

Solae Denmark ApS

Edwin Rahrsvej, 8220 Brabrand

CVR no. 16316792

Annual report 2022

Approved at the Company's annual general meeting on 9 February 2023

Chairman: Lisbeth Sørensen

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Solae Denmark ApS

Company information

Entity

Solae Denmark ApS
Edwin Rahrsvej 38
8220 Brabrand

Company CVR: 16316792

Financial year: 2022-01-01 - 2022-12-31

Executive Board

Charlotte Bornhaupt
Brian Brix
Lisbeth Sørensen

Addo Sign identification number: bac8bb5-283c-422e-b233-f3d47ff00696

Management's review summary report

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Solae Denmark ApS for the financial year 1 January - 31 December 2022.

The annual report, which has not been audited, has been prepared in accordance with the provisions of the Danish Financial Statements Act. The Board of Directors considers the criteria for omission of audit to be met.

In our opinion, the company financial statements give a true and fair view of the company's financial position at 31 December 2022 and of the results of the company's operations and cash flows for the financial year 1 January - 31 December 2022.

Further, in our opinion, the Management's review gives a fair review of the development in the company's operations and financial matters and the results of the company's operations and financial position.

We recommend that the annual report be approved at the annual general meeting.

9 February 2023
Executive Board:

Lisbeth Sørensen

Brian Brix

Charlotte Bornhaupt

Company

Management commentary

Business review

The activity of the Company has been closed, and the company is continuing as a dormant entity.

Financial review

The Company made a loss before tax of DKK 533,696 compared to a loss of DKK 1,279,944 in 2021.

The result is satisfactory and in line with expectations.

There are no employees in the Company, and the Executive Board have not received any remuneration.

The Danish tax authorities have at the end of April 2009 with a subsequent correction in December 2009 made a claim to significantly increase the taxable income for 2003. Solae Denmark ApS disagreed to this claim, and consequently appealed to the Danish National Tax Tribunal, which in October 2015 issued its decision. Despite in its decision the Danish National Tax Tribunal reduced the amount of the claim of the Danish tax authorities, Solae Denmark ApS still disagrees with this decision considering that important facts have still not been taken into consideration. Consequently, Solae Denmark ApS has appealed to the Aarhus District Court in January 2016, the appeal procedure which includes several phases of submission of additional information and answers from the two Parties is still ongoing.

Outlook

The company is expected to continue as a dormant company.

Events after the balance sheet date

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Statement of profit or loss

		31 December	31 December
	Note	2022	2021
		DKK	DKK
Administrative expenses		(521,140)	(1,204,613)
Operating loss		(521,140)	(1,204,613)
Loss before net financials		(521,140)	(1,204,613)
Financial income	3	218	1,501
Finance expenses	4	(12,774)	(76,832)
Loss from continuing operations before tax		(533,696)	(1,279,944)
Tax on continuing operations		(29,251)	232,934
Loss for the year from continuing operations		(562,946)	(1,047,010)
Loss for the year		(562,946)	(1,047,010)

Statement of financial position

	Note	31 December 2022 DKK	31 December 2021 DKK
ASSETS			
Receivables			
Receivables from group enterprises		483,053	0
Other receivables		411,060	1,114,841
Corporation tax receivable		176,044,460	176,044,460
Joint taxation contribution receivable		176,307	205,557
		<u>177,114,879</u>	<u>177,364,858</u>
Cash		964,711	1,594,927
Total current assets		<u>178,079,590</u>	<u>178,959,785</u>
TOTAL ASSETS		<u>178,079,590</u>	<u>178,959,785</u>
Equity and liabilities			
Equity			
Share capital	5	167,000,000	167,000,000
Profit and loss account		11,071,077	11,634,023
Equity holders' share of equity		<u>178,071,077</u>	<u>178,634,023</u>
Total equity		<u>178,071,077</u>	<u>178,634,023</u>
Current liabilities			
Trade payables		4,823	261
Payables to group enterprises		3,689	325,501
Total current liabilities		<u>8,513</u>	<u>325,762</u>
Total liabilities		<u>8,513</u>	<u>325,762</u>
Total equity and liabilities		<u>178,079,590</u>	<u>178,959,785</u>

Notes to the financial statements

1. Accounting policies

The annual report of Solae Denmark ApS for 2022 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

The Annual Report presented in DKK.

