

# Nutrimin A/S

Bodalen 11  
DK-8643 Ans By

CVR no. 28 51 35 18

## Annual report 2022

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

9 June 2023

DocuSigned by:

*Carina Vang Kristoffersen*

Carina Vang Kristoffersen  
Chairman of the annual general meeting

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## 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 Nutrimin A/S for the financial year 1 January – 31 December 2022.

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 2022 and of the results of the Company's operations 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 activities and financial matters, of the results for the year and of the Company's financial position.

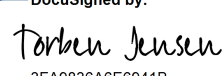
We recommend that the annual report be approved at the annual general meeting.

Ans By, 9 June 2023  
Executive Board:

DocuSigned by:  
  
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Torben Jensen

Board of Directors:

DocuSigned by:  
  
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Bastiaan Johannes van  
Tilburg  
Chairman

DocuSigned by:  
  
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Torben Jensen

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Rein Lansdaal



## Independent auditor's report

### To the shareholder of Nutrimin A/S

#### Opinion

We have audited the financial statements of Nutrimin A/S for the financial year 1 January – 31 December 2022 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 2022 and of the results of the Company's operations for the financial year 1 January – 31 December 2022 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' 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.

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 financial statement users made 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



## Independent auditor's report

- 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.

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.

Aarhus, 9 June 2023

**KPMG**

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

Niklas R. Filipesen  
State Authorised  
Public Accountant  
mne47781

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## Management's review

### Company details

Nutrimin A/S  
Bodalen 11  
DK-8643 Ans By

CVR no.:	28 51 35 18
Established:	22 March 2005
Registered office:	Silkeborg
Financial year:	1 January – 31 December

### Board of Directors

Bastiaan Johannes van Tilburg, Chairman  
Torben Jensen  
Rein Lansdaal

### Executive Board

Torben Jensen

### Auditor

KPMG  
Statsautoriseret Revisionspartnerselskab  
Frederiks Plads 42  
DK-8000 Aarhus C  
CVR no. 25 57 81 98

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## Management's review

### Financial highlights

DKK'000	2022	2021	2020	2019	2018
<b>Key figures</b>					
Gross profit	41,980	54,703	46,012	36,639	27,141
Profit before financial income and expenses	11,058	26,686	18,294	11,735	6,025
Profit/loss from financial income and expenses	374	-651	-400	1,040	146
Profit for the year	8,821	20,268	13,920	10,131	4,990
<b>Balance sheet</b>					
Total assets	145,282	130,234	96,817	93,113	81,700
Equity	72,141	63,320	43,391	36,039	28,255
Investment in property, plant and equipment	492	144	552	7,222	2,370
<b>Ratios</b>					
Return on equity	13.0%	38.0%	35.0%	31.5%	19.2%
Solvency ratio	49.7%	48.6%	44.8%	38.7%	34.6%

The financial ratios have been calculated as follows:

Return on equity

$$\frac{\text{Profit/loss after tax} \times 100}{\text{Average equity}}$$

Solvency ratio

$$\frac{\text{Equity at year-end} \times 100}{\text{Total equity and liabilities at year-end}}$$

## **Nutrimin A/S**

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# **Management's review**

## **Operating review**

### **Principal activities**

The Company's activities consist of production and direct sale of mineral mixtures and piglet feed on the Danish market as well as production and sale of vitamin mixtures and premixtures to the Danish market as well as export markets.

### **Development in activities and financial position**

The Company's income statement for 2022 shows a profit of DKK 8,821 thousand as against DKK 20,268 thousand in 2021. Equity in the Company's balance sheet at 31 December 2022 stood at DKK 72,141 thousand as against DKK 63,320 thousand at 31 December 2021.

The expected profit before tax for 2022 of approx. DKK 17,000 thousand as set forth in the Management's review of the annual report for 2021 was not realised. Considering the market challenges, results for the year are considered satisfactory.

Nutrimin A/S continued its operations in a difficult market with supply challenges during 2022. This was partly due to strong hedges of raw materials in a difficult market and partly growth in revenue as well as earnings as a result of increased sales on the Danish and foreign markets.

