

Skagerak Salmon A/S

Herluf Trollesvej 14
DK-9850 Hirtshals

CVR no. 31 16 53 42

Annual report 2020

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

30 June 2021

Bård Sekkingstad
Chairman



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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 Skagerak Salmon A/S for the financial year 1 January – 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 and cash flows for the financial year 1 January – 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 year and of the Company's financial position.

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

Hirtshals, 30 June 2021

Executive Board:



Even Hopland

Board of Directors:



Bård Sekkingstad
Chairman



Per Johnny Bøe



Even Hopland

Independent auditor's report

To the shareholder of Skagerak Salmon A/S

Opinion

We have audited the financial statements of Skagerak Salmon A/S for the financial year 1 January – 31 December 2020 comprising income statement, balance sheet, statement of changes in equity, cash flow statement 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 and cash flows for the financial year 1 January – 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.

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.



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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.

Aalborg, 30 June 2021

KPMG

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

Steffen S. Hansen
State Authorised
Public Accountant
mne32737

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Management's review

Company details

Skagerak Salmon A/S
Herluf Trollesvej 14
9850 Hirtshals

Telephone:	+45 88 44 49 00
Fax:	+45 98 94 48 22
E-mail:	info@skageraksalmon.dk

CVR no.:	31 16 53 42
Established:	1 January 2008
Registered office:	
Financial year:	1 January – 31 December

Board of Directors

Bård Sekkingstad, Chairman
Per Johnny Bøe
Even Hopland

Executive Board

Even Hopland

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Østre Havnegade 22D
DK-9000 Aalborg
CVR no. 25 57 81 98

Bank

DnB Bank ASA
Arne Jacobsens Allé 15
2300 København S

Annual general meeting

The annual general meeting will be held on 30 June 2021.

Management's review

Financial highlights

DKK'000	2020	2019	2018	2017	2016
Key figures					
Revenue	729,221	810,065	719,770	649,672	440,095
Gross profit	3,961	34,201	31,639	36,539	9,814
Profit/loss from financial income and expenses	-73	137	-1,049	73	616
Profit/loss for the year	-272	7,250	7,081	7,901	-11,650
Ratios					
Total assets	143,470	164,246	195,931	144,342	122,433
Equity	33,080	33,352	26,102	19,023	11,121
Investment in property, plant and equipment	0	14,859	6,285	585	6,457
Return on invested capital	0.0%	5.1%	7.6%	7.6%	-11.7%
Solvency ratio	23.1%	19.0%	13.3%	13.1%	9.0%
Average number of full-time employees	9	56	57	40	46

The financial ratios have been calculated as follows:

Return on invested capital
$$\frac{\text{Operating profit/loss} \times 100}{\text{Average invested capital}}$$

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

Management's review

Operating review

Principal activities

Unlike previous year, the Company is no longer engaged in the manufacture and processing of salmon. The core focus of Skagerak Salmon A/S is product development and trading in salmon. The activities related to the manufacture and processing of salmon are now handled by the sister company, Skagerak Processing A/S.

Development in activities and financial position

COVID-19 had a major impact on the worldwide seafood business in 2020 as in 2019. The Company still experiences lower volume and extra costs. However, the diversified market, both in terms of customers and products, reduces the consequences for Skagerak Salmon A/S. The Company has not been significantly affected by the pandemic.

The Company's income statement for 2020 shows a loss of DKK 272 thousand as against a profit of DKK 7,250 thousand in 2019. Equity in the Company's balance sheet at 21 December 2020 stood at DKK 33,080 thousand as against DKK 33,352 thousand at 31 December 2019.

Management does not consider the Company's performance satisfactory.

Working capital remains stable at DKK 27.6 million in 2020 compared to DKK 26.7 million in 2019.

Capital resources

The Company is financed through a cash pool with Danish and Norwegian group entities, and the group entities will help the Company meet its budget for 2021, and Management therefore considers cash resources sufficient.

Events after the balance sheet date

No events have occurred after the financial year end with an impact on the financial statements for 2020.

Moreover, reference is made to note 17, in which the matter is described in further detail.

Outlook

The Company expects increased volume and positive earnings when the Horeca market returns to a normal course of business. Reopening of the society is expected in the second half of 2021 in line with the roll-out of vaccines.

Corporate social responsibility

Production takes place in Denmark, and Management focus is on keeping environmental costs at a minimum. Further, Skagerak Salmon A/S holds a high standard respecting and applying to human rights. We strive to reduce our carbon footprint and encourage the market to choose green solutions.

Business model

The Company acquires salmon, plans and develops products and sells them to customers all over the world. Value-added products are the core focus of Skagerak Salmon A/S. The Company does not produce raw materials or end products, but focuses on trading.

