeled paint. For the new strategy period, these goals are adjusted from CO₂ reduction in production to CO₂ reduction in the value chain from 25% to 90%, recycled plastic in packaging from 80% to 90%, and eco-labeled paint from 80% to 90%.

Flügger Organic in brief

In the new strategy Flügger Organic, the fundamental attitude of being a 'co-creator of a greener industry' is carried forward, which has been valid for Flügger since its origin with water-based paint. In addition, the strategy aims to clarify Flügger's position in the market with commercial additions and subtractions with the ambition of organic growth that contributes to overall increased profitability.

Flügger Organic consists of five strategic areas:

'Nordics', 'International', 'Brand', 'Simplification', and 'Robustness'.

Nordics

Flügger's Nordic markets, where a leading market position is held, are stable but with cyclical fluctuations following market cycles. The number of small and medium-sized professional customers should be increased in own sales channels. This will be achieved through strengthened relationships, product and application training, and increased availability of data and digital services that make daily work easier. Specifically for the Swedish market, adjustments are being made to market conditions. During the new strategy period, Flügger's position will also be expanded through collaborations with professional builders' merchants targeting professional craftsmen.

International

Flügger has grown significantly outside the Nordic region in recent years through acquisitions and export, as well as through own stores and production in Poland. The plan for Poland and Lithuania involves opening additional Flügger stores. For export, a number of potential new countries have been identified to be started based on a well-defined playbook. In addition, initiatives

with local distributors have been laid out for existing export markets, depending on whether Flügger is new to the markets (product and concept training), developing markets (support for expanding the local dealer network and new product categories), or mature markets (help with channel additions such as online and architects/designers).

Brand

To support organic growth in both the Nordic and international markets, Flügger's brand is used as a strategic tool. Flügger stands for high quality and well-thought-out surface solutions with consideration for the environment. Specifically, the Flügger brand will be introduced and expanded to professional builders' merchants, the store format will be rethought to meet the core customers' needs, and finally, a marketing platform will be created so that both own units and local distributors can easily reuse and repeat marketing efforts across markets.

Simplification

To better serve core customers, leverage Flügger's core competencies, and increase profitability, there must be the right focus. This includes closing business units that do not significantly contribute to the core business and gradually aligning and consolidating labels and recipes so they harmonize across customer groups. Finally, contract principles for builders' merchants and DIY chains will be streamlined to fit the value chain.

Robustness

The operational infrastructure must support the commercial choices. This includes IT systems that support the customer journey as well as production, logistics, and inventory ensuring product availability when expanding into new markets and partnerships. For inventory and logistics, a 'center of gravity' analysis will be initiated to reduce transport and handling costs.

Overall rationale for the strategy

Flügger has reached a natural ceiling in the Nordic markets with its original business model. As costs increase, it is therefore essential to scale the business in other ways. With Flügger Organic, the idea is to expand market potential by entering into structural partnerships with professional builders' merchants as well as growing internationally to achieve the right economies of scale and increased profitability across all markets – organically.

Flügger Organic will be elaborated on in connection with Flügger's general meeting on August 21, 2024.



Strategy 2024-27

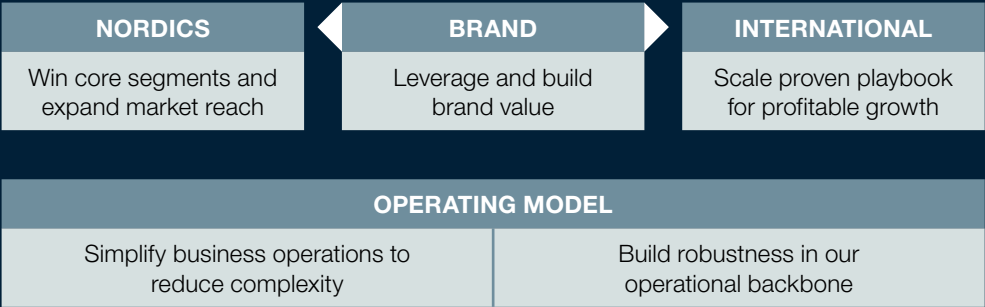
Flügger Organic

– Delivering sustainable value

STRATEGIC ASPIRATION

Being the preferred choice of painters and quality-oriented consumers by offering sustainable and color-inspiring solutions

STRATEGISKE PRIORITETER



Our purpose is to co-create a greener building materials industry and champion the painters' craft through quality solutions, trusted partnerships, and inspiring design choices.

