
BG Salmon ApS

Havnegade 19, st., DK-6700 Esbjerg

Annual Report for 1 January - 31 December 2020

CVR No 33 03 96 62

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
7 /7 2021

Jon Gunnarsson
Chairman of the General
Meeting



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Contents

	<u>Page</u>
Management's Statement and Auditor's Report	
Management's Statement	1
Independent Auditor's Report	2
Company Information	
Company Information	5
Management's Review	6
Financial Statements	
Income Statement 1 January - 31 December	7
Balance Sheet 31 December	8
Statement of Changes in Equity	10
Notes to the Financial Statements	11

Management's Statement

The Executive Board has today considered and adopted the Annual Report of BG Salmon ApS for the financial year 1 January - 31 December 2020.

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 2020 of the Company and of the results of the Company operations for 2020.

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

Esbjerg, 7 July 2021

Executive Board

Jon Gunnarsson

Independent Auditor's Report

To the Shareholders of BG Salmon ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2020 and of the results of the Company's operations for the financial year 1 January - 31 December 2020 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of BG Salmon ApS for the financial year 1 January - 31 December 2020, 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.

Emphasis of Matter

We refer to note 1 to the Financial Statements, from which it appears that the value of the Company's receivable from business partners is subject to material uncertainty. Our opinion has not been modified in respect of this matter.

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.

Independent Auditor's Report

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 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 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

Independent Auditor's Report

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.

Esbjerg, 7 July 2021

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Henning Tønder Olesen

State Authorised Public accountant

mne27864

Company Information

The Company

BG Salmon ApS
Havnegade 19, st.
DK-6700 Esbjerg

CVR No: 33 03 96 62
Financial period: 1 January - 31 December
Municipality of reg. office: Esbjerg

Executive Board

Jon Gunnarsson

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Esbjerg Brygge 28
DK-6700 Esbjerg

Lawyers

Advokatpartnerselskabet Kirk Larsen & Ascanius
Esbjerg Brygge 28
DK-6700 Esbjerg

Bankers

Sydbank
Kongensgade 62
DK-6700 Esbjerg

Management's Review

Key activities

The object of the Company is to purchase and sell fish and related activity, including trade in machinery.

Development in the year

The income statement of the Company for 2020 shows a loss of DKK 779,998, and at 31 December 2020 the balance sheet of the Company shows equity of DKK 684,942.

The COVID-19 outbreak has not affected the Company, and it is not expected that the Company's outlook for the future will be affected.

Uncertainty relating to recognition and measurement

The Company has outstanding receivables from business partners of DKK 6,759k which is expected paid over a long period of time. The business partners have limited equity, and the loan is inherently uncertain as a consequence of the extended payment period. Management expects the business partners to be able to pay the balance in the longer term – the receivable has currently been recognised at full nominal value, and no provision for bad debt has been made. The matter has been further described in note 1.

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

	Note	2020 DKK	2019 DKK
Gross profit/loss		5.041.713	5.789.892
Staff expenses	2	-5.430.928	-4.225.694
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-260.592	-368.312
Profit/loss before financial income and expenses		-649.807	1.195.886
Financial income		1.795	124.294
Financial expenses		-131.986	-374.826
Profit/loss before tax		-779.998	945.354
Tax on profit/loss for the year		0	0
Net profit/loss for the year		-779.998	945.354

Distribution of profit

Proposed distribution of profit

Retained earnings		-779.998	945.354
		-779.998	945.354

Balance Sheet 31 December

Assets

	Note	2020 DKK	2019 DKK
Other fixtures and fittings, tools and equipment		1.012.229	1.023.387
Leasehold improvements		0	21.468
Property, plant and equipment	3	1.012.229	1.044.855
Other investments		3.725.000	3.731.000
Other receivables		1.377.982	1.371.382
Fixed asset investments		5.102.982	5.102.382
Fixed assets		6.115.211	6.147.237
Trade receivables	4	6.424.522	17.426.079
Other receivables		1.058.000	1.057.359
Prepayments		186.576	173.395
Receivables		7.669.098	18.656.833
Cash at bank and in hand		70	2.272
Currents assets		7.669.168	18.659.105
Assets		13.784.379	24.806.342

Balance Sheet 31 December

Liabilities and equity

	Note	2020 DKK	2019 DKK
Share capital		125.000	125.000
Retained earnings		559.942	1.339.940
Equity		684.942	1.464.940
Credit institutions		146.919	0
Other payables		423.292	113.207
Long-term debt	5	570.211	113.207
Credit institutions	5	39.028	0
Trade payables		5.341.360	19.296.667
Payables to owners and Management		40.000	40.000
Other payables	5	7.108.838	3.891.528
Short-term debt		12.529.226	23.228.195
Debt		13.099.437	23.341.402
Liabilities and equity		13.784.379	24.806.342
Uncertainty relating to recognition and measurement	1		
Contingent assets, liabilities and other financial obligations	6		
Accounting Policies	7		

