Selecta A/S

Vibeholms Allé 15, 1.
2605 Brøndby
Denmark

CVR no. 26 92 90 08

Annual report for the period 1 October 2019 – 31 December 2020

The annual report was presented and approved at the Company's annual general meeting on

25 June 2021

Michael Bech-Jensen
Chairman

Contents

Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Selecta A/S for the financial period 1 October 2019 – 31 December 2020.

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

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2020 and of the results of the Company's operations for the financial period 1 October 2019 – 31 December 2020.

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

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

Brøndby, 25 June 2021
Executive Board:

Thor Ivar Gudmundson
CEO

Board of Directors:

Michael Bech-Jansen Chairman	Roland Jerker Marcelino	Thor Ivar Gudmundson

Henrik Krabbe

Independent auditor's report

To the shareholders of Selecta A/S

Opinion

We have audited the financial statements of Selecta A/S for the financial period 1 October 2019 – 31 December 2020 comprising 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.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2020 and of the results of the Company's operations for the financial period 1 October 2019 – 31 December 2020 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

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

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

Management's responsibility for the financial statements

Management 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 Management 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, Management 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 Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements in Denmark will always detect a material misstatement when it exists. Misstatements may 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 made on the basis of these financial statements.

Independent auditor's report

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also

— identify and assess the risks of material misstatement of the company financial statements, 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 opinion. 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 internal control relevant to the 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 Management.

— conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a 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 financial statements or, if such disclosures are inadequate, to modify our opinion. 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 contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion 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 audit 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 audit, or otherwise appears to be materially misstated.

Independent auditor's report

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.

Copenhagen, 25 June 2021
KPMG
Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

Carsten Nielsen
State Authorised
Public Accountant
mne30212

Management's review

Company details

Selecta A/S
Vibeholms Allé 15, 1.
2605 Brøndby
Denmark

CVR no.:	26 92 90 08
Established:	20 December 2002
Registered office:	Brøndby
Financial period:	1 October 2019 – 31 December 2020

Board of Directors

Michael Bech-Jansen, Chairman
Roland Jerker Marcelino
Thor Ivar Gudmundson
Henrik Krabbe

Executive Board

Thor Ivar Gudmundson, CEO

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfærgevej 28
DK-2100 København Ø
CVR no. 25 57 81 98

Management's review

Financial highlights

DKK'000	1/10 2019-31/12 2020	2018/19	2017/18	2016/17	2015/16
Key figures					
Gross profit/loss	24,614	42,586	31,083	28,894	20,322
Ordinary operating profit/loss	-14,549	3,301	-1,628	985	-4,483
Profit/loss from financial income and expenses	-1,028	-665	-181	-735	-781
Profit/loss for the year	-8,058	2,539	381	250	-5,900
Total assets	38,952	40,798	61,691	56,083	49,484
Equity	1,525	9,583	7,044	-6,337	-6,587
Investment in property, plant and equipment	1,558	10,982	19,291	22,121	21,542
Ratios					
Current ratio	84.17%	131.20%	134.60%	94.50%	77.70%
Return on equity	-145.08%	30.54%	107.80%	-3.90%	162.20%
Solvency ratio	3.92%	23.50%	11.40%	-11.30%	-13.30%

The financial ratios have been calculated as follows:

Current ratio $$\frac{\text{Current assets x 100}}{\text{Current liabilities}}$$

Return on equity $$\frac{\text{Profit/loss from ordinary activities after tax x 100}}{\text{Average equity}}$$

Solvency ratio $$\frac{\text{Equity ex. non-controlling interests at year-end x 100}}{\text{Total equity and liabilities at year-end}}$$

Management's review

Operating review

Principal activities

Selecta A/S provides coffee and other vending solutions to offices and public areas

Material uncertainties regarding going concern

It is Management's opinion that the Company will have access to sufficient liquidity to continue as a going concern for the next 12 months from the balance date.

Uncertainty regarding recognition and measurement

It is Management's opinion that no uncertainties in regard to recognition and measurement exists.

Unusual circumstances

The Company has, like most other companies, has been negative subjected to COVID-19 impacts on our business and operation.

Events after the balance sheet date

No significant events have occurred after the balance sheet date.

Development in activities and financial position

The Company's income statement for 2019/20 shows a loss of DKK -8,058 thousand as against DKK 2,539 thousand in 2018/19. Equity in the Company's balance sheet at 31 December 2020 stood at DKK 1,525 thousand as against DKK 9,583 thousand at 31 December 2019.