Management's review

Operating review

Human rights, social and employee matters, anti-corruption and bribery

The Company has conducted a thorough assessment of its business model and has not identified any material risks within the areas of human rights, anti-corruption and bribery, and social and employee matters.

Management has, based on their assessment, concluded within the areas mentioned above that the Company's general policies are sufficient to ensure that the areas are complied with by the Company, the employees and the Company's suppliers.

All partners within our supply chain are well aware of the focus on corporate social responsibility, human rights and anti-corruption.

The markets on which the Company operates score high on the Corruption Perceptions Index and are therefore deemed to pose a low risk of not complying with actions relating to anti-corruption and bribery.

Management is of the opinion that the general policies are sufficient and therefore has not prepared any specific policies within the areas.

Climate impact

The Company focuses on climate and environment but has not adopted any specific policies for these topics.

Management has conducted a thorough assessment of the Company's impact on the climate and environment but has not identified any material risk within these areas. Therefore, no specific policies have been drawn up.

Management expects to adopt policies for these areas during 2021.

Goals and policies for the underrepresented gender

The Group, including Skagerak Salmon A/S, practises equality for all genders, sexuality and ethnical background.

Skagerak Salmon A/S' Board of Directors currently consists of three members, of which all are males. During the year, COVID-19 required our full attention to operations, and the board remains unchanged, and therefore no female has been appointed to the board. One female member on the Board of Directors before 2024 still remains our target.

For other management levels, the current ratio is 60% males and 40% females, which is deemed satisfactory. Management has adopted policies for increasing the underrepresented gender on other management levels.

Actions taken include continuous assessment of recruitment policies and focus on female candidates when searching for new managers and equal terms for males and females in the recruitment process.

Financial statements 1 January – 31 December

Income statement

DKK'000	Note	2020	2019
Revenue		729,221	810,065
Change in inventories of finished goods/work in progress		-724,636	-737,600
Other operating income		4,593	37,942
Other external costs		-5,217	-76,206
Gross profit		3,961	34,201
Staff costs	2	-3,579	-22,354
Depreciation, amortisation and impairment losses		-655	-2,665
Profit/loss before financial income and expenses		-273	9,182
Other financial income		3,546	2,958
Other financial expenses	3	-3,619	-2,821
Profit/loss before tax		-346	9,319
Tax on profit/loss for the year	4	74	-2,069
Profit/loss for the year	5	-272	7,250

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	31/12 2020	31/12 2019
ASSETS			
Fixed assets			
Intangible assets	6		
Software		144	325
Property, plant and equipment	7		
Land and buildings		0	0
Plant and machinery		6,131	7,320
Fixtures and fittings, tools and equipment		48	64
		6,179	7,384
Investments	8		
Deposits		60	188
Total fixed assets		6,383	7,897
Current assets			
Inventories			
Raw materials and consumables		2,090	3,532
Finished goods and goods for resale		61,718	44,875
		63,808	48,407
Receivables			
Trade receivables		50,063	44,997
Receivables from group entities		4,420	0
Other receivables	9	17,701	61,395
Corporation tax		475	0
Prepayments		620	1,550
		73,279	107,942
Total current assets		137,087	156,349
TOTAL ASSETS		143,470	164,246

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	31/12 2020	31/12 2019
EQUITY AND LIABILITIES			
Equity			
Contributed capital	10	600	600
Retained earnings		<u>32,480</u>	<u>32,752</u>
Total equity		<u>33,080</u>	<u>33,352</u>
Provisions			
Provisions for deferred tax	11	<u>925</u>	<u>1,271</u>
Total provisions		<u>925</u>	<u>1,271</u>
Liabilities other than provisions			
Non-current liabilities other than provisions			
Other payables		<u>0</u>	<u>10,125</u>
Current liabilities other than provisions			
Current portion of non-current liabilities		0	1,500
Prepayments received from customers		4,724	0
Trade payables		26,648	52,223
Payables to group entities		68,858	59,854
Corporation tax		260	1,811
Other payables		<u>8,975</u>	<u>4,110</u>
		<u>109,465</u>	<u>119,498</u>
Total liabilities other than provisions		<u>109,465</u>	<u>129,623</u>
TOTAL EQUITY AND LIABILITIES		<u>143,470</u>	<u>164,246</u>
Fees to auditor appointed at the general meeting			
	12		
Contractual obligations, contingencies, etc.			
	13		
Mortgages and collateral			
	14		
Currency and interest rate risks and the use of derivative financial instruments			
	15		
Related party disclosures			
	16		
Disclosure of events after the balance sheet date			
	17		

