

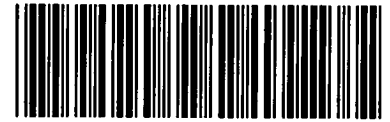
DON'T
STAPLE**OS AA01**Statement of details of parent law and other
information for an overseas company

Companies House

✓ **What this form is for**
You may use this form to
accompany your accounts
disclosed under parent law.

✗ **What this form is NOT for**
You cannot use this form to request
an alteration of manner of company
with accounting requirements.

THURSDAY



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13/06/2024

#163

COMPANIES HOUSE

Part 1 Corporate company nameCorporate name of
overseas company ①

AAK INTERNATIONAL AB

UK establishment
number

B R 0 2 0 4 4 0

→ **Filling in this form**Please complete in typescript or in
bold black capitals.All fields are mandatory unless
specified or indicated by *① This is the name of the company in
its home state.**Part 2 Statement of details of parent law and other
information for an overseas company****A1 Legislation**Please give the legislation under which the accounts have been prepared and
audited.

Legislation ②

Swedish Annual Accounts Act

② This means the relevant rules or
legislation which regulates the
preparation of accounts.**A2 Accounting principles**

Accounts

Have the accounts been prepared in accordance with a set of generally accepted
accounting principles?

Please tick the appropriate box.

☐ **No.** Go to **Section A3**.☒ **Yes.** Please enter the name of the organisation or other
body which issued those principles below, and then go to **Section A3**.③ Please insert the name of the
appropriate accounting organisation
or body.Name of organisation
or body ③

Swedish Accounting Standards Board

OS AA01

Statement of details of parent law and other information for an overseas company

A3

Audited accounts

Audited accounts

Have the accounts been audited in accordance with a set of generally accepted auditing standards?

Please tick the appropriate box.

☐ No. Go to **Part 3 'Signature'**.

☒ Yes. Please enter the name of the organisation or other body which issued those standards below, and then go to **Part 3 'Signature'**.

❶ Please insert the name of the appropriate accounting organisation or body.

Name of organisation or body ❶

Swedish Accounting Standards Board

Part 3

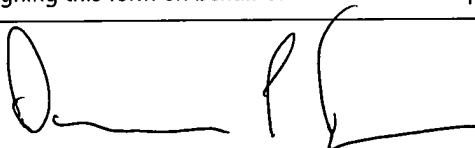
Signature

I am signing this form on behalf of the overseas company.

Signature

Signature

X



X

This form may be signed by:
Director, Secretary, Permanent representative.

**Presenter information**

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name	Amy Newton
Company name	AAK International
Address	King George Docks
Post town	Hull
County/Region	
Postcode	H U 9 5 P X
Country	England
DX	
Telephone	

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☒ The company name and, if appropriate, the registered number, match the information held on the public Register.
- ☒ You have completed all sections of the form, if appropriate.
- ☒ You have signed the form.

**Important information**

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AAK International AB

**Annual Report for the financial year
January 1 – December 31, 2023**

The Board of Directors of AAK International AB hereby submits the Annual Report.

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Administration report

The Board of Directors for AAK International AB, 559155-5411, with its registered office in Malmö, hereby present the Annual Report for the financial year January 1 – December 31, 2023.

The business

The business of the Company is to – directly or through subsidiaries or other forms of ownership – perform financing activities and cash management for associated companies and place liquid funds from these companies in banks and other financial institutions, further to trade in currencies and interest instruments for associated companies and to act as guarantor for the associated companies, and other related activities, however not such business that require permissions. The Company will further, for its own behalf, or on behalf of others, own, rent or in other ways acquire and own property, land and buildings of any kind in Sweden or other jurisdictions, and use current and future property, land and buildings of any kind in Sweden or other jurisdictions as security, and to perform related activities. The Company can, as part of its business, obtain external financing. The Company will further refine, process, and sell edible oils and fats, and perform related activities.

Through an English branch, the Company manufacture, process and sell vegetable oils and fats. Revenue and expenses have been translated using the average exchange rate of the financial year, while balance sheet items have been translated using the exchange rate of the balance sheet date.