### **Outlook**

In 2023, Nutrimin A/S expects stable operations with only minor growth on the basis of the current market uncertainty. The Company will remain focused on increasing activity levels, and a profit before tax of approx. DKK 10,000 - 15,000 thousand is expected in 2023.

### **Intellectual capital**

The Company possesses, to a high extent, technical knowledge within its business area. Knowledge and know-how have been accumulated over many years. Furthermore, the background, education and experience of the employees are essential to the intellectual capital of the Company. The right combination of education and expertise within the employee group is therefore critical.

To contribute to the development of intellectual capital, a Nutrimin guide has been prepared to ensure the following:

- An equal partnership
- The ability to acquire and communicate knowledge as well as a good deal of business practice
- Only bearing this in mind, we can ensure our customers an optimal feed mix.

### **Environmental matters**

Nutrimin A/S has no policy for corporate social responsibility, but we pay much attention to environmental impacts from our factory. Through Agriculture and Food and DAKOFO, Nutrimin A/S is, among other things, represented in the Danish alliance for responsible soy. Nutrimin meets the requirements for APV, employee development interviews and work environment organisation, whose overall tasks are to create the framework for a good, healthy and safe work environment at Nutrimin.

Nutrimin A/S applies HACCP - Own check and Risk analysis, which means that all steps in the individual processes are assessed. HACCP provides an overview of the risks and errors that are typical in the manufacturing process. Therefore, HACCP contributes to increasing the level of protection of human and animal health.



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## Management's review

### Operating review

To ensure as low environmental impact as possible when delivering goods to Danish customers, Nutrimin A/S uses lorries that are approved according to class Euro 6.

### Research and development activities

The Company continuously strive to bring the best products to the market for optimal feed mix. Consequently, the Company expands its research and development activities on an ongoing basis.

### Financial instruments

#### *The Company's goals and policies for management of financial risks*

##### **Specific risks**

Risk management is a major focus area for Nutrimin A/S. These risks are primarily related to volatile market prices as well as financial risks within currency and rent. Effective risk management ensures that Nutrimin A/S assesses and manages the risks it assumes. Commodity and price risks are minimised by entering into purchase contracts that minimise open positions on commodities as far as possible.

The largest part of both revenue and purchases are, by far, settled in DKK or euros. The Nutrimin exchange rate policy is defined by not having significant open currency positions from purchase and sale of goods in currencies other than DKK and euros. To the extent that the Group's currency risk cannot be hedged by adjusting payments and disbursements in the same currency, the currency risk is hedged via forward exchange contracts and options.

To ensure quality management at Nutrimin A/S, certification is carried out according to the standards GMP + and VLOG. The quality management system describes all steps in the process from approval of suppliers and procurement of raw materials to production and delivery of the finished goods to the customer.

Nutrimin A/S is vulnerable to the market conditions of primarily agriculture. In order to eliminate this risk, credit insurance is taken out for creditors to the greatest possible extent.

##### **Raw materials**

After the previous financial year, Nutrimin A/S expects that the current impacts on the commodity market lead by the supply and energy crisis are of short-term standing. Nutrimin A/S continuously monitors the development in raw material and freight costs.

Nutrimin A/S only uses stable and well-known GMP + FAMI-QS-approved manufacturers to ensure customers high-quality products.

### Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

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## Financial statements 1 January – 31 December

### Income statement

DKK'000	Note	2022	2021
<b>Gross profit</b>		41,980	54,703
Staff costs	2	-27,331	-24,396
Depreciation and amortisation		-3,591	-3,621
<b>Profit before financial income and expenses</b>		11,058	26,686
Financial income	3	1,318	128
Financial expenses	4	-944	-779
<b>Profit before tax</b>		11,432	26,035
Tax on profit for the year	5	-2,611	-5,767
<b>Profit for the year</b>	6	8,821	20,268

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## Financial statements 1 January – 31 December

