

Linas Agro A/S under voluntary liquidation

Gøteborgvej 18, DK-9200 Aalborg SV

CVR no. 17 68 90 37

Annual report 2020/21

Approved at the Company's annual general meeting on 7 December 2021

Liquidator: Anders Bredgaard

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Statement by Management on the annual report

Today, the liquidator has approved the annual report of Linus Agro A/S for the financial year 1 July 2020 - 30 June 2021.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

In my opinion, the financial statements give a true and fair view of the financial position of the Company at 30 June 2021 and of the results of the Company's operations for the financial year 1 July 2020 –30 June 2021.

Further, in my opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

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

Aalborg, 7 December 2021
Liquidator

Anders Bredgaard

The general meeting has decided that the annual report for the coming financial year do not need to be audited.

Independent auditors' report

To liquidator of Linax Agro A/S

Conclusion

We have conducted an extended review of the financial statements of Linax Agro A/S under liquidation for the financial year 1 July 2020 – 30 June 2021, which comprise an income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Based on the work we have performed, in our opinion, the financial statements give a true and fair view of the financial position of the Company at 30 June 2021 and of the results of the Company's operations for the financial year 1 July 2020 – 30 June 2021 in accordance with the Danish Financial Statements Act.

Basis for conclusion

We conducted the extended review in accordance with the Danish Business Authority's standard on extended review for small entities and FSR – Danish Auditors' standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review of the financial statements" section. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Emphasis of matter regarding the extended review

We draw attention to note 5 to the financial statements, which describes the material uncertainty associated with the outcome of legal proceedings instituted by ALMEX d.o.o Pancevo against the Company. We have not modified our conclusion in respect of this matter.

Liquidator's responsibilities for the financial statements

The liquidator is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control that liquidator determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the liquidator is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless the liquidator either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the extended review of the financial statements

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures to obtain limited assurance for our conclusion on the financial statements and perform specifically required supplementary procedures to obtain additional assurance for our conclusion.

An extended review comprises procedures that primarily consist of making enquiries of Management and others within the Company, as appropriate, analytical procedures and the specifically required supplementary procedures as well as evaluation of the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit, and accordingly, we do not express an audit opinion on the financial statements.

Statement on the Management's review

The liquidator is responsible for the Management's review.

Our conclusion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our extended review of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the extended review, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Aabenraa, 7 December 2021
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Jon Midtgaard
State Authorised
Public Accountant
mne28657

Management's review

Company details

Name	Linus Agro A/S
Address, zipcode, city	Gøteborgvej 18, DK-9200 Aalborg SV
CVR no.	17 68 90 37
Established	1994
Registered office	Aalborg
Financial year	1 July 2020 –30 June 2021
Liquidator	Anders Bredgaard
Auditors	EY Godkendt Revisionspartnerselskab Skibbroen 16 DK-6200 Aabenraa

Management's review

Management commentary

Principal activities of the Company

The Company's activities have been closed down and the Company has decided to liquidate.

Uncertainty related to recognition and measurement

The liquidation of the company has not been finalized due to a pending legal process which has been instigated in Serbia by the ALMEX d.o.o Pancevo against Linus Agro A/S. The legal process is subject to risk and uncertainties that may be significant for the company. We refer to note 5 to the financial statements for additional information.

Development in activities and financial position

The profit for the year totalled DKK -269,300.

The Company's equity now totals DKK 4,011,862.

Outlook

The liquidation process is expected to be ended when a legal process is ended. Please see note 5 for further description of the pending legal process.

Financial statements for the period 1 July – 30 June

Income statement

Note	DKK	2020/21	2019/20
	Gross profit	-291,961	-123,539
	Operating profit	-291,961	-123,539
3	Financial income	33,929	10,434
	Financial expenses	-11,268	-10,207
	Profit before tax	-269,300	-123,313
	Tax on profit for the year	0	0
	Profit for the year	-269,300	-123,313
	Proposed profit appropriation		
	Retained earnings	-269,300	-123,313
		-269,300	-123,313

Financial statements for the period 1 July – 30 June

Balance sheet

Note	DKK	2020/21	2019/20
	ASSETS		
	Receivables		
	Amounts owed by group enterprises	3,793,611	3,767,974
	Other receivables	6,125	2,750
		<u>3,799,736</u>	<u>3,770,724</u>
	Cash at bank and in hand	<u>387,126</u>	<u>544,438</u>
	Total current assets	<u>4,186,862</u>	<u>4,315,162</u>
	TOTAL ASSETS	<u>4,186,862</u>	<u>4,315,162</u>
	EQUITY AND LIABILITIES		
	Equity		
4	Share capital	500,001	500,001
	Retained earnings	<u>3,511,861</u>	<u>3,781,161</u>
	Total equity	<u>4,011,862</u>	<u>4,281,162</u>
	Current liabilities		
	Other payables	<u>175,000</u>	<u>34,000</u>
		<u>175,000</u>	<u>34,000</u>
	Total liabilities	<u>175,000</u>	<u>34,000</u>
	TOTAL EQUITY AND LIABILITIES	<u>4,186,862</u>	<u>4,315,162</u>

- 1 Accounting policies
2 Special items, incl. uncertainty due to decision to liquidate
5 Contingent liabilities and contingencies, etc.