Ownership

The Company is a subsidiary of AarhusKarlshamn Invest AB, corporate identity number 556747-6931, with registered office in Malmö. The Company has, in accordance with the Annual Accounts Act 7:2, not prepared consolidated accounts. The consolidated accounts are prepared by AAK AB, corporate identity number 556669-2850, with registered office in Malmö.

Significant events during 2023

In the beginning of 2023, the acquisition of the company Arani Agro Oil was completed, and the company is reported as investments in subsidiary companies from January 2023.

Risk management

All business activities are exposed to risks – a controlled assumption of risk is necessary to maintain profitability on a consistent high level. Risk can be dependent on events in the surrounding world and affect a certain sector or market; the risk can also be company or country specific. In the Company, effective risk management is a continuous process, performed as part of the operational management and constituting a natural part of the regular follow up.

Future expected development

The tragic war in Europe and its effects, devastating for millions of people, implies continued global uncertainties with macro-economic consequences that are hard to predict. Despite the uncertainty, the Company is, as an important supplier of food ingredients, well positioned to manage risks and maintain deliveries to the critical food supply chain.

Significant events after the reporting period

No significant events have taken place after the reporting period.

Development of the profit and position

Amount in SEK thousands	2023-12-31	2022-12-31	2021-12-31	2020-12-31
Net sales	4 480 237	4 225 333	3 641 601	2 977 962
Operating loss	-47 089	-158 182	-189 908	-12 512
Equity/assets ratio, %	83,7	78,6	80,0	85,5

Proposed allocation of the Company's profit

The following profits are at the disposal of the Annual General Meeting:

Profit brought forward	3 530 020 410 SEK
Net loss for the year	<u>87 181 012 SEK</u>
	3 617 201 422 SEK

The Board of Directors proposes that the profits, 3 617 201 422 SEK, are carried forward.

Income statement

<u>Amounts in SEK thousands</u>		<u>2023</u>	<u>2022</u>
<u>Net sales</u>	Note 2	4 480 237	4 225 333
Total income		4 480 237	4 225 333
Operating expenses			
Raw materials and consumables and changes in inventories of finished goods and work in progress		-3 413 987	-3 442 581
Goods for resale		-	-
Other external expenses	Note 3	-482 978	-403 390
Employee benefits expenses	Note 4,5	-425 578	-342 858
Depreciation, amortization and impairment loss	Note 9,10	-204 783	-194 686
Total operating expenses		-4 527 326	-4 383 515
Operating income/loss		-47 089	-158 182
Result from financial items			
Interest income and similar profit/loss items	Note 6	189 790	219 285
Interest expenses and similar profit/loss items	Note 6	-40 727	-13 046
Net financial items		149 063	206 239
<u>Appropriations</u>	Note 7	16 672	-209 707
Result before tax		118 647	-161 651
<u>Income tax</u>	Note 8	-31 466	-2 143
Net income/loss for the year		87 181	- 163 793

Balance sheet

Amounts in SEK thousands		Dec 31, 2023	Dec 31, 2022
ASSETS			
Fixed assets			
Intangible assets			
Goodwill	Note 9	693 575	817 708
		693 575	817 708
Property, plant and equipment			
Buildings and land	Note 10	57 114	57 723
Plant and machinery	Note 10	484 764	404 174
Equipment, tools, fixtures and fittings	Note 10	82 162	85 175
Assets under construction	Note 10	52 862	99 757
		676 902	646 829
Financial assets			
Participations in group companies	Note 11	460 273	364 317
Long-term receivables on group companies	Note 12	1 228 339	1 322 067
		1 688 612	1 686 384
Total fixed assets		3 059 089	3 150 920
Current assets			
Inventories	Note 13	592 678	833 057
Accounts receivable		459 728	566 686
Receivables on group companies		127 159	140 518
Current tax assets		65 799	46 886
Other current receivables		25 727	10 653
Derivatives		278	-
Prepaid expenses and accrued income	Note 14	8 315	8 163
Cash and bank		13	13
Total current assets		1 279 697	1 605 975
TOTAL ASSETS		4 338 786	4 756 895

Statement of changes in equity

	Share capital	Non-restricted equity	Total
Opening balance as per January 1, 2023	50	3 493 205	3 493 255
Currency effect from translation of foreign branch		36 815	36 815
Net loss of the year		87 181	87 181
Closing balance as per December 31, 2023	50	3 617 201	3 617 251

The number of shares is 500 and the quota value is 100 per share.