### Balance sheet

DKK'000	Note	31/12 2022	31/12 2021
<b>ASSETS</b>			
<b>Fixed assets</b>			
<b>Intangible assets</b>	7		
Goodwill		<u>1,748</u>	<u>0</u>
<b>Property, plant and equipment</b>	8		
Plant and machinery		<u>5,644</u>	<u>8,742</u>
<b>Investments</b>	9		
Other equity investments		<u>25</u>	<u>25</u>
<b>Total fixed assets</b>		<u>7,417</u>	<u>8,767</u>
<b>Current assets</b>			
<b>Inventories</b>			
Raw materials and consumables		62,454	34,016
Work in progress		22	1
Finished goods and goods for resale		3,062	4,198
Prepayments for goods		<u>6,566</u>	<u>29,998</u>
		<u>72,104</u>	<u>68,213</u>
<b>Receivables</b>			
Trade receivables		53,984	47,698
Receivables from group entities		9,540	5,284
Other receivables		0	129
Deferred tax asset	10	<u>52</u>	<u>0</u>
		<u>63,576</u>	<u>53,111</u>
<b>Cash at bank and in hand</b>		<u>2,185</u>	<u>143</u>
<b>Total current assets</b>		<u>137,865</u>	<u>121,467</u>
<b>TOTAL ASSETS</b>		<u><u>145,282</u></u>	<u><u>130,234</u></u>

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## Financial statements 1 January – 31 December

### Balance sheet

DKK'000	Note	31/12 2022	31/12 2021
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Contributed capital		5,000	5,000
Retained earnings		67,141	58,320
<b>Total equity</b>		<b>72,141</b>	<b>63,320</b>
<b>Provisions</b>			
Deferred tax	10	0	108
<b>Total provisions</b>		<b>0</b>	<b>108</b>
<b>Liabilities other than provisions</b>			
<b>Non-current liabilities other than provisions</b>			
Lease obligations		1,488	2,125
<b>Current liabilities other than provisions</b>			
Current portion of non-current liabilities		638	638
Bank loans		16	10,981
Trade payables		29,499	28,104
Payables to group entities		26,335	10,872
Corporation tax, joint taxation		2,755	5,060
Other payables	11	12,410	9,026
		<b>71,653</b>	<b>64,681</b>
<b>Total liabilities other than provisions</b>		<b>73,141</b>	<b>66,806</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>145,282</b>	<b>130,234</b>
<b>Contractual obligations, contingencies, etc.</b>	12		
<b>Related party disclosures</b>	13		

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## Financial statements 1 January – 31 December

### Statement of changes in equity

DKK'000	Contributed capital	Retained earnings	Total
Equity at 1 January 2022	5,000	58,320	63,320
Transferred over the profit appropriation	0	8,821	8,821
<b>Equity at 31 December 2022</b>	<b>5,000</b>	<b>67,141</b>	<b>72,141</b>

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## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies

The annual report of Nutrimin A/S for 2022 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.

Minor reclassifications in the comparative financial statements for 2021 have been incorporated to enhance presentation. The reclassifications have no effect on profit for the year. The financial ratios have been updated accordingly.

#### Omission of cash flow statement

Pursuant to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared. The Company's cash flows are included in the cash flow statement in the consolidated financial statements of Nutreco International B.V., Veerstraat 38, 5831JN Boxmeer, the Netherlands.

#### 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.

#### Derivative financial instruments

On initial recognition, derivative financial instruments are recognised in the balance sheet at cost and subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are recognised as other receivables and other payables, respectively.

Changes in the fair value of derivative financial instruments designated as and qualifying for recognition as a fair value hedge of a recognised asset or liability are recognised in the income statement together with changes in the fair value of the hedged asset or liability.

Changes in the fair value of derivative financial instruments designated as and qualifying for recognition as a hedge of future transactions are recognised as other receivables or other payables and in equity until the realisation of the hedged transactions. If the future transaction results in the recognition of assets or liabilities, amounts that were previously recognised in equity are transferred to the cost of the asset or liability. If the future transaction results in income or costs, amounts that were previously recognised in equity are transferred to the income statement for the period when the hedged item affects the income statement.