Profit/loss for the year (including comparison with forecasts previously announced)

Loss for the year is due to COVID-19 and is below the expectaions for the year

New products

As part of Selecta Group's purchase of Pelican Rouge coffee roaster in 2018, Selecta A/S have now included the Pelican Rouge coffee brand in its suite of branded coffee solutions.

Capital resources

The Company have seen improvements in working capital and together with closely monitoring of cash flows is in a good position in regards to capital resources.

Management's review

Operating review

Outlook

It is Management's assessment that the Danish Selecta organization has reached a new level of evolution allowing us to seek further growth in both existing and new segments.

We experience that both new potential candidates and clients are seeking towards our strong vision, concepts and values in recognition that the Selecta team is a strong platform for the future.

Management anticipates growth higher than previous years and subsequently also a result better than last year.

Environmental matters

The Company does not have any production. Impact on environment is limited to the energy used at our locations. The Company supports the Selecta Coffee Fund. Selecta Coffee Fund is one of Selecta's commitments in making a difference and creating a better world with greater social responsibility. Selecta Coffee Fund aims to support and help people who work in coffee and tea production around the world. Focus is on children, education, water and sanitation, but we also want to contribute to improving farming conditions for increased yield and improved environment.

Financial statements 1 October – 31 December

Income statement

DKK'000	Note	1/10 2019-31/12 2020	2018/19
Gross profit		24,614	42,586
Staff costs	2	-35,518	-29,245
Depreciation, amortisation and impairment losses		-3,645	-10,040
Other operating costs		-420	0
Profit/loss before financial income and expenses		-14,969	3,301
Other financial income	3	0	3
Other financial expenses	4	-1,028	-668
Profit/loss before tax		-15,997	2,636
Tax on profit/loss for the year	5	7,939	-97
Profit/loss for the year	6	-8,058	2,539

Financial statements 1 October – 31 December

Balance sheet

DKK'000	Note	2019/2020	2018/2019
ASSETS			
Fixed assets			
Property, plant and equipment	7		
Plant and machinery		7,364	10,385
Fixtures and fittings, tools and equipment		87	597
		7,451	10,982
Total fixed assets		7,451	10,982
Current assets			
Inventories			
Finished goods and goods for resale		8,333	5,439
Receivables			
Trade receivables		9,501	7,421
Receivables from group entities		0	58
Other receivables		1,197	1,111
Deferred tax asset	8	10,032	2,093
		20,730	10,683
Cash at bank and in hand		2,438	13,694
Total current assets		31,501	29,816
TOTAL ASSETS		38,952	40,798

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Balance sheet

DKK'000	Note	2019/2020	2018/2019
EQUITY AND LIABILITIES			
Equity			
Contributed capital	9	1,101	1,101
Retained earnings		424	8,482
Total equity		1,525	9,583
Liabilities			
Non-current liabilities	10		
Lease obligations		4,825	4,948
Payables to group entities		10,930	0
		15,755	4,948
Current liabilities			
Current portion of non-current liabilities		109	0
Lease obligation	10	0	3,465
Prepayments received from customers		394	6,279
Trade payables		7,967	7,280
Other payables		13,202	9,243
		21,672	26,267
Total liabilities		37,427	31,215
TOTAL EQUITY AND LIABILITIES		38,952	40,798

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Statement of changes in equity

DKK'000	Contributed capital	Retained earnings	Total
Equity at 1 October 2019	1,101	8,482	9,583
Transferred over the distribution of loss	0	-8,058	-8,058
Equity at 31 December 2020	1,101	424	1,525

Financial statements 1 October – 31 December

Notes

1 Accounting policies

The annual report of Selecta A/S for 2019/20 has been prepared in accordance with the provisions applying to reporting class C medium-sized entities under the Danish Financial Statements Act.

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

Omission of consolidated financial statements

Pursuant to section 112(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared. The financial statements of Selecta A/S and group entities are included in the consolidated financial statements of Selecta AG, Industrie Neuhof 78, 3422 Kirchberg BE, Switzerland, Corporate ID no. CHE-105.968.547

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 the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, 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 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.

Income statement

Gross profit

Pursuant to section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross profit.

Revenue

Income from the sale of goods, comprising the sale of coffee and vending solutions to the private and public market, is recognised in revenue when delivery and transfer of risk to the buyer have taken place, and the income may be measured reliably and is expected to be received. The date of transfer of the most significant benefits and risks is determined using standard Incoterms ® 2020.

Revenue from the sale of goods where installation is a condition for significant risks being considered to have been transferred to the buyer is recognised as revenue when installation has been completed.

Revenue from the sale of goods where delivery has been postponed at the buyer's request is recognised as revenue when ownership of the goods has been transferred to the buyer.