Cash flow statement

Amounts in SEK thousands	Dec 31, 2023	Dec 31, 2022
Operating activities		
Operating loss	-47 089	-158 182
Depreciation and amortization	204 783	194 686
Adjustment for other items not included in cash flowNote 18	2 108	2 414
Cash flow before interest and taxes	159 802	38 917
Interest received and other financial income	150 879	81 384
Interest paid and other financial expenses	-40 727	-13 046
Tax paid	-24 570	-21 679
Cash flow before changes in working capital	245 385	85 576
Changes in inventory	262 548	-162 801
Changes in accounts receivable	155 933	-81 737
Changes in accounts payable	-270 911	9 580
Changes in other working capital items	-329 191	218 443
Changes in working capital	-181 620	-16 515
Cash flow from operating activities	63 764	69 061
Investing activities		
Acquisition of property, plant and equipment	-83 565	-106 025
Acquisition of operations and shares	-95 956	-
Cash flow from investing activities	-179 521	-106 025
Financing activities		
Loans raised	-	99 483
Amortization of loans	-38 145	2 139
Loans provided	137 229	-8 468
Amortization of loans provided	-	-
Repayment of loans provided	-	153 517
Appropriations	16 672	-209 707
Cash flow from financing activities	115 756	36 964
Cash flow for the year	0	1
Cash and cash equivalents at the beginning of the year	13	12
Exchange rate differences in cash and cash equivalent	-	-
Cash and cash equivalents at the end of the year	13	13

Notes (Amounts in SEK thousands unless otherwise stated)

Note 1 – Accounting and valuation principles

The Annual Report has been prepared in accordance with the Annual Accounts Act and the Swedish Accounting Standard Board's generally accepted accounting principles BFNAR 2012:1 Annual report and consolidated accounts (K3). The accounting principles are unchanged compared to last year.

Revenue recognition

Revenue from contracts with customers are reported as net sales in the income statement. Revenue from the Group's sales is recognized when control of the products is transferred to the customer in accordance with the terms of the contract, which occurs when the products are delivered to the customer and there are no unfulfilled obligations that may affect the customers' acceptance and approval of the products. Net sales are recognized based on the price specified in the sales contract less any discounts. The obligation to repair or replace faulty products in accordance under the standard warranty terms is recognized as a warranty provision monthly. A receivable is recognized when the goods are delivered as this is the point in time that the consideration is unconditional. Prepayments are reported as a liability on the balance sheet line item Accrued expenses and prepaid income.

Other operating income consists of for example rental income, capital gain on sale or disposal of tangible and intangible fixed assets and changes in the value of operational receivables and liabilities.

Interest income is recognized allocated over the maturity over the security using the effective interest rate method.

Employee benefits

a) Pension liabilities

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate legal entity. The Group has no legal or constructive obligations to pay further contributions if this legal entity does not hold sufficient assets to pay all employee benefits relating to employee service in the current or prior periods. The fees paid in exchange for the employee performing services for the company are recognized as expenses in the period in which the services are performed.

b) Termination benefits

Employees receive compensation on termination before normal retirement age or when they voluntarily accept termination in exchange for these benefits. The Group recognize termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed, formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

c) Variable remuneration

Annual variable remuneration is based on meeting set targets determined on an annual basis. These targets are related to the performance of the Company. The Group recognizes costs as and when earnings occur.

Valuation

Receivables

Receivables are recognized at the amount that, after individual assessment, is expected to be received.

Intangible assets

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the net identifiable assets of the company on the date of acquisition. Goodwill is recognized at cost less accumulated amortization. Goodwill is amortized linearly over the estimated useful life, 10 years.

