
Skaga Invest ApS

Strandbjerg 6 B, DK-2960 Rungsted Kyst

Annual Report for 1 January - 31 December 2018

CVR No 27 98 95 86

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
30/4 2019

Søren Dam
Chairman of the General
Meeting



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Management's Statement

The Executive Board has today considered and adopted the Annual Report of Skaga Invest ApS for the financial year 1 January - 31 December 2018.

The Annual Report is 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 at 31 December 2018 of the Company and of the results of the Company operations for 2018.

I recommend that the Annual Report be adopted at the Annual General Meeting.

Rungsted, 30 April 2019

Executive Board

Søren Dam

Independent Auditor's Report

To the Shareholder of Skaga Invest ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2018 and of the results of the Company's operations for the financial year 1 January - 31 December 2018 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Skaga Invest ApS for the financial year 1 January - 31 December 2018, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

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

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover 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 Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

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

Based on the work we have performed, in our view, 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 in Management's Review.

Management's responsibilities 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 as Management determines is necessary to enable the preparation of financial statements that are free from material misstate-

Independent Auditor's Report

ment, 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 about 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 applicable in Denmark 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 Financial Statements.

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 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

Independent Auditor's Report

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.

Esbjerg, 30 April 2019

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Henning Tønder Olesen

statsautoriseret revisor

mne27864

Company Information

The Company

Skaga Invest ApS
Strandbjerg 6 B
DK-2960 Rungsted Kyst

CVR No: 27 98 95 86
Financial period: 1 January - 31 December
Municipality of reg. office: Hørsholm

Executive Board

Søren Dam

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Esbjerg Brygge 28
DK-6700 Esbjerg

Financial Highlights

Seen over a two-year period, the development of the Company is described by the following financial highlights:

	<u>2018</u> TDKK	<u>2017</u> TDKK
Key figures		
Profit/loss		
Operating profit/loss	4.846	4.464
Profit/loss before financial income and expenses	4.846	4.464
Net financials	-139	-6
Net profit/loss for the year	3.616	3.435
Balance sheet		
Balance sheet total	72.330	50.369
Equity	14.883	11.267
Investment in property, plant and equipment	0	0
Number of employees	1	1
Ratios		
Return on assets	6,7%	8,9%
Solvency ratio	20,6%	22,4%
Return on equity	27,7%	36,0%

The ratios have been prepared in accordance with the recommendations and guidelines issued by the Danish Society of Financial Analysts. For definitions, see under accounting policies.

In connection with changes to accounting policies, the comparative figures back to 2014 have not been restated. See the description under accounting policies.

Management's Review

Main activity

The object of the Company is to purchase and sell fish and related activity.

Development in the year

The income statement of the Company for 2018 shows a profit of DKK 3,616,145, and at 31 December 2018 the balance sheet of the Company shows equity of DKK 14,882,699.

The past year and follow-up on development expectations from last year

The development in profit before tax is considered satisfying.

Targets and expectations for the year ahead

For 2019 the management expect a growth of the net result after tax to be in excess of 10 percent.

External environment

It is a continuing goal for the company to influence the environment to the least possible extent.

Unusual events

The financial position at 31 December 2018 of the Company and the results of the activities of the Company for the financial year for 2018 have not been affected by any unusual events.

Subsequent events

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

Income Statement 1 January - 31 December

	<u>Note</u>	<u>2018</u> DKK	<u>2017</u> DKK
Gross profit/loss		5.494.890	5.086.338
Staff expenses	1	<u>-648.561</u>	<u>-621.944</u>
Profit/loss before financial income and expenses		4.846.329	4.464.394
Financial income		179.530	221.598
Financial expenses		<u>-318.140</u>	<u>-227.719</u>
Profit/loss before tax		4.707.719	4.458.273
Tax on profit/loss for the year	2	<u>-1.091.574</u>	<u>-1.022.846</u>
Net profit/loss for the year		<u>3.616.145</u>	<u>3.435.427</u>

