

**ANNUAL REPORT**  
**1. januar - 31. december 2021**

**JAK Business Holding ApS**  
Ryttergårdsvej 3  
7673 Harboøre

CVR nr. 35528652

**Submitter:**  
Sønderup I/S  
Statsautoriserede revisorer  
CVR no. 31824559

**Presented and approved at the company's ordinary  
general meeting 29. juni 2022**

**Chairman**  
Jan Pedersen



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## Management's Statement on the Annual Report

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The management have today considered and approved the annual report for JAK Business Holding ApS for the financial year 1 January to 31 December 2021.

The annual report is presented in accordance with the Danish Financial Statements Act.

In the managements opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2021 and of its financial performance for the financial year 1 January to 31 December 2021.

We recommend the annual report for approval at the annual general meeting.

Lemvig, 29. juni 2022

### Executive Board



Jan Pedersen



Chun Kei Alex Lau

# The Independent Practitioner's Report

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## To the shareholders of JAK Business Holding ApS

### **Conclusion**

We have performed an extended review of the financial statements of JAK Business Holding ApS for the financial year 1. januar - 31. december 2021, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared under the Danish Financial Statements Act.

Based on the work performed, in our opinion, the financial statements give a true and fair view of the Company's financial position at 31. december 2021 and of the results of the Company's operations for the financial year 1. januar - 31. december 2021 in accordance with the Danish Financial Statements Act.

### **Basis for conclusion**

We conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises and FSR - Danish Auditors' standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the Practitioner's responsibilities for the extended review 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 evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

### **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.

### **Practitioner's responsibilities for the extended review of the financial statements**

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures in order to obtain limited assurance for our conclusion on the financial statements and in addition perform specifically required supplementary procedures to obtain further assurance for our conclusion.

## The Independent Practitioner's Report

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An extended review comprises procedures that primarily consist of making inquiries of Management and others within the Company, as appropriate, analytical procedures and the specifically required supplementary procedures as well as evaluation of the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit, and accordingly, we do not express an audit opinion on these financial statements.

### **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.

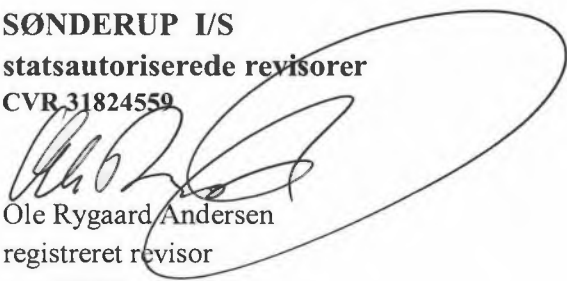
In connection with our extended review of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the extended review, or otherwise 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 in the Management's review.

Ringsted, den 29. juni 2022

**SØNDERUP I/S**  
**statsautoriserede revisorer**  
**CVR 31824559**



Ole Rygaard Andersen  
registreret revisor  
mne32755

## Management's review

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### **Main activities**

Like previous years, the company's activity consist of being a holding company.

### **Uncertainty of recognition and measurement**

Due to the subsidiary's activity within the mink industry, the company is largely affected of the of Covid-19.

In view of the general market situation in the mink fur breeder industry, including the influences from COVID-19 after the end of the financial year, there is an extraordinary situation regarding uncertainty in the recognition and measurement of the company's investment in group companies.

Consequently, management has relied on the indications of impairment of group companies.

In the autumn of 2020 the company's subsidiary, has been forcibly shut down by the authorities, and the activity with the operation of mink farms has thus ceased.

The group company are recognized in the balance sheet with a value of 0 kr. This asset are valued at normal impairment based on the company's normal accounting policies. As mentioned above, the company's activity has been greatly affected as a result of the closure of Danish mink farms. The company expects to be covered by the compensation schemes that are being worked on from a political point of view, but as the scope of these compensation schemes is partly unknown, there is thus uncertainty associated with the valuation of the subsidiary's mink farm as well as production facilities and machinery.

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

Profit for the year was DKK -8 against DKK -8 last year. Management considers the result for the year to be very unsatisfactory.

### **Going concern - Financial resources**

The company's operations are financed by an intercompany loan. The company expects to restore the share capital through dividends from its subsidiary the coming years.