Property, plant and equipment

Land and buildings comprise mainly factory buildings and offices. All property, plant and equipment are carried at cost, less accumulated depreciation. Subsequent costs are included in the asset's carrying amount or are recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the asset will flow to the Company and the cost of the asset can be measured reliably. All other repairs and maintenance are expensed in the financial period in which they arise.

Land is not depreciated. Depreciation of other property, plant and equipment is allocated on a straight-line basis over the estimated useful lives of the assets. Depreciation periods of between 3 and 15 years are used for Plant and machinery as well as Equipment, tools, fixtures and fittings. Industrial buildings and research laboratories are depreciated over 20 and 25 years respectively and office buildings over 50 years.

Financial fixed assets

Financial fixed assets intended to be held long term are recorded at cost. If the value of the financial fixed asset is lower than the recorded value and this value can be seen as permanent, the asset is written down to the lower value.

Inventories

Inventories are stated at cost or net selling price, whichever is lowest. Cost is calculated using the first-in-first-out (FIFO) principle. The cost of finished goods and work in progress includes direct material costs, direct labor and other direct manufacturing costs and a reasonable allocation of indirect manufacturing expenses based on normal production capacity, excluding borrowing costs.

Net selling price is the estimated sale price in the ordinary course of business, less costs of completion and applicable variable costs to sell.

Receivables and liabilities in foreign currencies

Receivables and liabilities denominated in foreign currencies are recalculated to the balance sheet date, and unrealized currency gains and losses are recorded in the result. Exchange rate differences related to receivables and liabilities are recorded as financial items.

Financial instruments and securities

Financial instruments are accounted for in accordance with K3 chapter 11, which means valuation at acquisition cost. The instrument is recognized in the balance sheet when the Company becomes a part of the financial instrument's contractual agreement. Financial assets are derecognized from the balance sheet when the contractual right to the cash flow from the asset has expired or been settled and the risks and benefits that are associated with the holding in all material aspects has been transferred to another party.

Financial liabilities are derecognized from the balance sheet when the contractual obligation has been fulfilled or expired.

The Company holds currency and raw material derivatives. Derivatives where AAK International trades the underlying currency or raw material have been identified as hedging of derivatives where AAK International purchases the corresponding underlying currency or raw material. Therefore, the Company does not record any liability for derivatives with negative values at the balance sheet date.

Taxes

Reported income tax includes tax that will be paid or received related to the current year, adjustment of previous year taxes and changes in deferred tax. Deferred tax is provided in full, using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the balance sheet.

Equity

Equity is divided in restricted and non-restricted equity, in accordance with the classification in the Annual Accounts Act.

Liabilities to banks and other credit institutions

Borrowings are initially recorded at fair value, net transaction costs. Borrowings are subsequently recorded at amortized cost and the difference between the initially received amount (net transaction costs) and the amount that will be repaid is reported in the income statement over the loan period, in line with the effective interest rate method.

Note 2 – Net sales per geographic market

<u>Amounts in SEK thousands</u>	<u>2023</u>	<u>2022</u>
United Kingdom	3 356 266	3 300 690
The Netherlands	170 185	125 927
Sweden	12 026	67 643
Germany	225 587	226 494
Ireland	193 605	188 298
The United States	60 013	53 075
Belgium	4 031	14 044
Poland	27 780	37 597
France	171 160	35 379
Japan	21 681	21 260
Other countries	237 903	154 925
Total	4 480 237	4 225 333

Note 3 – Audit fees

<u>Amounts in SEK thousands</u>	<u>2023</u>	<u>2022</u>
Audit services		
KPMG	912	840
Audit services total	912	840
Tax consulting		
Other	-	-
Tax consulting total	-	-
Total	912	840

Note 4 – Employee benefits expenses

<u>Amounts in SEK thousands</u>	<u>2023</u>	<u>2022</u>
Wages and salaries	364 406	290 958
Social security contributions	61 000	51 390
(Of which pension costs)	23 173	18 484
Salaries and other remuneration for members of the Board of Directors and other employees		
Board of Directors, CEO and other senior managers	13 573	10 710
Other employees	350 833	280 247
Total	364 406	290 958