Leveraging our Scandinavian foundation, we position ourselves for organic growth by winning core segments in the Nordics and expanding internationally. In 2024, more than four out of five litres of our own produced wet goods are eco-labelled, and we won't stop before we reach 100%.

We are a family-founded and -led company, big enough to make a difference, yet small enough to maintain our entrepreneurial spirit. Our team is made up of dedicated and skilled people who genuinely lean in and build second to none expertise from within.



NJORD

Unicell International's 'Njord' exceeds expectations

After several years of growth, Unicell International's ambitions and opportunities in the Polish market remain high. This is partly because we see an untapped potential to increase the overall market share for Flügger and Unicell International in Poland.

To strengthen this effort, Unicell International launched a brand new series in the spring, based on Nordic quality in both name, design, and product properties. The series is called Njord and includes two types of wood protection: a primer and a wood protection with a UV blocker.

The campaign focuses on Njord's Nordic origin, highlighting the high quality associated with the Nordic region: easy application, Nordic-inspired colors, absence of solvents, and high resistance to harsh weather.

To ensure Njord a solid start in the Polish market, Unicell International is conducting its largest advertising campaign to date, including advertising across TV, radio, print, social media, and outdoor in Poland.

From 175 to 429 stores: Njord exceeds all expectations

The preliminary results from the campaign are impressive: Before the launch of Njord, Unicell International's products were sold in 175 stores in selected chains, but the demand for Njord means that the products are now available in 429 stores.

The same trend applies to sales, which exceed expectations and significantly surpass last year's sales in the same period.

Experience benefits the entire Flügger Group

The high ambitions of the campaign benefit the entire Flügger Group. In Flügger Organic, our new strategy for Flügger towards 2027, the ambition is to use our growth experiences from both Poland and our other export markets to strengthen Flügger's international growth.

For example, our goal is to use experiences from advertising campaigns and collaborations across borders. Thus, the launch of Njord not only contributes with a new strong series in the Polish market but also provides valuable knowledge for future marketing efforts within the Flügger framework.

With Njord, we gain valuable experiences that can contribute to realizing the market potential of the entire Group's outdoor products.

About Unicell International

Back in 2019, Flügger bought 60% of the shares in the family-owned Unicell International, a paint manufacturer headquartered in Wasilków, Poland.

The intention was to invest in both the Polish market and a manufacturer that could launch own brands and private label products for builders' merchants, dealers, and other retailers. Unicell International is included in Flügger's segment 2.



Sustainability in Flügger

At Flügger, we are proud to deliver quality solutions to our customers where consideration for the environment and the painter's health is paramount. Focus on sustainability is an integral part of our DNA and business.

Going Green strategy leads to great results

Over the past three years, we have achieved significant results by prioritising our sustainability efforts in three key areas: wet goods, packaging, and production.

We have:

- Achieved a share of sold eco-labeled wet goods of 83%. This figure rises to over 90% if you only look at wet goods sold under the Flügger brand.
- Launched the first paint ever with the Nordic Asthma & Allergy label, Dekso AIR. This was the culmination of our intensive work on reducing emissions. In addition, we have M1 certifications for a range of paint and filler products.
- Secured environmental product declarations (EPD) and life cycle analyses (LCA) for all our self-produced wet goods.
- Made sustainability data and documentation available to our customers through the development of Flügger Document Manager and Customer Sustainability Report.

