



## New Nutrition ApS

Saturnvej 51  
8700 Horsens  
CVR No. 36904429

## Annual report 2020

The Annual General Meeting adopted the  
annual report on 21.05.2021

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**René Carl-Anders Gjerding**  
Chairman of the General Meeting

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# Entity details

## Entity

New Nutrition ApS

Saturnvej 51

8700 Horsens

CVR No.: 36904429

Registered office: Horsens

Financial year: 01.01.2020 - 31.12.2020

## Board of Directors

Kjeld Johannesen

Søren Dan Johansen

Adam Dawson

Sarah Bibi Vawda

## Executive Board

Erik Robert Visser

René Carl-Anders Gjerding

## Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

City Tower, Værkmestergade 2

8000 Aarhus C

# Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of New Nutrition ApS for the financial year 01.01.2020 - 31.12.2020.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Horsens, 21.05.2021

## Executive Board



Erik Robert Visser



René Carl-Anders Gjerding

## Board of Directors



Kjeld Johannesen



Søren Dan Johansen



Adam Dawson



Sarah Bibi Vawda

# Independent auditor's report

## To the shareholders of New Nutrition ApS

### Opinion

We have audited the financial statements of New Nutrition ApS for the financial year 01.01.2020 - 31.12.2020, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant 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 Entity's financial position at 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020 in accordance with the Danish Financial Statements Act.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of 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.

### 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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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 commentary**

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary 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 commentary.

Aarhus, 21.05.2021

**Deloitte**

Statsautoriseret Revisionspartnerselskab  
CVR No. 33963556



**Jacob Nørmark**

State Authorised Public Accountant  
Identification No (MNE) mne30176



**Kasper Vestergaard Jessen**

State Authorised Public Accountant  
Identification No (MNE) mne42784

# Management commentary

## Primary activities

The company acts as a holding company in the Hamlet Protein group and its sole purpose is to serve as a management company for the underlying companies.

## Description of material changes in activities and finances

A significant improvement in earnings has been realized which is considered satisfactory and better than expectation.

## Events after the balance sheet date

After the closing of the financial year 2020, the global economy is still impacted by the Covid-19 virus pandemic. Many industries are directly or indirectly affected, but so far the animal feed sector continues to grow and has proven to be rather resilient. The food service industry continues to be affected from Covid-19 restrictions, and demand for meat types predominantly served in restaurants has dropped. Demand for meat types predominantly consumed at home have increased. Increased raw material costs affects the inclusion of specialty ingredients, like the Hamlet Protein portfolio, as the main cost driver for animal protein producers is feed. Potential supply chain interruptions could create a risk, but so far no major disruptions have occurred. International freight rates have increased, and availability of containers is limited at times, but the additional cost is normally passed on to our customers.

No other significant events have occurred subsequent to the financial year-end.



# Income statement for 2020

	Notes	2020 DKK'000	2019 DKK '000
Revenue		11,391	9,797
Other external expenses		(122)	(6)
<b>Gross profit/loss</b>		<b>11,269</b>	<b>9,791</b>
Staff costs	1	(5,180)	(16,734)
<b>Operating profit/loss</b>		<b>6,089</b>	<b>(6,943)</b>
Income from investments in group enterprises		(23,753)	(55,535)
Other financial income	2	11,180	10,732
Other financial expenses	3	(41,859)	(24,345)
<b>Profit/loss before tax</b>		<b>(48,343)</b>	<b>(76,091)</b>
Tax on profit/loss for the year	4	5,354	4,460
<b>Profit/loss for the year</b>		<b>(42,989)</b>	<b>(71,631)</b>
<b>Proposed distribution of profit and loss:</b>			
Retained earnings		(42,989)	(71,631)
<b>Proposed distribution of profit and loss</b>		<b>(42,989)</b>	<b>(71,631)</b>