### **Expected development**

In November 2020, the Covid-19 pandemic led to a political decision that all mink in Denmark should be killed. This, of course, has a major impact on the subsidiary's activity.

It is not yet possible to determine the full consequences of this decision. It is the management's assessment that the decision will have major consequences for the future situation. It is estimated that the compensations the subsidiary will receive as a result of the political decision, at least correspond to the book values per. 31/12 2021. The exact compensation to which the subsidiary is entitled, is not known at the time of presentation of the annual report, which means that

## Management's review

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### **Significant events after the end of the financial year**

Apart from the possible consequences of COVID-19, no events have occurred after the end of the financial year that could materially affect the company's financial position.

## Accounting principles applied

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The annual report for JAK Business Holding ApS 2021 has been prepared in accordance with the Danish Financial Statements Act for class B companies with application of individual rules from class C..

The income statement is presented by type of expenditure and the balance sheet is presented in account from. The measurement currency used is Danish kroner. All other currencies are considered foreign currency.

The company has, in accordance with the Danish Financial Statements Act § 43A chosen to recognize investments in group companies under the equity method.

The accounting principles were applied consistently with the principles of last year's financial reporting.

### **General information on recognition and measurement**

Income is recognized in the income statement as earned, including any value adjustments of financial assets and liabilities. Furthermore, all costs, including amortisation/depreciation and write-downs, are recognized in the income statement.

Assets are recognized in the balance sheet when it is probable that future economic benefits will flow to the company, and the value of the assets can be measured reliably.

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

The first recognition measures assets and liabilities at cost. Subsequently, assets and liabilities will be measured individually in respect of each accounting item as described below.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

### **Income statement**

#### **Gross profit**

In pursuance of section 32 (1) of the Danish Financial Statements Act, the first item in the income statement is the gross profit. The item gross profit is the result of revenue, cost of sales, other external cost and other operating income.

#### **Other external costs**

Other external cost comprise costs for administration etc.



## Accounting principles applied

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### **Financial items**

Financial income and expenses are recognized in the income statement with the amounts relating to the financial year. The financial items comprise interest income and expense, realized and unrealized exchange rate, gains and losses resulting from transactions in foreign currencies and surcharges and refunds regarding corporation tax.

### **Tax for the year**

The company is jointly taxed with other group companies. The current corporation tax is divided between the jointly taxed companies pro rata to their taxable incomes. The parent company functions as the management company for the joint taxation and handles the tax payments to the danish tax authorities.

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognized in the income statement by the portion attributable to the profit for the year and recognized directly on equity by the portion attributable to entries directly on equity.

### **Balance sheet**

#### **Financial fixed assets**

#### **Investments in group companies and associates**

The proportionate share of the group companies and associated companies are recognized in the income statement. Investments from these companies are recognized in the balance sheet at the proportionate share of the net asset value.

Group companies and associates with negative net asset values are recognized at DKK zero and any receivables from these enterprises are written down by the parent company's share of the negative equity to the extent it is deemed uncollectible. If the negative net book value exceeds the amount owed, the remaining amount is recognized under provisions to the extent that the parent has a legal or constructive obligation to cover the subsidiary's balance sheet.

The total net revaluation of investments in group companies and associates are transferred to reserve for net revaluation according to the equity method under equity. The reserve is reduced by dividend payments to the parent company and by other changes in equity in group companies and associated companies.

Newly acquired or established companies are recognized in the annual report from the acquisition date. Sold or divested companies are included up to the date of disposal.

Surcharge on acquisition of interests in relation to the actual net asset value is considered goodwill. This goodwill is amortized linearly over the estimated service life. The amortization period for goodwill is in the annual report incorporated with 10 years.

## Accounting principles applied

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### **Impairment of fixed assets**

The carrying value of investments in subsidiaries are assessed annually for indications of impairment beyond what is expressed by depreciation.

If there are indications of impairment, an impairment test of each asset or group of assets will be made. Impairment will be made to its recoverable amount if this is lower than the carrying value.

### **Receivables**

Receivables are measured at amortized cost, which usually corresponds to the nominal value. Value is reduced by provisions for bad debts.

### **Liquid Assets**

Liquid assets are measured at nominal value.

### **Dividend**

Proposed dividend for the financial year is recognized as a separate component of the equity. Proposed dividends are recognized as a liability at the time of adoption.