Financial statements 1 January – 31 December

Statement of changes in equity

DKK'000	Contributed capital	Retained earnings	Total
Equity at 1 January 2020	600	32,752	33,352
Transferred over the distribution of loss	0	-272	-272
Equity at 31 December 2020	600	32,480	33,080

Financial statements 1 January – 31 December

Cash flow statement

DKK'000	Note	2020	2019
Profit/loss for the year		-272	7,250
Other adjustments of non-cash operating items	18	788	-33,241
Cash flows from operations before changes in working capital		516	-25,991
Changes in working capital	19	10,319	42,380
Cash flows from ordinary activities		10,835	16,389
Interest income		3,546	2,958
Interest expense		-3,619	-2,821
Cash flows from operating activities		10,762	16,526
Acquisition of intangible assets		0	-97
Sale of intangible assets		0	2
Acquisition of property, plant and equipment		0	-14,859
Disposal of property, plant and equipment		731	56
Acquisition of securities		128	-128
Cash flows from investing activities		859	-15,026
External financing:			
Repayment of non-current debt		-11,625	-1,500
Cash flows from financing activities		-11,625	-1,500
Cash flows for the year		-4	0
Cash and cash equivalents at year-end		-4	0

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of Skagerak Salmon A/S for 2020 has been prepared in accordance with the provisions applying to reporting class C large 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 disclosure of revenue segmentation

Pursuant to section 96(1) of the Danish Financial Statements Act, revenue segmentation has not been disclosed. The Company has not disclosed revenue segmentation as it can have a significant negative impact on revenue due to distortion of market competition.

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

Revenue

Income from the sale of goods 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 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

Costs incurred in generating revenue for the year are recognised in cost of sales. Furthermore, the caption also comprises direct costs of goods for resale and changes to inventory of goods for resale.

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.

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Notes

1 Accounting policies (continued)

Other external costs

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

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.

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

Intangible assets

Intangible assets with short useful lives, e.g. software, are measured at cost less accumulated amortisation or the recoverable amount if this is lower. Such assets are usually amortised over a maximum of seven years, which is the expected useful life.

Property, plant and equipment

Land and buildings, 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.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

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	3-10 years
Fixtures and fittings, tools and equipment	3-10 years

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

Land is not depreciated.

Fixed assets under construction are recognised and measured at cost at the balance sheet date. Upon entry into service, the cost is transferred to the relevant group of property, plant and equipment.

Depreciation is recognised in the income statement as production costs, distribution costs and administrative expenses, respectively.

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.

Impairment of fixed assets

The carrying amount of intangible assets and property, plant and equipment as well as equity investments in subsidiaries 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. 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

Financial statements 1 January – 31 December

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1 Accounting policies (continued)

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.

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.

Deposits

Deposits comprise rent deposits recognised and measured at cost. Deposits are not depreciated.

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.

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.

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 apart from captions taken directly to equity.

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.

Other liabilities are measured at net realisable value.

Prepayments and deferred income

Deferred income comprises advance invoicing regarding income in subsequent years.

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1 Accounting policies (continued)

Cash flow statement

The cash flow statement shows the Group's cash flows from operating, investing and financing activities for the year, the year's changes in cash and cash equivalents as well as the Group's cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities

Cash flows from operating activities are calculated as the Group's share of profit/loss for the year adjusted for non-cash operating items, changes in working capital and corporation tax paid.

Cash flows from investing activities

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of entities and activities, intangible assets, property, plant and equipment and investments.

Cash flows from financing activities

Cash flows from financing activities comprise changes in size or composition of the Company's contributed capital and costs in this respect as well as the raising of loans, instalments on interest-bearing debt and distribution of dividends to owners.

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Notes

2 Staff costs

DKK'000	2020	2019
Wages and salaries	2,827	18,653
Pensions	222	1,474
Other social security costs	124	815
Other staff costs	406	1,412
	<u>3,579</u>	<u>22,354</u>
Average number of full-time employees	<u>9</u>	<u>56</u>

With reference to section 98b (3) of the Danish Financial Statements Act, executive remuneration has not been disclosed for 2020.