1.1 Financial statements

(a) Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rate at the transaction date and the rate at the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at closing rates. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Non-current assets acquired in foreign currency are measured at the exchange rate at the transaction date.

1.2 Income statement

(a) Administrative expenses

Administrative expenses comprise costs incurred in the year to manage and administer the Company, including expenses related to administrative staff, management, office premises, office expenses and amortisation/depreciation.

(b) Financial income and expenses

Financial income and expenses comprise interest income and expenses, charges in respect of finance leases, gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

(c) Tax for the year

The Company is jointly taxed with Danish Group Companies.

DuPont Nutrition Biosciences ApS acts as management company for the joint taxation arrangement and consequently settles all corporate income tax payments with the tax authorities.

On payment of joint taxation contributions, the Danish corporate income tax charge is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use the tax losses to reduce their own taxable income.

Notes to the financial statements (continued)

1. Accounting policies (continued)

(c) Tax for the year (continued)

The tax expense for the year, which comprises the year's current tax charge, joint taxation contributions and changes in the deferred tax charge - including changes arising from changes in tax rates - is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

1.3 Balance sheet

(a) Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the net present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

(b) Equity

(i) Dividend

Dividend proposed for the year is recognised as a liability at the date when they are adopted at the annual general meeting (declaration date). Dividend expected to be distributed for the year is disclosed as a separate item under equity.

(c) Income tax and deferred tax

Current tax payables and receivables are recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on prior-year taxable income and tax paid on account.

The Company is jointly taxed with Danish Group Companies. The tax effect of the joint taxation is allocated to Danish enterprises showing profits or losses in proportion to their taxable income.

(d) Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Other liabilities are measured at net realisable value.

2. Events after the balance sheet date

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Notes to the financial statements (continued)**3. Financial income**

	31 December 2022 DKK	31 December 2021 DKK
Foreign exchange gains	218	1,501
	<u>218</u>	<u>1,501</u>

4. Financial expenses

	31 December 2022 DKK	31 December 2021 DKK
Interest expenses, group enterprises	0	(65,280)
Foreign exchange losses	(9,090)	(7,583)
Other interest expenses	(3,684)	(3,968)
	<u>(12,774)</u>	<u>(76,832)</u>

5. Share capital

The Company capital comprises 167,000 shares of 1,000 DKK, no shares carry any special rights.

6. Contractual obligations and contingencies, etc.**6.1 Contingent liabilities**

The Danish companies in the IFF Group are jointly taxed and jointly liable for the total tax of the Group. The net payable tax is included in the annual report of DuPont Nutrition Biosciences ApS, which is the administration company for the group taxation. Any later corrections of the taxable income may increase the total liable amount.

The Danish tax authorities have at the end of April 2009 with a subsequent correction in December 2009 made a claim to significantly increase the taxable income for 2003. Solae Denmark ApS disagreed to this claim, and consequently appealed to the Danish National Tax Tribunal, which in October 2015 issued its decision. Despite in its decision the Danish National Tax Tribunal reduced the amount of the claim of the Danish tax authorities, Solae Denmark ApS still disagrees with this decision considering that important facts have still not been taken into consideration. Consequently, Solae Denmark ApS has appealed to the Aarhus District Court in January 2016, the appeal procedure which includes several phases of submission of additional information and answers from the two Parties is still ongoing. Due to the nature of the situation it is not possible to assess the monetary implication or the time of completion.

Notes to the financial statements (continued)

7. Related parties

7.1 Parties exercising control

The ultimate parent company of the group in which the Company is included as a subsidiary is IFF Inc, New York, USA. These companies and its subsidiaries are considered related parties through the ownership of the Company.

In accordance with section 98c (7) of the Danish Financial Statements Act, all transactions with related parties have been conducted at arm's length.

8. Appropriation of profit/loss

Recommended appropriation of profit/loss

Transferred to reserves under equity

31 December 2022 DKK	31 December 2021 DKK
(562,946)	(1,047,010)
(562,946)	(1,047,010)

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The signer's identity is physically registered in the electronic PDF document and shown below.

Signers

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  Lisbeth Sørensen 8700abbb-7dca-46cd-8560-ecb44e426dd 2/9/2023 7:37 PM	

Documents in the transaction

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