

**AV NUTRISMART HOLDING APS**

Ballesvej 2, DK-7000 Fredericia

CVR no. 38 99 11 40

**ANNUAL REPORT FOR 2021**

Adopted at the annual general meeting on 13 May 2022

chairman

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**Brian Kærgaard Mathiesen**

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## **Statement by management on the annual report**

The supervisory and executive boards have today discussed and approved the annual report of AV Nutrismart Holding ApS for the financial year 1 January - 31 December 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 company's financial position at 31 December 2021 and of the results of the company's operations for the financial year 1 January - 31 December 2021.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

We recommend that the annual report is approved at the Annual General Meeting.

Fredericia, 13 May 2022

### **Executive board**

Jacob Holm Pedersen  
Director

### **Supervisory board**

Alric Anthony Blake  
chairman

Christina Nielsen  
deputy chairman

Patrick Edward Charlton

Morten Biel Hansen

Jacob Holm Pedersen

Bernhard Wesseling

## **Independent auditor's report**

### ***To the shareholders of AV Nutrismart Holding ApS***

#### **Opinion**

We have audited the financial statements of AV Nutrismart Holding ApS for the financial year 1 January - 31 December 2021, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared under the Danish Financial Statements Act.

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 January - 31 December 2021 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 requirements and IESBA Code. 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 the 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.

## **Independent auditor's report**

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.

### **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.

## Independent auditor's report

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 Financial Statements Act.

Based on the work we have performed, we conclude that 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 management's review.

Hellerup, 13 May 2022

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
CVR no. 33 77 12 31

Tue Stensgård Sørensen  
State Authorised Public Accountant  
MNE no. mne32200

Claus Lyngsø Sørensen  
State Authorised Public Accountant  
MNE no. mne34539

## Company details

### The company

AV Nutrismart Holding ApS  
Ballesvej 2  
DK-7000 Fredericia

CVR no.: 38 99 11 40

Reporting period: 1 January - 31 December 2021

Domicile: Fredericia

### Supervisory board

Alric Anthony Blake, chairman  
Christina Nielsen, deputy chairman  
Patrick Edward Charlton  
Morten Biel Hansen  
Jacob Holm Pedersen  
Bernhard Wesseling

### Executive board

Jacob Holm Pedersen, director

### Auditors

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Strandvejen 44  
2900 Hellerup

## **Management's review**

### **Business review**

The company's purpose is to directly or indirectly own companies in the production and sale of premix and nutritions for animal feed.

### **Financial review**

The company's income statement for the year ended 31 December 2021 shows a loss of DKK 178,791, and the balance sheet at 31 December 2021 shows equity of DKK 1,096,059.

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

AV Nutrismart ApS expectations for the future may be negatively affected as a result of the Russian invasion of Ukraine, which is also mentioned in note 4. It is our intension to sell the shares in AV Nutrismart LCC, but it is still too early to say how extensive the negative consequences will be for the company.



## **Accounting policies**

The annual report of AV Nutrismart Holding ApS for 2021 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, as well as provisions applying to reporting class C entities.

The accounting policies applied are consistent with those of last year.

The annual report for 2021 is presented in DKK.

### **Basis of recognition and measurement**

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits 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 from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

## **Income statement**

### **Administrative costs**

Administrative expenses comprise expenses incurred in the year related to administration and auditing.

### **Financial income and expenses**

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses, including interest income and expenses from receivables and payables from group enterprises.

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

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

## **Accounting policies**

### **Balance sheet**

#### **Investments in subsidiaries**

Investment in subsidiaries are measured at cost. If cost exceeds the recoverable amount, a write-down is made to this lower value.

#### **Receivables**

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable is impaired, an impairment loss for that individual asset is recognised.