DKK'000	2020	2019
Interest expense to group entities	560	1,576
Other financial expenses	<u>3,059</u>	<u>1,245</u>
	<u>3,619</u>	<u>2,821</u>

4 Tax on profit/loss for the year

DKK'000	2020	2019
Current tax for the year	259	1,875
Deferred tax for the year	-333	181
Adjustment of tax concerning previous years	<u>0</u>	<u>13</u>
	<u>-74</u>	<u>2,069</u>

5 Proposed profit appropriation/distribution of loss

Retained earnings	<u>-272</u>	<u>7,250</u>
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6 Intangible assets

DKK'000	Software
Cost at 1 January 2020	<u>1,349</u>
Cost at 31 December 2020	<u>1,349</u>
Amortisation and impairment losses at 1 January 2020	-1,025
Amortisation for the year	<u>-180</u>
Amortisation and impairment losses at 31 December 2020	<u>-1,205</u>
Carrying amount at 31 December 2020	<u>144</u>

Financial statements 1 January – 31 December

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7 Property, plant and equipment

DKK'000	Land and buildings	Plant and machinery	Fixtures and fittings, tools and equipment	Total
Cost at 1 January 2020	0	10,027	561	10,588
Disposals for the year	0	-730	0	-730
Cost at 31 December 2020	0	9,297	561	9,858
Depreciation and impairment losses at 1 January 2020	0	-2,707	-497	-3,204
Depreciation for the year	0	-459	-16	-475
Depreciation and impairment losses at 31 December 2020	0	-3,166	-513	-3,679
Carrying amount at 31 December 2020	0	6,131	48	6,179

8 Investments

DKK'000	Deposits
Cost at 1 January 2020	188
Disposals for the year	-128
Cost at 31 December 2020	60
Carrying amount at 31 December 2020	60

9 Other receivables

Other receivables amount to DKK 17,701 thousand, of which DKK 14,835 thousand falls due more than 1 year after the balance date (2019: DKK 0 thousand).

Financial statements 1 January – 31 December

Notes

10 Equity

Contributed capital consists of 600 shares of a nominal value of DKK 1,000 each.

All shares rank equally.

11 Deferred tax

DKK'000	31/12 2020	31/12 2019
Deferred tax at 1 January	1,271	1,847
Deferred tax adjustment for the year in the income statement	-346	-589
Adjustment of deferred tax in respect of previous years	0	13
	<u>925</u>	<u>1,271</u>
Provisions for deferred tax relate to:		
Property, plant and equipment	925	925
Current assets	0	380
Liabilities other than provisions	0	-34
	<u>925</u>	<u>1,271</u>

12 Fees to auditor appointed at the general meeting

DKK'000	2020
Statutory audit services	125,000
Tax assistance	47,500
Non-audit services	<u>81,500</u>
	<u>254,000</u>

13 Contractual obligations, contingencies, etc.

Operating lease obligations

The Company has entered into operating leases with an annual lease payment of DKK 565 thousand.

The Company has entered into operating leases which fall due at an amount of DKK 1,413 thousand within 2-3 years (2019: DKK 16,993 thousand).

14 Mortgages and collateral

As collateral for bank loans of DKK 62,395 thousand via a cash-pool scheme with the affiliated company in Norway, the Company has issued a company charge of a nominal amount of DKK 50,000 thousand. The company charge has been secured upon the following assets whose carrying amount at the balance sheet date totals:

Plant and machinery: DKK 6.119 thousand

Trade receivables: DKK 50,434 thousand

Inventories: DKK 63,808 thousand.

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

Other payables and other receivables include negative and positive fair values of derivative financial instruments of net DKK 3,339 thousand. Derivative financial instruments have been entered into to hedge exchange rate exposure of future purchases of DKK 31,081 thousand divided primarily between the currencies USD, CHF, SEK and AUD. Forward exchange contracts expire between January 2021 and March 2021.

16 Related party disclosures

Skagerak Salmon A/S' related parties comprise the following:

Control

Trient AS, Skaganeset, 5382 Skogsvåg, Norway.

Trient AS holds the majority of the contributed capital in the Company.

Skagerak Salmon A/S is part of the consolidated financial statements of Trient AS, Norway, which is the largest and smallest group in which the Company is included as a subsidiary.

The consolidated financial statements of Trient AS can be obtained by contacting the Company.

Related party transactions

Remuneration of the Parent Company's Executive Board and Board of Directors is not disclosed as outlined in note 2.

Payables to associates and subsidiaries are disclosed in the balance sheet and interest expenses in note 3.

DKK'000	2020	2019
Sale of goods to a group entity	0	8,000
Purchase of goods and services from a group entity	235,946	242,010
	<u>235,946</u>	<u>250,010</u>

17 Disclosure of events after the balance sheet date

No events have occurred after the financial year end with an impact on the financial statements for 2020.

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DKK'000	2020	2019
18 Other adjustments		
Financial income	-3,546	-2,958
Financial expenses	3,619	2,821
Tax on profit for the year	0	2,069
Depreciation and amortisation	715	2,769
Gains on the disposal of fixed assets	0	-37,942
	<u>788</u>	<u>-33,241</u>
19 Changes in working capital		
Change in inventories	-15,401	41,786
Change in receivables	34,663	38,223
Change in trade and other payables	-8,943	-37,629
	<u>10,319</u>	<u>42,380</u>