Financial statements 1 October – 31 December

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1 Accounting policies (continued)

A contract is broken down by individual transactions when the fair value of the individual sales transactions may be reliably measured, and the individual sales transactions are of separate value to the buyer. Sales transactions are deemed to be of a separate value to the buyer when the transaction is individually identifiable and usually sold individually. The contract price is broken down by the individual sales transactions in accordance with the fair value method. The separate sales transactions are recognised as revenue when complying with the criteria applying to the sale of goods and services.

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

For products with a high degree of customisation, revenue is recognised as production takes place, and accordingly, revenue corresponds to the selling price of the work performed for the year (the percentage of completion method). When total income and costs attributable to the contract or the stage of completion at the balance sheet date cannot be estimated reliably, revenue is recognised only at costs incurred and only to the extent that the recovery thereof is likely.

Revenue from the sale of services, comprising #, is recognised on a straight-line basis in the income statement as the services are provided.

Services based on time spent are recognised in revenue as the work is performed.

Cost of sales

Cost of sales comprises costs incurred to generate revenue for the year. This item also comprises direct costs for goods for resale and changes to inventory of goods for resale.

Other operating income

Other operating income comprises items secondary to the activities of the entity, including gains on the disposal of intangible assets and property, plant and equipment.

Staff costs

Staff costs comprise wages and salaries, including holiday allowance, pension and other social security costs, etc., to the Company's employees, excluding reimbursements from public authorities.

Other operating costs

Other operating costs comprise items secondary to the activities of the entity, including losses on the disposal of intangible assets and property, plant and equipment.

Other external costs

Other external costs comprise distribution costs and costs related to sales, sales campaigns, administration, office premises, operating leases, etc.

Financial statements 1 October – 31 December

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1 Accounting policies (continued)

Financial income and expenses

Financial income and expenses comprise interest income and expense, financial costs regarding 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.

Tax on profit/loss for the year

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. 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.

Balance sheet

Property, plant and equipment

Plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use. Indirect production overheads and borrowing costs are not recognised in cost.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Plant and machinery	6-10 years
Fixtures and fittings, tools and equipment	6 years

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Gains and losses on the disposal of property, plant and equipment are stated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

Leases

On initial recognition, leases for fixed assets that transfer substantially all risks and rewards incident to ownership to the Company (finance leases) are recognised in the balance sheet at the lower of fair value and the net present value of future lease payments. When calculating the net present value, the interest rate implicit in the lease or the incremental borrowing rate is used as the discount factor. Assets held under finance leases are subsequently treated as the Company's other fixed assets.

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1 Accounting policies (continued)

The capitalised lease obligation is recognised in the balance sheet as a liability at amortised cost, allowing the interest element of the lease payment to be recognised in the income statement over the term of the lease.

All other leases are operating leases. Payments relating to operating leases and other leases are recognised in the income statement over the term of the lease. The Company's total obligation relating to operating leases and other leases is disclosed as contractual obligations and contingencies, etc.

Impairment of fixed assets

The carrying amount of and property, plant and equipment is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised write-downs are reversed when the basis for the write-down no longer exists.

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value.

Goods for resale and raw materials and consumables are measured at cost, comprising purchase price plus delivery costs.

Finished goods and work in progress are measured at cost, comprising the cost of raw materials, consumables, direct wages and salaries and indirect production overheads. Indirect production overheads comprise indirect materials and wages and salaries as well as the maintenance of depreciation of production machinery, buildings and equipment as well as factory administration and management. Borrowing costs are not included in cost.

The net realisable value of inventories is calculated as the sales amount less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and development in expected selling price.

Receivables

Receivables are measured at amortised cost.

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

Financial statements 1 October – 31 December

Notes

1 Accounting policies (continued)

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

Other receivables and deposits are recognised at amortised costs.

Prepayments and deferred income

Prepayments comprise prepayment of costs incurred relating to subsequent financial years and are recognised under Other receivables.

Cash at bank and in hand

Cash a bank and in hand comprise cash at bank.

Corporation 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 based on the planned use of the asset or settlement of the liability. However, deferred tax is not recognised on temporary differences relating to goodwill non-deductible for tax purposes and on office premises and other items where the temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; 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. Any deferred net assets are measured at net realisable value.

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. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

Liabilities other than provisions

Financial liabilities are recognised at cost at the date of borrowing, corresponding to the proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost using the effective interest method. Accordingly, the difference between cost and the nominal value is recognised in the income statement over the term of the loan together with interest expenses.