In all three focus areas, it is central to create credibility and documentation for our sustainability work. Therefore, we focus on recognized environmental labels, especially the Nordic Swan, EU Ecolabel, M1, FSC, and Asthma Allergy Nordic. These labels are publicly known and recognized and symbolize consideration for the environment and people as well as high quality.



Sustainability at Flügger also includes mental health, diversity, and business ethics

In both Going Green and Flügger Organic, our sustainability efforts are also directed towards the well-being of our employees as well as the well-being of the painting profession. We continuously measure and follow up on our employees' well-being to support mental and physical well-being.

Another element of Flügger's sustainability work is our work with compliance and risk management, which from our perspective is an important foundation for Flügger to create value for our customers, suppliers, employees, and shareholders.

Flügger Organic – Delivering sustainable value

Our sustainability strategy stems from our overall business strategy Flügger Organic – Delivering sustainable value. The strategic ambition is to be the preferred choice for the painter and the quality-oriented private consumer by delivering environmentally friendly and inspiring solutions. We continue the journey from the Going Green strategy and hold on to our DNA and purpose of continuing to push the industry in a more sustainable direction.

We are raising our goals on ReColor Paint and ReColor Packaging, both anchored as goals in Flügger's new strategy - Flügger Organic – Delivering sustainable value.

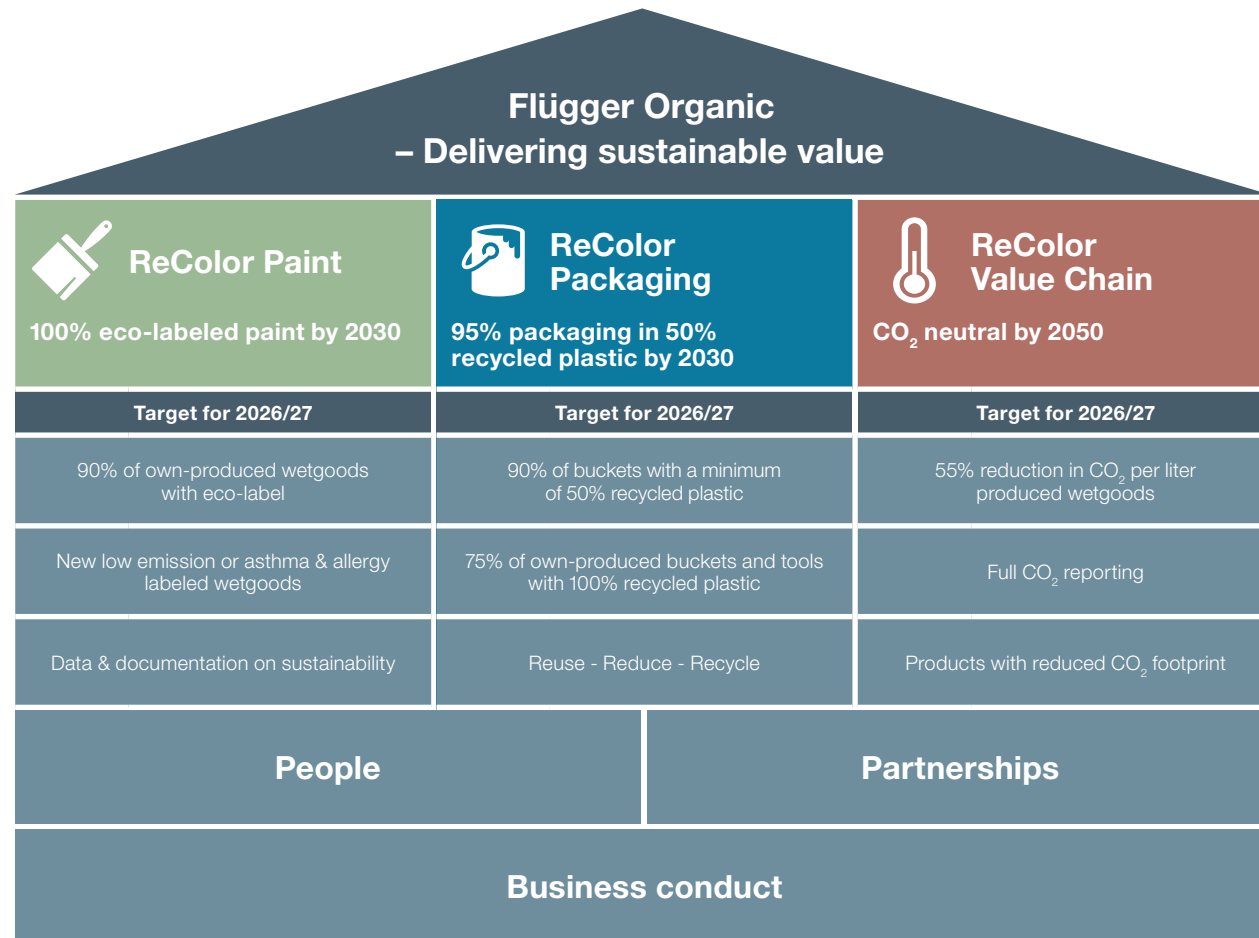
At the same time, we are expanding our climate focus from production to the entire value chain in ReColor Value Chain. We have the easiest time achieving reductions in our own production and retail chain, but our largest CO₂ emissions come from our value chain.