Note 5 – Average number of employees

	2023	2022
Sweden	2	2
(Of which men)	1	1
(Of which women)	1	1
United Kingdom	493	464
(Of which men)	371	357
(Of which women)	122	108

Board of directors and other senior executives

Members of the Board of Directors

Proportion of men	67%	67%
Proportion of women	33%	33%

Other senior executives

Proportion of men	100%	100%
Proportion of women	0%	0%

Note 6 – Result from financial items

	2023	2022
Interest income group companies	146 356	104 972
Exchange rate differences	43 434	114 312
Financial income	189 790	219 284
Interest expenses	-1 279	-748
Interest expenses group companies	-39 448	-12 298
Other financial expenses	-	-
Financial expenses	-40 727	-13 046
Financial net	149 063	206 238

Note 7 – Appropriations

	2023	2022
Group contributions	16 672	-209 707
Total	16 672	-209 707

Note 8 – Taxes

	2023	2022
Current tax	-21 824	10 593
Deferred tax	-9 642	-12 736
Income tax of the year	-31 466	-2 143

Reconciliation of effective tax	2023	2022
Reported profit before tax	118 647	-161 651
Tax at the current tax rate	-86 203	-5 841
Tax effect on non-deductible expenses	-1 200	-1 584
Tax effect of non-taxable revenues	40 722	17 245
Tax loss carryforwards	26 134	-
Effect of changed tax rate	79	-18 107
Adjustment of previous year's tax expenses	-10 999	6 144
Income tax of the year	-31 466	-2 143

Deferred tax liability	2023	2022
Tangible assets	-86 900	-76 154
Tax of the year	-86 900	-76 154

Note 9 – Intangible fixed assets

	2023	2022
Opening balance	1 362 880	1 326 019
Exchange rate differences	24 321	36 861
Accumulated cost, closing balance	1 387 201	1 362 880
Opening balance amortization and impairment	-545 172	-397 821
Amortization for the year	-142 689	-134 994
Exchange rate differences	-5 766	-12 357
Accumulated amortization and impairment, closing balance	-693 627	-545 172
Residual value	693 575	817 708

Note 10 – Tangible fixed assets

Buildings and land	2023	2022
Opening balance	73 525	70 349
Investments	1 396	1 209
Reclassifications	-	-
Exchange rate differences	1 273	1 967
Accumulated cost, closing balance	76 194	73 525
Opening balance depreciation and impairment	-15 802	-11 751
Depreciations for the year	-3 082	-3 676
Exchange rate differences	-196	-375
Accumulated depreciation and impairment, closing balance	-19 080	-15 802
Residual value	57 114	57 723

<u>Plant and machinery</u>	2023	2022
Opening balance	565 162	510 350
Investments	117 602	44 501
Disposals	-3 701	-4 262
Reclassifications	-	-
Exchange rate differences	6 917	14 573
Accumulated cost, closing balance	685 980	565 162
Opening balance depreciation and impairment	-160 988	-122 115
Depreciations for the year	-39 714	-36 688
Disposals	1 278	1 545
Exchange rate differences	-1 792	-3 730
Accumulated depreciation and impairment, closing balance	-201 216	-160 988
Residual value	484 764	404 174

<u>Equipment, tools, fixtures and fittings</u>	2023	2022
Opening balance	147 088	126 205
Investments	14 621	17 210
Reclassifications	-	-
Exchange rate differences	2 218	3 673
Accumulated cost, closing balance	163 927	147 088
Opening balance depreciation and impairment	-61 913	-41 252
Depreciations for the year	-19 298	-19 341
Exchange rate differences	-554	-1 320
Accumulated depreciation and impairment, closing balance	-81 765	-61 913
Residual value	82 162	85 175

<u>Assets under construction</u>	2023	2022
Opening balance	99 757	54 730
Investments	-	43 093
Disposals	-50 068	-
Exchange rate differences	3 173	1 934
Accumulated cost, closing balance	52 862	99 757