For derivative financial instruments not qualifying for treatment as hedging instruments, changes in fair value are recognised in the income statement on an ongoing basis.

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### Notes

#### 1 Accounting policies (continued)

### 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 feed mix, 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.

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.

#### 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 external costs

Other external costs comprise costs of distribution, sales and advertising, administrative expenses, costs of premises, bad debts, operating leases, etc.

#### Staff costs

Staff costs comprise wages and salaries, including holiday allowance, pension and other social security costs. Refunds from public authorities are deducted from staff costs.

#### Financial income and expenses

Financial income and expenses comprise interest income and expense, financial costs regarding finance leases, gains and losses on payables, receivables 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 for the year

The Company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. The entities are included in the joint taxation from the date when they are included in the consolidated financial statements and up to the date when they are excluded from the consolidation.

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#### 1 Accounting policies (continued)

Primagaz Danmark A/S is the administrative company for the joint taxation and accordingly settles all payments of corporation tax to the tax authorities.

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 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

#### Intangible assets

##### *Goodwill*

Goodwill is the positive difference between cost and fair value of assets and liabilities arising from acquisitions.

Goodwill from the acquisition of activities is measured at cost less accumulated amortisation and impairment losses.

Goodwill is amortised on a straight-line basis over the estimated useful life determined on the basis of Management's experience within the individual business areas. The useful life of goodwill is determined at 5 years.

#### Property, plant and equipment

Plant and machinery 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.

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	5-15 years
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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.



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### Notes

#### 1 Accounting policies (continued)

##### 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.

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.

##### Investments

Other equity investments comprise unlisted equity investments which are measured at cost.

##### Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments 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.

##### Inventories

Inventories are measured at cost in accordance with the FIFO method.

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.

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### Notes

#### 1 Accounting policies (continued)

Where the net realisable value is lower than cost, inventories are written down to this lower value. 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 has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

#### Cash at bank and in hand

Cash at bank and in hand comprises cash and bank deposits.

#### Equity

##### *Dividends*

The expected dividend payment for the year is disclosed as a separate item under equity.

#### 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.

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.

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## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

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

Other liabilities are measured at amortised cost.

#### 2 Staff costs

DKK'000	2022	2021
Wages and salaries	24,695	21,362
Pensions	2,407	2,790
Other social security costs	229	244
	<u>27,331</u>	<u>24,396</u>
Average number of full-time employees	<u>50</u>	<u>48</u>

Pursuant to section 98b(3) of the Danish Financial Statements Act, the Company has not disclosed remuneration of the Executive Board and Board of Directors for 2022.

In 2021, staff costs of the Company included remuneration of the Executive Board and Board of Directors of DKK 1,999 thousand. Pursuant to section 98b(3) of the Danish Financial Statements Act, the Company has disclosed comparative remuneration as a total for the management categories.

DKK'000	2022	2021
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#### 3 Financial income

Interest income from group entities	153	124
Other financial income	1,165	4
	<u>1,318</u>	<u>128</u>

#### 4 Financial expenses

Interest expense to group entities	515	176
Other financial expenses	429	603
	<u>944</u>	<u>779</u>

#### 5 Tax on profit for the year

Current tax for the year	2,755	6,132
Deferred tax for the year	-160	-384
Adjustment of tax concerning previous years	16	19
	<u>2,611</u>	<u>5,767</u>

#### 6 Proposed profit appropriation

Retained earnings	<u>8,821</u>	<u>20,268</u>
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#### 7 Intangible assets

DKK'000	<u>Goodwill</u>
Cost at 1 January 2022	203
Additions for the year	<u>1,748</u>
Cost at 31 December 2022	<u>1,951</u>
Amortisation and impairment losses at 1 January 2022	<u>-203</u>
Amortisation and impairment losses at 31 December 2022	<u>-203</u>
<b>Carrying amount at 31 December 2022</b>	<b><u><u>1,748</u></u></b>

Goodwill relates to the acquisition of activities and represents the positive difference between cost and the fair value of assets and liabilities arising from the acquisitions. The market potential of acquired activities is deemed to offer a greater value than the cost of goodwill. The acquisition in 2022 took place at the end of the year, and amortisation will be initiated from 2023 with a useful life of 5 years.