Read more about our work with sustainability in our ESG report, which also constitutes the mandatory statement for Flügger group A/S according to section 99a of the Danish Financial Statements Act as well as reporting on the mandatory EU taxonomy.

The report can be accessed here:
www.flugger.com/investor/csr-rapport/

Our focus areas for sustainability



Income statement

	2022/23	2023/24
Revenue	2,130,156	2,208,344
Production costs	-1,102,425	-1,073,261
Gross profit/loss	1,027,731	1,135,083
Sales and distribution costs	-859,672	-871,546
Administrative expenses	-183,690	-197,758
Other operating income	6,089	6,147
Other operating costs	-2,258	-3,974
Operating profit before writedown	-11,800	67,952
Writedown Eskaro	4,188	-
Operating profit	-7,612	67,952
Financial income	39,620	20,996
Financial expenses	-48,753	-42,623
Profit/loss before tax	-16,745	46,325
Tax	8,151	-21,057
Profit/loss from continuing operations	-8,594	25,268
Profit/loss from discontinued operations	23,003	-9,223
Net profit/loss for the year	14,409	16,045

Distribution of profit continuing operations

Shareholder in Flügger group A/S, share	-20,146	18,632
Minority interests	11,552	6,636
Net profit/loss for the year	-8,594	25,268

Net profit/loss per share continuing operations

Earnings per share of DKK 20	-6.7	6.2
Diluted earnings per share of DKK 20	-6.7	6.2

Distribution of profit including discontinued operations

Shareholder in Flügger group A/S, share	-4,034	4,226
Minority interests	18,443	11,819
Net profit/loss for the year	14,409	16,045

Net profit/loss per share including discontinued operations

Earnings per share of DKK 20	-1.3	1.4
Diluted earnings per share of DKK 20	-1.3	1.4

Statement of comprehensive income

	2022/23	2023/24
Net profit/loss for the year	14,409	16,045
Items recirculated to income statement:		
Exchange rate adjustments, subsidiaries etc.	-73,794	13,305
Total other comprehensive income	-73,794	13,305
Total comprehensive income	-59,385	29,350

Comprehensive income from continuing operations

Shareholder in Flügger group A/S, share	-93,940	31,937
Minority interests	11,552	6,636
Net profit/loss for the year	-82,388	38,573

Comprehensive income including discontinued operations

Shareholder in Flügger group A/S, share	-67,911	13,769
Minority interests	8,526	15,581
Net profit/loss for the year	-59,385	29,350