Note 11 – Shares in subsidiaries

	Number of shares	Share of capital	Book value
BD Foods Ltd, Hull, England	101 000	100 %	104 112
Arani Agro Oil Industries Ltd, Indien	280 023 626	100 %	95 956
Soya International Ltd, Hull, England	100	100 %	260 205
Total			460 273

<u>Shares in subsidiaries</u>	2023	2022
Opening balance	364 317	364 317
Investments	95 956	-
Reclassifications	-	-
Exchange rate differences	-	-
Accumulated cost, closing balance	460 273	364 317

Note 12 – Long-term receivables on group companies

Currency	2023	2022
SEK	-	-
BRL	502 857	478 422
CNY	464 935	571 490
COP	256 705	213 095
PHP	-	55 285
GBP	3 842	3 774
Total	1 228 339	1 322 067

Opening balance	1 322 067	1 350 231
New loans	-	48 698
Amortization	-131 039	-188 685
<u>Exchange rate differences</u>	<u>37 311</u>	<u>111 822</u>
Closing balance	1 228 339	1 322 067

Note 13 – Inventories

	2023	2022
Raw materials and consumables	299 092	445 887
Finished products and goods for resale	293 586	387 170
Total	592 678	833 057

Note 14 – Prepaid expenses and accrued income

	2023	2022
Rent	2 385	2 669
Prepayments to suppliers	1 980	3 116
Other	3 950	2 378
Total	8 315	8 163

Note 15 – Disclosures on equity

Share capital

The share capital consists of 500 shares with a quota value of 100 SEK per share, amounting to a share capital of 50 000 SEK.

Proposed allocation of the Company's profit

The Board of Directors proposes an allocation of the profit in accordance with the Company's Act and the allocation is finally decided by the Annual general meeting of shareholders.

The Board and the Managing Director propose that:

The profit carried forward at disposal	3 530 020 410 SEK
<u>And Loss of the year</u>	<u>87 181 012 SEK</u>
Total	3 617 201 422 SEK

profit carried forward, 3 617 201 422 SEK, is carried forward.

Note 16 – Accrued expenses and prepaid income

	2023	2022
Personell related expenses	46 251	38 319
Sales provisions	44 921	26 823
Prepayments to suppliers	74 950	106 299
Other	29 202	76 871
Total	195 324	248 312

Note 17 – Liabilities to Group companies

	2023	2022
SEB-USD	-9 936	-7 846
SEB-CNY	-4 983	-2
SEB-GBP	8	110
SEB-SEK	84 059	9 878
SEB-GBP	-	100 435
Total	69 148	102 575

Note 18 – Cash flow

Other items not included in cash flow	2023	2022
Disposal of tangible fixed assets	2 424	2 717
Derivat	-316	-303
Total	2 108	2 414

Note 19 - Sustainability report

The Company does not prepare a Sustainability Report and refer to the Parent Company of the AAK Group, AAK AB, with registered office in Malmö and corporate identity number 556669-2850.

Note 20 - Subsequent events

No significant events have taken place after the reporting period.

Malmö, May 28 2024

Pontus Malmunger Jarl Andreasson
Chairman of the Board Managing Director

Marianne Persson

Our audit report has been submitted on / 2024

KPMG AB

Linda Bengtsson
Authorized public accountant

Auditor's Report

To the general meeting of the shareholders of AAK International AB, corp. id 559155-5411

Report on the annual accounts

Opinions

We have audited the annual accounts of AAK International AB for the year 2023.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act, and present fairly, in all material respects, the financial position of AAK International AB as of 31 December 2023 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of AAK International AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and that they give a fair presentation in accordance with the Annual Accounts Act. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts The Board of Directors and the Managing Director are responsible for the assessment of the

company's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's, use of the going concern basis of accounting in preparing the annual accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts, we have also audited the administration of the Board of Directors and the Managing Director of AAK International AB for the year 2023 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of AAK International AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's type of operations, size and risks place on the size of the company's equity, consolidation requirements, liquidity and position in general. The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's financial

situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the

proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

Malmö

KPMG AB

Linda Bengtsson
Authorized Public Accountant