Financial statements for the period 1 July – 30 June

Statement of changes in equity

DKK	Share capital	Retained earnings	Total
Equity at 1 July 2020	500,001	3,781,161	4,281,162
Transferred, see profit appropriation	0	-269,300	-269,300
Equity at 30 June 2021	500,001	3,511,861	4,011,862

There has not been changes in share capital in the last 5 years.

Financial statements for the period 1 July – 30 June

Notes

1 Accounting policies

The annual report of Linus Agro A/S under voluntary liquidation for 2020/21 has been prepared in accordance with the provisions applying to reporting class B enterprises under the Danish Financial Statements Act.

The financial have been prepared in accordance with the same accounting policies as last year.

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 rates at the transaction date and at the date of payment are recognised in the income statement.

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

Income statement

Gross profit

The items revenue, other external expenses and other operating income are condensed to an item called gross profit in accordance to Danish Financial Statements Act § 32.

Revenue

Income from the sale of goods for resale and services is recognised in the income statement when delivery and transfer of risk to the buyer have taken place and provided that the income can be reliably measured and is expected to be received. Revenue is measured ex. VAT and taxes charged on behalf of third parties.

Revenue is measured at fair value of the agreed consideration ex. VAT and taxes charged on behalf of third parties. All discounts granted are recognised in revenue.

The company has no revenue in financial year 2020/21.

Other external expenses

Other external expenses include expenses related to administration etc.

Financial income and expenses

Financial income and expenses comprise interest income and expense, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Tax for the year

Tax for the year comprises current tax for the year and changes in deferred tax. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity. The tax expense recognised in the income statement relating to the extraordinary profit/loss for the year is allocated to this item whereas the remaining tax expense is allocated to the profit/loss for the year from ordinary activities.

Financial statements for the period 1 July – 30 June

Notes to the financial statements

1 Accounting policies (continued)

Balance sheet

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable has been impaired. If there is an objective indication that an individual receivable has been impaired, a write-down is made on an individual basis.

Write-downs are calculated as the difference between the carrying amount of receivables and the 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.

Equity – dividends

Proposed dividends are recognised as a liability at the date when they are adopted at the annual general meeting (declaration date). The expected dividend payment for the year is disclosed as a separate item under equity.

Income tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's planned use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity and jurisdiction.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax.

Liabilities other than provisions

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. In subsequent periods, the 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.

Financial statements for the period 1 July – 30 June

Notes to the financial statements

2 Special items, incl. uncertainty due to decision to liquidate

The Company has entered into voluntary liquidation. Remaining assets as of 30 June 2021 is expected to be settled at book value, however subject to risk and uncertainties as described in note 5.

The liquidation is expected to end during financial year 2021/22.

	<u>2020/21</u>	<u>2019/20</u>
3 Financial income		
Other interest income	33,929	10,434
	<u>33,929</u>	<u>10,434</u>

4 Share capital

Share capital consists of 500,001 shares with a nominal value of DKK 1. No shares carry special rights.

5 Contingent liabilities and contingencies etc.

The liquidation of the company has not been finalized due to a pending legal process which has been instigated in Serbia by the ALMEX d.o.o Pancevo against Linus Agro A/S. At 1 July 2021 the Commercial Court in Pancevo in Serbia has decided in favor of the plaintiff (ALMEX d.o.o Pancevo). The claim is amounting to 3.5 million EURO incl. interest and expenses. The first instance judgement has been appealed by Linus Agro A/S to a higher instance court in Serbia. Based on opinion from lawyers running the case in Serbia it is assessed "more likely than not" that the company will win the appeal at higher instance. Also, no legal process has been taken in Denmark against Linus Agro A/S. In accordance with the assessment made, no provision has been recognized as at 30 June 2021. However, this assessment is subject to risk and uncertainties.

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Anders Bredgaard

Liquidator

On behalf of: Linas Agro A/S under frivillig likvidat...

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2021-12-09 08:12:33 UTC

NEM ID 

Anders Bredgaard

Chairman

On behalf of: Linas Agro A/S under frivillig likvidat...

Serial number: PID:9208-2002-2-132752072472

IP: 185.163.xxx.xxx

2021-12-09 08:12:33 UTC

NEM ID 

Jon Midtgaard

State Authorised Public Accountant

On behalf of: EY Godkendt Revisionspartnerselskab

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