Statement of Changes in Equity

	<u>Share capital</u> DKK	<u>Retained earnings</u> DKK	<u>Total</u> DKK
Equity at 1 January	125.000	1.339.940	1.464.940
Net profit/loss for the year	0	-779.998	-779.998
Equity at 31 December	125.000	559.942	684.942

Notes to the Financial Statements

1 Uncertainty relating to recognition and measurement

A receivable of DKK 6,759k from business partners has been recognised in the Financial Statements, and no provision for bad debt has been made. At 31 December 2020, the business partners had limited positive equity. The time frame for payment of the receivable is uncertain as it is based on an assumption of the customers increasing their earnings. Management expects the customers to be able to pay the balance in the longer term. The customers' ability to pay the balance is to a significant extent based on expectations of future positive earnings and cash flows. As the customers have made no budgets available and no security has been obtained in terms of the debt, payment of such debt is inherently uncertain.

In Management's opinion, the conditions for measuring the receivables from business partners at nominal value and not making a provision for bad debt have been met, but these are subject to material uncertainty due to the above matters.

	<u>2020</u> DKK	<u>2019</u> DKK
2 Staff expenses		
Wages and salaries	4.562.226	3.518.937
Pensions	323.312	250.406
Other social security expenses	37.816	59.367
Other staff expenses	507.574	396.984
	<u>5.430.928</u>	<u>4.225.694</u>
Average number of employees	<u>6</u>	<u>7</u>

Notes to the Financial Statements

3 Property, plant and equipment

	Other fixtures and fittings, tools and equipment	Leasehold improvements
	DKK	DKK
Cost at 1 January	2.075.565	271.935
Additions for the year	239.140	0
Disposals for the year	-250.000	0
Cost at 31 December	<u>2.064.705</u>	<u>271.935</u>
Impairment losses and depreciation at 1 January	1.052.178	250.467
Depreciation for the year	250.298	21.468
Impairment and depreciation of sold assets for the year	-250.000	0
Impairment losses and depreciation at 31 December	<u>1.052.476</u>	<u>271.935</u>
Carrying amount at 31 December	<u>1.012.229</u>	<u>0</u>

4 Trade receivables

The following receivables fall due for payment more than 1 year after year end

4.351.789	<u>0</u>
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Notes to the Financial Statements

5 Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	<u>2020</u> DKK	<u>2019</u> DKK
Credit institutions		
Between 1 and 5 years	146.919	0
Long-term part	<u>146.919</u>	<u>0</u>
Other short-term debt to credit institutions	39.028	0
	<u>185.947</u>	<u>0</u>
Other payables		
Between 1 and 5 years	423.292	113.207
Long-term part	<u>423.292</u>	<u>113.207</u>
Other short-term payables	7.108.838	3.891.528
	<u>7.532.130</u>	<u>4.004.735</u>
6 Contingent assets, liabilities and other financial obligations		
Contingent liabilities, including	<u>485.000</u>	<u>380.000</u>

Notes to the Financial Statements

7 Accounting Policies

The Annual Report of BG Salmon ApS for 2020 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The Financial Statements for 2020 are presented in DKK.

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.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost less any repayments and with addition/deduction of the cumulative amortisation of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

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.

Notes to the Financial Statements

7 Accounting Policies (continued)

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.

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.

Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve revenue for the year.

Other external expenses

Other external expenses comprise expenses for premises, sales and distribution as well as office expenses, etc.

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, other operating income, expenses for raw materials and consumables and other external expenses.

Staff expenses

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

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of property, plant and equipment.

Notes to the Financial Statements

7 Accounting Policies (continued)

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.

Balance Sheet

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	3-10	years
Leasehold improvements	3-4	years

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, an impairment test is carried out to determine whether the recoverable amount is lower than the carrying amount. If so, the asset is written down to its lower recoverable amount.

The recoverable amount of the asset is calculated as the higher of net selling price and value in use. Where a recoverable amount cannot be determined for the individual asset, the assets are assessed in the smallest group of assets for which a reliable recoverable amount can be determined based on a total

Notes to the Financial Statements

7 Accounting Policies (continued)

assessment.

Fixed asset investments

Fixed asset investments, which consist of unlisted shares, are measured at the lower of cost and recoverable amount.

Other fixed asset investments

Other fixed asset investments consist of other receivables and other investments measured at the lower of cost and recoverable amount.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Financial debts

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