#### 8 Property, plant and equipment

DKK'000	<u>Plant and machinery</u>
Cost at 1 January 2022	33,963
Additions for the year	<u>492</u>
Cost at 31 December 2022	<u>34,455</u>
Depreciation and impairment losses at 1 January 2022	<u>-25,220</u>
Depreciation for the year	<u>-3,591</u>
Depreciation and impairment losses at 31 December 2022	<u>-28,811</u>
<b>Carrying amount at 31 December 2022</b>	<b><u><u>5,644</u></u></b>
Assets held under finance leases	<u><u>2,125</u></u>

#### 9 Investments

DKK'000	<u>Other equity investments</u>
Cost at 1 January 2022	<u>100</u>
Cost at 31 December 2022	<u>100</u>
Revaluations at 1 January 2022	<u>-75</u>
Revaluations 31 December 2022	<u>-75</u>
<b>Carrying amount at 31 December 2022</b>	<b><u><u>25</u></u></b>

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#### 10 Deferred tax

DKK'000	31/12 2022	31/12 2021
Deferred tax at 1 January	-108	-492
Deferred tax adjustment for the year in the income statement	160	384
	52	-108

Deferred tax asset relates to timing variances of accounting and tax treatment with regard to intangible assets, property, plant and equipment and inventory.

The deferred tax asset is expected be realised within a foreseeable future.

#### 11 Other payables

As part of the hedging of recognised and unrecognised transactions, the Company makes use of hedging instruments such as forward exchange contracts. Hedging of recognised transactions primarily comprises receivables and payables denominated in foreign currencies.

The Company hedges forecast currency risks relating to the sale and purchase of goods within the coming year using forward exchange contracts.

The notional amount of forward exchange contracts amounts to USD 3,120 thousand with an accumulated fair value loss of DKK 1,235 thousand as of 31 December 2022. The fair value of the forward exchange contracts is recognised as other payables.

#### 12 Contractual obligations, contingencies, etc.

##### Contingent liabilities

The Company is jointly taxed with other Danish companies in the Group. As a wholly-owned subsidiary, together with the other companies included in the joint taxation, the Company has joint and several unlimited liability for Danish corporation taxes and withholding taxes on dividends. Any subsequent correction of the taxable jointly taxed income or withholding taxes could result in an adjustment of the Company's liability.

The Company has provided a guarantee for group entities' bank loans. At 31 December 2022, the group entities' bank loans amounted to DKK 2,180 thousand.

Moreover, the Company has secured own bank debt through a business mortgage up to DKK 27,500 thousand. As of 31 December 2022, a net cash deposit of DKK 2,169 thousand has been placed with the bank institution.

##### Operating lease obligations

The Company has entered into operating and rental leases with a remaining term of 60 months with a total obligation of DKK 15,513 thousand as of 31 December 2022 (31 December 2021: DKK 18,344 thousand).

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#### 13 Related party disclosures

##### Control

Nutrimin Holding ApS, Bodalen 11, 8643 Ans By, Denmark

Nutrimin Holding ApS holds the majority of the contributed capital in the Company.

Nutrimin A/S is part of the consolidated financial statements of Nutreco International B.V., Veerstraat 38, 5831JN Boxmeer, The Netherlands, and SHV Holdings N.V., Rijnkade 1, 3511 LC Utrecht, The Netherlands, which is the smallest and largest groups in which the Company is included as a subsidiary.

The consolidated financial statements can be obtained by contacting the companies at the above addresses.

##### Related party transactions

The Company's transactions with related parties can be derived as follows:

DKK'000	<u>2022</u>
Sale of goods to group entities	360
Purchase of goods from group entities	81,860
Purchase of services from group entities	10,712

Remuneration to the Company's Executive Board and Board of Directors is disclosed in note 2.

Interest income and expense from/to group entities are disclosed in note 3 and 4.

Receivables and payables from/to group entities are disclosed in the balance sheet.