Balance sheet

	30.04.2023	30.04.2024
Assets		
Goodwill	145,122	147,099
Software	41,245	27,670
Other intangible assets	30,975	28,929
Prepayments, intangible assets	23,381	23,877
Intangible assets	240,723	227,575
Land and buildings	296,843	272,551
Technical plant and machinery	94,327	135,939
Other machinery and equipment	85,000	81,790
Leased assets	328,735	321,565
Assets under construction	108,640	24,633
Property, plant and equipment	913,545	836,478
Deferred tax asset	39,547	23,656
Non-current assets	1,193,815	1,087,709
Inventories	468,557	362,131
Receivables	451,735	470,825
Securities	56	54
Cash and cash equivalents	17,674	18,084
Current assets	938,022	851,094
Total assets	2,131,837	1,938,803

	30.04.2023	30.04.2024
Liabilities		
Share capital	60,000	60,000
Reserve for foreign exchange adjustment	-156,176	-146,633
Retained earnings	776,121	820,674
Proposed dividend	15,000	15,000
Equity, excl. minorities	694,945	749,041
Minority interests	78,646	71,725
Equity	773,591	820,766
Deferred tax	28,957	27,143
Lease liability	250,879	264,450
Mortgage credit institution loans	112,710	112,710
Bank debt	6,646	-
Other payables	3,965	1,422
Liability, put option	50,631	4,604
Long-term liabilities	453,788	410,329
Lease liability	88,368	69,658
Bank debt	333,658	260,154
Debt to related parties	14,170	13,647
Suppliers	252,660	191,689
Income tax	21,212	10,246
Other payables	162,979	162,294
Liability, put option	31,379	-
Deferred income	32	20
Short-term liabilities	904,458	707,708
Total liabilities	2,131,837	1,938,803

Statement of changes in equity

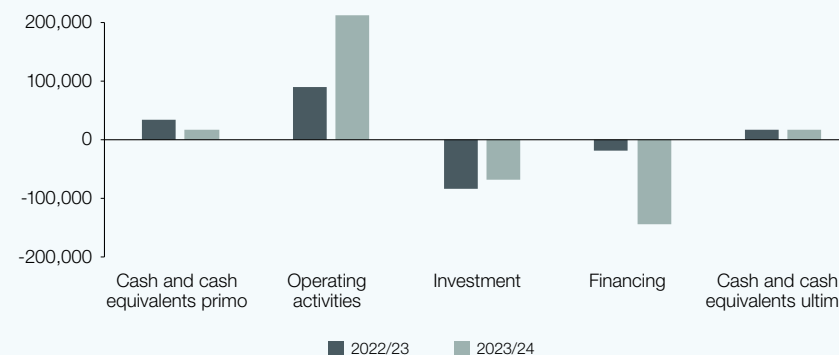
	Share capital	Reserve for exchange rate adjustments	Retained earnings	Proposed/ distributed dividend	Company share	Minority interests	Total equity
Equity at 30 April 2022	60,000	-92,299	851,124	30,000	848,825	70,120	918,945
Net profit/loss for the year	-	-	-4,034	-	-4,034	18,443	14,409
Items recirculated to income statement:							
Exchange rate adjustments, subsidiaries etc.	-	-63,877	-	-	-63,877	-9,917	-73,794
Other comprehensive income	-	-63,877	-	-	-63,877	-9,917	-73,794
Tax on other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income	-	-63,877	-4,034	-	-67,911	8,526	-59,385
Distributed dividend	-	-	-	-30,000	-30,000	-	-30,000
Dividend on own shares	-	-	72	-	72	-	72
Minorities, added	-	-	-82,010	-	-82,010	-	-82,010
Proposed dividend	-	-	-15,000	15,000	-	-	-
Share options	-	-	23,050	-	23,050	-	23,050
Own shares, used during the year	-	-	2,919	-	2,919	-	2,919
Total transactions with shareholders	-	-	-70,969	-15,000	-85,969	-	-85,969
Equity at 30 April 2023	60,000	-156,176	776,121	15,000	694,945	78,646	773,591
Net profit/loss for the year	-	-	4,226	-	4,226	11,819	16,045
Items recirculated to income statement:							
Exchange rate adjustments, subsidiaries etc.	-	-6,955	-	-	-6,955	3,762	-3,193
Recirculation of exchange rate adjustments discontinued operations	-	16,498	-	-	16,498	-	16,498
Other comprehensive income	-	9,543	-	-	9,543	3,762	13,305
Tax on other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income	-	9,543	4,226	-	13,769	15,581	29,350
Distributed dividend	-	-	-	-15,000	-15,000	-	-15,000
Dividend on own shares	-	-	18	-	18	-	18
Minorities, added	-	-	-	-	-	-22,502	-22,502
Put option	-	-	52,801	-	52,801	-	52,801
Proposed dividend	-	-	-15,000	15,000	-	-	-
Sale of own shares	-	-	-3,008	-	-3,008	-	-3,008
Share options	-	-	5,516	-	5,516	-	5,516
Total transactions with shareholders	-	-	40,327	-	40,327	-22,502	17,825
Equity at 30 April 2024	60,000	-146,633	820,674	15,000	749,041	71,725	820,766