## Balance sheet at 31.12.2020

### Assets

	Notes	2020 DKK'000	2019 DKK'000
Investments in group enterprises		402,513	431,803
<b>Financial assets</b>	5	<b>402,513</b>	<b>431,803</b>
<b>Fixed assets</b>		<b>402,513</b>	<b>431,803</b>
Receivables from group enterprises		310,850	267,298
Deferred tax		16,636	11,955
<b>Receivables</b>		<b>327,486</b>	<b>279,253</b>
<b>Cash</b>		<b>0</b>	<b>75</b>
<b>Current assets</b>		<b>327,486</b>	<b>279,328</b>
<b>Assets</b>		<b>729,999</b>	<b>711,131</b>

**Equity and liabilities**

	<b>Notes</b>	<b>2020 DKK'000</b>	<b>2019 DKK'000</b>
Contributed capital		55	55
Translation reserve		(5,491)	0
Retained earnings		263,121	303,773
<b>Equity</b>		<b>257,685</b>	<b>303,828</b>
Bank loans		297,086	355,460
Payables to group enterprises		152,533	0
Other payables		546	122
<b>Non-current liabilities other than provisions</b>	<b>6</b>	<b>450,165</b>	<b>355,582</b>
Current portion of non-current liabilities other than provisions	6	9,009	39,000
Bank loans		2,865	0
Trade payables		625	246
Payables to group enterprises		4,129	4,244
Income tax payable		199	0
Other payables		5,322	8,231
<b>Current liabilities other than provisions</b>		<b>22,149</b>	<b>51,721</b>
<b>Liabilities other than provisions</b>		<b>472,314</b>	<b>407,303</b>
<b>Equity and liabilities</b>		<b>729,999</b>	<b>711,131</b>
Financial instruments	7		
Contingent liabilities	8		
Assets charged and collateral	9		
Non-arm's length related party transactions	10		

## Statement of changes in equity for 2020

	Contributed capital DKK'000	Translation reserve DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	55	0	303,773	303,828
Exchange rate adjustments	0	(5,491)	0	(5,491)
Fair value adjustments of hedging instruments	0	0	3,010	3,010
Tax of entries on equity	0	0	(673)	(673)
Profit/loss for the year	0	0	(42,989)	(42,989)
<b>Equity end of year</b>	<b>55</b>	<b>(5,491)</b>	<b>263,121</b>	<b>257,685</b>

# Notes

## 1 Staff costs

	2020 DKK'000	2019 DKK'000
Wages and salaries	4,841	15,241
Pension costs	334	493
Other social security costs	5	16
Other staff costs	0	984
	<b>5,180</b>	<b>16,734</b>
Average number of full-time employees	<b>3</b>	<b>4</b>

## 2 Other financial income

	2020 DKK'000	2019 DKK'000
Financial income from group enterprises	11,180	10,223
Exchange rate adjustments	0	509
	<b>11,180</b>	<b>10,732</b>

## 3 Other financial expenses

	2020 DKK'000	2019 DKK'000
Financial expenses from group enterprises	2,937	337
Other interest expenses	17,182	20,114
Exchange rate adjustments	12,559	0
Fair value adjustments	1,918	0
Other financial expenses	7,263	3,894
	<b>41,859</b>	<b>24,345</b>

## 4 Tax on profit/loss for the year

	2020 DKK'000	2019 DKK'000
Change in deferred tax	(5,354)	(4,460)
	<b>(5,354)</b>	<b>(4,460)</b>

## 5 Financial assets

	<b>Investments in group enterprises DKK'000</b>
Cost beginning of year	708,035
<b>Cost end of year</b>	<b>708,035</b>
Impairment losses beginning of year	(276,232)
Adjustments on equity	(5,537)
Share of profit/loss for the year	(23,753)
<b>Impairment losses end of year</b>	<b>(305,522)</b>
<b>Carrying amount end of year</b>	<b>402,513</b>

Carrying amount of goodwill associated to group enterprises amounts to DKK 250 million.

