Orana Denmark A/S

Rynkebyvej 243, DK-5350 Rynkeby

Annual Report for 1 October 2020 - 30 September 2021

CVR No 38 30 02 88

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 20/12 2021

Sia Oskarson
Chairman of the General Meeting

Contents

Management’s Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Orana Denmark A/S for the financial year 1 October 2020 - 30 September 2021.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 30 September 2021 of the Company and of the results of the Company operations for 2020/21.

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

Rynkeby, 20 December 2021

Executive Board

Betina Moldt Rasmussen
Director

Board of Directors

Niels Østerberg Chairman	Per Valstorp	Cathrine Østerberg
Sia Oskarson	Mette Ring O'Donnell	

Independent Auditor's Report

To the Shareholders of Orana Denmark A/S

Opinion
In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 30 September 2021 and of the results of the Company's operations for the financial year 1 October 2020 - 30 September 2021 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Orana Denmark A/S for the financial year 1 October 2020 - 30 September 2021, 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' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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.

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 misstate-

ment, 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 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.

Trekantområdet, 20 December 2021
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Jan Bunk Harbo Larsen
statsautoriseret revisor
mne30224

Company Information

The Company	Orana Denmark A/S Rynkebyvej 243 DK-5350 Rynkeby CVR No: 38 30 02 88 Financial period: 1 October - 30 September Municipality of reg. office: Kerteminde
Board of Directors	Niels Østerberg, Chairman Per Valstorp Cathrine Østerberg Sia Oskarson Mette Ring O'Donnell
Executive Board	Betina Moldt Rasmussen
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Herredsvej 32 DK-7100 Vejle

Management’s Review

Key activities

The Company is a production and sales company within the Orana Group taking care of the activities in Europe.

The Company's main activities are sales in Europe, Co-packing for 3rd party customers and production of fruit based semi-manufactures for the Orana Groups sales teams.

Development in the year

The income statement of the Company for 2020/21 shows a loss of TDKK 6,177, and at 30 September 2021 the balance sheet of the Company shows equity of TDKK 6,965.

Unusual events

The Company has been severely impacted by Covid-19. Sales of Food Service products and Co-Packing sales going to the Food Service outlets such as restaurant chains, cafés and hotels have declined significantly. At the same time, our export sales of Fruit Based Raw Materials has likewise declined due to shut down of some of our export markets. In addition, we have had higher production costs due to preventative measures and higher cost of goods sold as demand from customers changed, which led to extra freight charges and warehouse cost of unused raw materials. These extra costs affected our result negatively. We expect all sales channels to recover but that new waves of Covid-19 may continue to influence sales adversely.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income Statement 1 October - 30 September

	Note	2020/21	2019/20
		TDKK	TDKK
Revenue		**95,387**	**94,944**
Cost of sales	1	-88,280	-83,680
Gross profit/loss		**7,107**	**11,264**
Distribution expenses	1	-3,056	-2,134
Laboratory costs	1	-1,544	-3,459
Administrative expenses	1	-10,690	-8,228
Operating profit/loss		**-8,183**	**-2,557**
Other operating income		4,381	3,276
Other operating expenses		-3,005	-2,425
Profit/loss before financial income and expenses		**-6,807**	**-1,706**
Financial income		275	885
Financial expenses		-1,383	-2,352
Profit/loss before tax		**-7,915**	**-3,173**
Tax on profit/loss for the year	2	1,738	698
Net profit/loss for the year		**-6,177**	**-2,475**

Distribution of profit

Proposed distribution of profit

Retained earnings	-6,177	-2,475
	-6,177	**-2,475**

Balance Sheet 30 September

Assets

	Note	2020/21	2019/20
		TDKK	TDKK
Land and buildings		4,765	5,411
Plant and machinery		21,717	20,959
Other fixtures and fittings, tools and equipment		390	479
Property, plant and equipment	3	**26,872**	**26,849**
Fixed assets		**26,872**	**26,849**
Inventories	4	**19,238**	**16,121**
Trade receivables		13,857	10,783
Receivables from group enterprises		9,234	9,044
Other receivables		271	170
Deferred tax asset		2,822	1,085
Prepayments		156	113
Receivables		**26,340**	**21,195**
Cash at bank and in hand		**25**	**342**
Currents assets		**45,603**	**37,658**
Assets		**72,475**	**64,507**

Balance Sheet 30 September

Liabilities and equity

	Note	2020/21	2019/20
		TDKK	TDKK
Share capital		2,000	1,000
Retained earnings		4,965	2,142
Equity		**6,965**	**3,142**
Credit institutions		4,479	8,527
Lease obligations		4,441	6,630
Payables to group enterprises		3,381	10,000
Other payables		2,172	885
Long-term debt	5	**14,473**	**26,042**
Credit institutions	5	30,009	18,806
Lease obligations	5	2,589	2,397
Trade payables		11,790	9,180
Payables to group enterprises	5	459	830
Other payables		6,190	4,110
Short-term debt		**51,037**	**35,323**
Debt		**65,510**	**61,365**
Liabilities and equity		**72,475**	**64,507**
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Statement of Changes in Equity

	Share capital	Retained earnings	Total
	TDKK	TDKK	TDKK
Equity at 1 October	1,000	2,142	3,142
Cash capital increase	1,000	9,000	10,000
Net profit/loss for the year	0	-6,177	-6,177
Equity at 30 September	**2,000**	**4,965**	**6,965**

Notes to the Financial Statements

		2020/21	2019/20
		TDKK	TDKK
1	**Staff**		
	Wages and Salaries	23,667	20,024
	Pensions	3,577	2,834
	Other social security expenses	761	510
	Other staff expenses	-38	-142
		27,967	**23,226**
	Wages and Salaries, pensions, other social security expenses and other staff expenses are recognised in the following items:		
	Cost of sales	17,418	12,159
	Distribution expenses	1,895	1,938
	Laboratory costs	1,202	3,282
	Administrative expenses	7,452	5,847
		27,967	**23,226**
	Average number of employees	**61**	**52**