Balance Sheet 31 December

Assets

	Note	2018 DKK	2017 DKK
Deposits		7.140	7.140
Fixed asset investments	3	7.140	7.140
Fixed assets		7.140	7.140
Raw materials and consumables		8.967.121	1.273.744
Finished goods and goods for resale		0	27.452.770
Inventories		8.967.121	28.726.514
Trade receivables		58.930.263	14.358.926
Receivables from group enterprises		3.027.536	2.946.084
Receivables		61.957.799	17.305.010
Cash at bank and in hand		1.397.480	4.330.059
Currents assets		72.322.400	50.361.583
Assets		72.329.540	50.368.723

Balance Sheet 31 December

Liabilities and equity

	<u>Note</u>	<u>2018</u> DKK	<u>2017</u> DKK
Share capital		1.000.000	1.000.000
Retained earnings		13.882.699	10.266.554
Equity		<u>14.882.699</u>	<u>11.266.554</u>
Credit institutions		206.595	0
Trade payables		49.015.165	29.036.664
Corporation tax		1.091.574	1.022.846
Other payables		7.133.507	9.042.659
Short-term debt		<u>57.446.841</u>	<u>39.102.169</u>
Debt		<u>57.446.841</u>	<u>39.102.169</u>
Liabilities and equity		<u>72.329.540</u>	<u>50.368.723</u>
Distribution of profit	4		
Contingent assets, liabilities and other financial obligations	5		
Related parties	6		
Accounting Policies	7		

Statement of Changes in Equity

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 January	1.000.000	10.266.554	11.266.554
Net profit/loss for the year	0	3.616.145	3.616.145
Equity at 31 December	1.000.000	13.882.699	14.882.699

Notes to the Financial Statements

	2018 <u>DKK</u>	2017 <u>DKK</u>
1 Staff expenses		
Wages and salaries	643.168	617.580
Other social security expenses	4.982	3.263
Other staff expenses	411	1.101
	<u>648.561</u>	<u>621.944</u>
 Average number of employees	 <u>1</u>	 <u>1</u>
Remuneration to the Executive Board has not been disclosed in accordance with section 98 B(3) of the Danish Financial Statements Act.		
 2 Tax on profit/loss for the year		
Current tax for the year	1.091.574	1.022.846
	<u>1.091.574</u>	<u>1.022.846</u>
 3 Fixed asset investments		Deposits
		<u>DKK</u>
Cost at 1 January		7.140
Cost at 31 December		7.140
 Carrying amount at 31 December		 <u>7.140</u>
 4 Distribution of profit		
Retained earnings	3.616.145	3.435.427
	<u>3.616.145</u>	<u>3.435.427</u>
 5 Contingent assets, liabilities and other financial obligations		
 Contingent liabilities		

Notes to the Financial Statements

	2018	2017
	DKK	DKK

5 Contingent assets, liabilities and other financial obligations (continued)

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income.

6 Related parties

Basis

Controlling interest

Poseidicom ApS, Strandbjerg 6 B, 2960 Rundsted Kyst Moderselskab

Other related parties

Søren Dam, Strandbjerg 6 B, 2960 Rundsted Kyst Adm. direktør

Transactions

The Company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(7) of the Danish Financial Statements Act.

Notes to the Financial Statements

7 Accounting Policies

The Annual Report of Skaga Invest ApS for 2018 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2018 are presented in DKK.

Cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act and to the cash flow statement included in the consolidated financial statements of , the Company has not prepared a cash flow statement.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Notes to the Financial Statements

7 Accounting Policies (continued)

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Income Statement

Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, revenue has not been disclosed in the Annual report.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with the parent company. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

Balance Sheet

Fixed asset investments

Fixed asset investments consist of deposits.

Notes to the Financial Statements

7 Accounting Policies (continued)

Inventories

Inventories are measured at the lower of cost under the FIFO method and net realisable value.

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

The cost of goods for resale, raw materials and consumables equals landed cost.

Receivables

Receivables are recognised in the balance sheet at amortised cost, which substantially corresponds to nominal value. Provisions for estimated bad debts are made.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.

Financial Highlights

Explanation of financial ratios

Return on assets	$\frac{\text{Profit before financials} \times 100}{\text{Total assets}}$
Solvency ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total assets at year end}}$
Return on equity	$\frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$