Cash flow statement

	2022/23	2023/24
Operating profit	-7,612	67,952
Depreciation, amortisation and writedowns	153,152	169,498
Other non-cash items	9,203	-34,042
Change in receivables	9,119	-24,266
Change in inventories	26,843	40,582
Change in trade creditors	-40,050	-23,930
Change in other liabilities relating to operations	-26,830	14,868
Cash generated from operations before financing and tax	123,825	210,662
Financial income	1,516	4,614
Financial expenses	-11,799	-20,541
Cash generated from operations before tax paid	113,542	194,735
Tax paid	-22,765	-1,999
Cash flow from operating activities discontinued operations	-2,304	1,442
Cash flow from operating activities	88,473	194,178
Purchase of intangible assets	-13,265	-6,975
Purchase of property, plant and equipment	-72,468	-53,845
Sale of non-current assets	1,258	1,087
Change in receivables from divested companies	892	469
Deferred payment regarding acquired company	-	-2,235
Cash flow from investing activities discontinued operations	-500	-4,911
Cash used in investing activities	-84,083	-66,410
Cash flow after investing activities	4,390	127,768
Drawings on credit facility	88,187	-32,802
Raising of mortgage loans	-	1,831
Raising of debt to related parties	-22,830	-2,354
Repayment of debt to related parties	-76,530	-84,960
Lease expenses paid	-29,928	-14,982
Dividend paid	23,050	-3,008
Sale of own shares	-5,428	6,556
Cash used in financing activities	-23,479	-129,719
Cash flow for the year	-19,089	-1,951
Cash and cash equivalents, beginning of year	35,002	17,674
Value adjustment	1,761	2,361
Cash and cash equivalents, year-end	17,674	18,084

The cash flow statement figures cannot be directly derived from the consolidated balance sheet figures, as the opening balance sheets for the foreign affiliated companies are converted at end-of-year exchange rates in the individual years. Bank accounts and fixed-term deposits contain tied-up funds totalling DKK 0.2 million (last year DKK 0.2 million).

Development in cash flow



Accounting policies applied

Cash flow statement

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

Cash flow from operating activities are calculated according to the indirect method on the basis of the profit/loss for the year after paid interest and tax adjusted for non-cash operating items and changes in working capital.

Cash flow from investing activities include payments in connection with the acquisition and divestment of companies and activities, the acquisition and sale of intangible assets, property, plant and equipment and other non-current assets.

Cash flow from financing activities include changes in the size or composition of share capital and costs associated with this as well as the raising of loans, instalments on interest-bearing debt, lease expenses paid, purchase of own shares as well as dividend paid to shareholders etc.

Cash and cash equivalents include cash funds and securities with a term to maturity of less than three months and which can easily be converted into cash funds and for which there are only negligible risks of changes in value.

Cash flow denominated in currencies other than the functional currency are converted as at transaction day exchange rates.

Cash and cash equivalents

Cash and cash equivalents comprise cash holdings and bank balances including fixed-term deposits. The holdings are measured at nominal value.