		2020/21	2019/20
2	**Tax on profit/loss for the year**		
	Current tax for the year	0	0
	Deferred tax for the year	-1,738	-698
		-1,738	**-698**

Notes to the Financial Statements

3 Property, plant and equipment

	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment
	TDKK	TDKK	TDKK
Cost at 1 October	11,623	35,747	1,083
Additions for the year	105	3,512	35
Disposals for the year	-200	0	0
Cost at 30 September	11,528	39,259	1,118
Impairment losses and depreciation at 1 October	6,212	14,788	604
Depreciation for the year	551	2,754	124
Impairment losses and depreciation at 30 September	6,763	17,542	728
Carrying amount at 30 September	**4,765**	**21,717**	**390**
Including assets under finance leases amounting to	0	7,030	0

	2020/21	2019/20
	TDKK	TDKK

4 Inventories

Raw materials and consumables	18,242	15,022
Finished goods and goods for resale	996	1,099
	19,238	**16,121**

5 Long-term debt

Debt falling due after 5 years	802	1,231
	802	**1,231**

Notes to the Financial Statements

	2020/21	2019/20
	TDKK	TDKK

6 Contingent assets, liabilities and other financial obligations

Charges and security

The following assets have been placed as security with mortgage credit institutes:

	2020/21 TDKK	2019/20 TDKK
Land and buildings with a carrying amount of	4,765	5,411

Contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of Østerberg Holding ApS, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

As security for any outstanding balance that Osterberg Service & Trading A/S, Osterberg Ice Cream A/S, Østerberg Holding ApS and Orana A/S may have with the Bank the company has given suretyship.

Notes to the Financial Statements

7 Accounting Policies

The Annual Report of Orana Denmark A/S for 2020/21 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 2020/21 are presented in TDKK.

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.

Leases

Leases in terms of which the Company assumes substantially all the risks and rewards of ownership (finance leases) are recognised in the balance sheet at the lower of the fair value of the leased asset and the net present value of the lease payments computed by applying the interest rate implicit in the lease or an alternative borrowing rate as the discount rate. Assets acquired under finance leases are depreciated and written down for impairment under the same policy as determined for the other fixed assets of the Company.

The remaining lease obligation is capitalised and recognised in the balance sheet under debt, and the interest element on the lease payments is charged over the lease term to the income statement.

All other leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

Notes to the Financial Statements

7 **Accounting Policies** (continued)

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.

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.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Hedge accounting

Changes in the fair values of financial instruments that are designated and qualify as fair value hedges of a recognised asset or a recognised liability are recognised in the income statement as are any changes in the fair value of the hedged asset or the hedged liability related to the hedged risk.

Changes in the fair values of derivative financial instruments that are designated and qualify as hedges of expected future transactions are recognised in retained earnings under equity as regards the effective portion of the hedge. The ineffective portion is recognised in the income statement. If the hedged transaction results in an asset or a liability, the amount deferred in equity is transferred from equity and recognised in the cost of the asset or the liability, respectively. If the hedged transaction results in an income or an expense, the amount deferred in equity is transferred from equity to the income statement in the period in which the hedged transaction is recognised. The amount is recognised in the same item as the hedged transaction.

Changes in the fair values of financial instruments that are designated and qualify as hedges of net investments in independent foreign subsidiaries or associates are recognised directly in equity as regards the effective portion of the hedge, whereas the ineffective portion is recognised 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.

Notes to the Financial Statements

7 Accounting Policies (continued)

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Cost of sales

Cost of sales comprises costs incurred to achieve revenue for the year. Cost comprises raw materials, consumables, direct labour costs and indirect production costs such as maintenance and depreciation, etc, as well as operation, administration and management of factories.

Distribution expenses

Distribution expenses comprise costs in the form of salaries to sales and distribution staff, advertising and marketing expenses as well as operation of motor vehicles, depreciation, etc. Amortisation of goodwill is also included to the extent that goodwill relates to distribution activities.

Laboratory costs

Laboratory costs include costs for laboratory and construction employees, laboratory equipment including supporting aids and amortization of know-how and fixtures and fittings with the part that is related to laboratory activity.

Administrative expenses

Administrative expenses comprise expenses for Management, administrative staff, office expenses, depreciation, etc. Amortisation of goodwill is also included to the extent that goodwill relates to administrative activities.

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company, including gains and losses on the sale of intangible assets and property, plant and equipment.

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.

Notes to the Financial Statements

7 Accounting Policies (continued)

The Company is jointly taxed with Danish group affiliated companies. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

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:

Land and buildings	10-30	years
Plant and machinery	5-20	years
Other fixtures and fittings, tools and equipment	3-5	years
Leasehold improvements	5	years

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, the asset is written down to its lower recoverable amount.

Inventories

Inventories are measured at the lower of cost under the FIFO method and net realisable value.

Notes to the Financial Statements

7 **Accounting Policies** (continued)

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

The cost of goods for resale, raw materials and consumables equals landed cost.

The cost of finished goods and work in progress comprises the cost of raw materials, consumables and direct labour.

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.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Notes to the Financial Statements

7 Accounting Policies (continued)

Financial debts

Loans, such as mortgage loans and loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Mortgage loans are measured at amortised cost, which for cash loans corresponds to the remaining loan. Amortised cost of debenture loans corresponds to the remaining loan calculated as the underlying cash value of the loan at the date of raising the loan adjusted for depreciation of the price adjustment of the loan made over the term of the loan at the date of raising the loan.

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