Finance lease obligation comprise the capitalised residual lease obligation of finance leases.

Other liabilities are measured at net realisable value.

Prepayments and deferred income

Deferred income comprises advance invoicing regarding income in subsequent years.

Financial statements 1 October – 31 December

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1 **Accounting policies (continued)**

Cash flow statement

Pursuant to section 86 item 4 of the Danish Financial Statements Act the Company does not prepare a cashflow statement. Please refer to note 13 for details to obtain consolidated accounts including cash flow statement.

Financial statements 1 October – 31 December

Notes

DKK'000	1/10 2019-31/12 2020	2018/19

2 Staff costs

Wages and salaries	31,595	25,313
Pensions	2,245	1,816
Other staff costs	1,678	2,116
	35,518	29,245
Average number of full-time employees	55	58

The Company's Board of Directors have not received remuneration for the Board work.

3 Financial income

Other financial income	0	3
	0	3

4 Financial expenses

Interest expense to group entities	538	133
Other financial costs	490	535
	1,028	668

5 Tax on profit/loss for the year

Deferred tax adjustment for the year	-3,519	97
Adjustment of deferred tax concerning previous years	-4,420	0
	-7,939	97

6 Proposed profit appropriation

Retained earnings	-8,058	2,539

Financial statements 1 October – 31 December

Notes

7 Property, plant and equipment

DKK'000	Plant and machinery	Fixtures and fittings, tools and equipment	Total
Cost at 1 October 2019	25,959	3,518	29,477
Additions for the year	1,558	0	1,558
Disposals for the year	-2,334	0	-2,334
Cost at 31 December 2020	25,183	3,518	28,701
Depreciation and impairment losses at 1 October 2019	-15,357	-3,138	-18,495
Depreciation for the year	-3,352	-293	-3,645
Depreciation and impairment losses for the year on assets sold	890	0	890
Depreciation and impairment losses at 31 December 2020	-17,819	-3,431	-21,250
Carrying amount at 31 December 2020	7,364	87	7,451
Assets held under finance leases	4,633	0	4,633

DKK'000	2019/2020	2019/2020
8 Deferred tax assets		
Deferred tax at 1 January	2,093	2,190
Deferred tax adjustment for the year in the income statement	3,519	-97
Deferred tax adjustment for previous years in the income statement	4,420	0
	10,032	2,093

9 Contributed capital

The contributed capital consists of:

1,101,000 shares of nom. DKK 100 each

All shares rank equally.

10 Non-current liabilities other than provisions

Liabilities can be specified as follows:

Lease obligations:

0-1 years	5,181	3,465
1-5 years	9,071	4,948
Total non-current liabilities other than provisions	14,252	8,413

Financial statements 1 October – 31 December

Notes

11 Contractual obligations, contingencies, etc.

Contingent liabilities

Selecta is a party to a pending lawsuit regarding a fine for late lodgement of transfer pricing documentation. In Management's opinion, apart from the liabilities recognised in the balance sheet at 31 December 2020, the outcome of this lawsuits will not affect the Company's financial position.

Operating lease obligations

The Company has entered into several operating leases agreement

- Leasehold with a remaining term of up to 26 months and an average monthly lease payments of DKK 93 thousand, totalling DKK 2.432 thousand.
- Vehicles with a remaining term of up to 39 months and an average monthly lease payment of DKK 134 thousand, totalling DKK 4.004 thousand
- Machines and furnitures with a remaining term of up to 72 months and an average monthly lease payment of DKK 211 thousand, totalling DKK 7.816 thousand

Assets held under finance leases are disclosed in note 7.

12 Currency and interest rate risks and the use of derivative financial instruments

The Company is not exposed to large currency or interest rate risks and no hedging of exchange rate risks or interests swaps are used.

13 Related party disclosures

Selecta A/S related parties comprise the following:

Control

Selecta AG, Industrie Neuhof 78, 3422 Kirchberg BE, Switzerland

Selecta AG holds the majority of the contributed capital in the Company.

Selecta A/S is part of the consolidated financial statements of Selecta AG and the consolidated financial statements of Selecta AG, which are the largest group, in which the Company is included as a subsidiary.

The consolidated financial statements of Selecta AG can be obtained by contacting the company at the above address.

Pursuant to the Danish Financial Statement act section 98c item 7, all transactions with related parties is on an arms-length basis.

Financial statements 1 October – 31 December

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Related party transactions

DKK'000	1/10 2019-31/12 2020	2018/19
Sale of goods to a subsidiary	293	1,679
Purchase of goods from a subsidiary	1,127	6,843
	1,420	8,522