### **Tax payable and deferred tax**

Current tax liabilities and current tax assets are recognized in the balance sheet as tax calculated on the taxable income allocated with the current tax rate, and adjusted for tax on prior years taxable income and prepaid taxes.

Deferred tax is measured by the liability method concerning temporary differences between the carrying value and tax value of assets and liabilities, calculated based on the planned use of the assets and settlement of the obligation, respectively.

Deferred tax assets, including the tax value of tax losses allowed for carry-forward, are measured at the value at which the asset is expected to be realisable, either through elimination in tax on future earnings or through offsetting in deferred tax liabilities in the same legal tax unit. Any deferred net tax assets are measured at their net realisation values.

Deferred tax is measured based on the tax rules and tax rates applicable in pursuance of the legislation in force on the balance sheet date when the deferred tax is expected to become payable as current tax. Changes in deferred tax due to change in tax rates is recognized in the income statement.

### **Liabilities**

Other liabilities are measured at amortised cost corresponding to the nominal value.

## Income statement 1 January - 31 December

Note	2021	2020
Gross profit	-8.098	-8.286
Other financial costs	-36	0
<b>PROFIT/-LOSS BEFORE TAX</b>	<b>-8.134</b>	<b>-8.286</b>
<b>NET PROFIT/-LOSS FOR THE YEAR</b>	<b>-8.134</b>	<b>-8.286</b>
<b>Appropriation of profit</b>		
Distribution of profit	-8.134	-8.286
<b>Total appropriation</b>	<b>-8.134</b>	<b>-8.286</b>

## Balance sheet 31 December

Note	2021	2020
<b>ASSETS</b>		
<b>1. Financial fixed assets</b>		
Investments in group companies	<u>0</u>	<u>0</u>
<b>Total financial fixed assets</b>	<u><b>0</b></u>	<u><b>0</b></u>
Cash funds	<u>4.017</u>	<u>4.401</u>
<b>Total cash funds</b>	<u><b>4.017</b></u>	<u><b>4.401</b></u>
<b>TOTAL CURRENT ASSETS</b>	<u><b>4.017</b></u>	<u><b>4.401</b></u>
<b>TOTAL ASSETS</b>	<u><b>4.017</b></u>	<u><b>4.401</b></u>

## Balance sheet 31 December

Note	2021	2020
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	90.000	90.000
Retained earnings	-144.608	-136.474
<b>TOTAL EQUITY</b>	<b>-54.608</b>	<b>-46.474</b>
Suppliers of goods and services	2.000	2.000
Payables to group companies	56.625	48.875
<b>Total short-term liabilities</b>	<b>58.625</b>	<b>50.875</b>
<b>TOTAL LIABILITIES</b>	<b>58.625</b>	<b>50.875</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>4.017</b>	<b>4.401</b>

2. Main activity
3. Contingencies
4. Uncertainty in recognition and measurement
5. Fair value adjustments

## Statement of changes in equity

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	2021	2020
<b>Share capital</b>		
Beginning of year	90.000	90.000
<b>End of year</b>	<b>90.000</b>	<b>90.000</b>
<b>Retained earnings</b>		
Beginning of year	-136.474	-128.188
Transferred from net profit	-8.134	-8.286
<b>End of year</b>	<b>-144.608</b>	<b>-136.474</b>
<b>Equity end of year</b>	<b>-54.608</b>	<b>-46.474</b>

## Noter

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### **1. Financial fixed assets**

Specification of investments in group companies  
European Fur Elite ApS, Harboøre, ownership 100%

### **2. Main activity**

The company's main activity consist of beeing a holding company.

### **3. Contingencies**

The company has a tax loss. The deferred tax liability associated therewith is not enabled, as it is estimated that it will not be used.

The value of the tax asset amounts to DKK 10.224.

The company is jointly and severally liable for all group companies for the total tax on joint taxation income and for certain possible withholding taxes, such as dividends and royalties.

### **4. Uncertainty in recognition and measurement**

The subsidiary is recognized in the balance sheet with a value of 0 kr. These assets are valued at normal impairment based on the company's normal accounting policies. As mentioned above, the company's activity has been forcibly shut down by the authorities in connection with the general closure of Danish mink farms, and the application possibilities for the mink farm are unknown.