<b>Investments in subsidiaries</b>	<b>Registered in</b>	<b>Corporate form</b>	<b>Equity interest %</b>
Hamlet Protein A/S	Horsens	A/S	100

## 6 Non-current liabilities other than provisions

	<b>Due within 12 months 2020 DKK'000</b>	<b>Due within 12 months 2019 DKK'000</b>	<b>Due after more than 12 months 2020 DKK'000</b>
Bank loans	9,009	39,000	297,086
Payables to group enterprises	0	0	152,533
Other payables	0	0	546
	<b>9,009</b>	<b>39,000</b>	<b>450,165</b>

Other long-term payables comprise long-term debt regarding "Ny Ferielov" in Denmark.  
Long term liabilities regarding bank loans and payables to group enterprises will be paid within 5 years.

## 7 Financial instruments

Bank debt includes negative fair value of interest rate swaps of DKK 1,918 thousand.

Interest rate swaps have been entered to secure variable bank loans for fixed-rate bank loans. The total interest rate swaps are specified as follows:

- Interest rate swap with residual debt of tDKK 77,310, which guarantees a fixed interest rate of 0.6930% with a residual maturity of 1 year
- Interest rate swap with residual debt of tEUR 9,200 securing a fixed interest rate of 0.3910% with a residual maturity of 1 year

- Interest swap with residual debt of tUSD 5,000 securing a fixed interest rate of 1,880 % with a residual maturity of 1 year

### **8 Contingent liabilities**

The Entity participates in a Danish joint taxation arrangement where New Nutrition Holding ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

### **9 Assets charged and collateral**

The Company has provided a self-debt guarantee regarding the subsidiary's bank debts which is maximized to DKK 100 million.

The Company has provided a share pledge regarding total bank loans in the Hamlet Protein A/S Group. Bank debt in Hamlet Protein A/S group amounts to 61,269 tDKK.

The Company has provided a negative pledge regarding other fixtures, tools and other equipment etc.

### **10 Non-arm's length related party transactions**

Only related party transactions not conducted on an arm's length basis are disclosed in the annual report. No such transactions have been conducted in the financial year.

# Accounting policies

## Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

## Consolidated financial statements

Referring to section 112(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared. Refer to New Nutrition Holding ApS (CVR: 36903775) for the consolidated financial statement.

## Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

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 is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

## Derivative financial instruments

On initial recognition in the balance sheet, derivative financial instruments are measured at cost and subsequently at fair value, which has been calculated as the discounted value of expected future net cash flows by using an approximate risk-free interest rate adjusted for any factors that a potential market participant would attribute value to when acquiring the instrument. Derivative financial instruments are recognised under other receivables or other payables.

Changes in the fair value of derivative financial instruments classified as and complying with the requirements for hedging the fair value of a recognised asset or a recognised liability are recorded in the income statement together with changes in the value of the hedged asset or the hedged liability.

Changes in the fair value of derivative financial instruments applied for hedging net investments in independent foreign subsidiaries or associates are recognised directly in translation reserve in equity.



**Income statement****Revenue**

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

**Other external expenses**

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, etc.

**Staff costs**

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for entity staff.

**Income from investments in group enterprises**

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.

**Other financial income**

Other financial income comprises interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets, and tax relief under the Danish Tax Prepayment Scheme etc.

**Other financial expenses**

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

**Tax on profit/loss for the year**

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

The Entity is jointly taxed with the parent company and all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

**Balance sheet****Investments in group enterprises**

Goodwill Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus unamortised goodwill and plus or minus unrealised intra-group profits or losses.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to reserve for net revaluation according to the equity method in equity.

Goodwill is the positive difference between cost of investments and fair value of assets and liabilities arising from acquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the

experience gained by Management for each business area. For goodwill, useful life has been determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long-term earnings profile and whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets. Useful lives are reassessed annually. The amortisation periods used are 20 years.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

**Receivables**

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

**Deferred tax**

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset. However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

**Cash**

Cash comprises bank deposits.

**Other financial liabilities**

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

**Tax receivable or payable**

Current tax receivable or payable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.