#### **Liabilities**

Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

#### **Foreign currency translation**

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and 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 1 January 2021 - 31 December 2021**

	<u>Note</u>	<u>2021</u> DKK	<u>2020</u> DKK
Administrative costs		-148,886	-40,013
<b>Operating profit/loss</b>		<b>-148,886</b>	<b>-40,013</b>
Financial income	1	2,236,625	2,197,575
Financial costs	2	-2,266,530	-2,197,575
<b>Profit/loss before tax</b>		<b>-178,791</b>	<b>-40,013</b>
Tax on profit/loss for the year		0	-171
<b>Net profit/loss for the year</b>		<b>-178,791</b>	<b>-40,184</b>
 <b>Proposed distribution of profit</b>			
Retained earnings		-178,791	-40,184
		<b>-178,791</b>	<b>-40,184</b>

**Balance sheet at 31 December 2021**

	<u>Note</u>	<u>2021</u> DKK	<u>2020</u> DKK
<b>Assets</b>			
Investments in subsidiaries	3	1,105,404	7
Receivables from group enterprises		<u>116,907,599</u>	<u>129,594,468</u>
<b>Fixed asset investments</b>		<u><b>118,013,003</b></u>	<u><b>129,594,475</b></u>
<b>Total non-current assets</b>		<u><b>118,013,003</b></u>	<u><b>129,594,475</b></u>
Receivables from associates		<u>0</u>	<u>6,321</u>
<b>Receivables</b>		<u><b>0</b></u>	<u><b>6,321</b></u>
<b>Cash and cash equivalents</b>		<u><b>68,251</b></u>	<u><b>0</b></u>
<b>Total current assets</b>		<u><b>68,251</b></u>	<u><b>6,321</b></u>
<b>Total assets</b>		<u><u><b>118,081,254</b></u></u>	<u><u><b>129,600,796</b></u></u>

**Balance sheet at 31 December 2021**

	<u>Note</u>	<u>2021</u> DKK	<u>2020</u> DKK
<b>Equity and liabilities</b>			
Share capital		50,004	50,002
Retained earnings		<u>1,046,055</u>	<u>-75,152</u>
<b>Equity</b>		<b><u>1,096,059</u></b>	<b><u>-25,150</u></b>
Payables to group enterprises		<u>116,907,599</u>	<u>129,594,468</u>
<b>Total non-current liabilities</b>		<b><u>116,907,599</u></b>	<b><u>129,594,468</u></b>
Payables to associates		46,051	0
Other payables		<u>31,545</u>	<u>31,478</u>
<b>Total current liabilities</b>		<b><u>77,596</u></b>	<b><u>31,478</u></b>
<b>Total liabilities</b>		<b><u>116,985,195</u></b>	<b><u>129,625,946</u></b>
<b>Total equity and liabilities</b>		<b><u>118,081,254</u></b>	<b><u>129,600,796</u></b>
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**Statement of changes in equity**

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2021	50,002	-75,152	-25,150
Cash capital increase	2	1,299,998	1,300,000
Net profit/loss for the year	0	-178,791	-178,791
<b>Equity at 31 December 2021</b>	<b><u>50,004</u></b>	<b><u>1,046,055</u></b>	<b><u>1,096,059</u></b>

Contributed capital consists of DKK 50,004 shares of a value of DKK 1. The shares have not been divided into categories and no shares carry special rights.

The contributed capital has not been changed in the past 5 years except for the cash deposit of 4. October 2017 (DKK 50,000), the addition in 2018 of DKK 2 and the addition in 2021 of DKK 2.

## Notes

	2021 DKK	2020 DKK
<b>1 Financial income</b>		
Interest received from subsidiaries	2,236,610	2,197,575
Exchange adjustments	15	0
	<u>2,236,625</u>	<u>2,197,575</u>
<b>2 Financial costs</b>		
Interest paid to group enterprises	2,236,610	2,197,575
Other financial costs	29,920	0
	<u>2,266,530</u>	<u>2,197,575</u>
<b>3 Investments in subsidiaries</b>		
Cost at 1 January 2021	7	7
Additions for the year	1,105,397	0
Cost at 31 December 2021	1,105,404	7
<b>Carrying amount at 31 December 2021</b>	<u>1,105,404</u>	<u>7</u>

#### 4 Significant events occurring after the end of the financial year

The company is affected by the Russian invasion of Ukraine, which has created uncertainty about the future of Russia and it is AV Nutrismart ApS intention to sell the shares in AV Nutrismart LCC. Management considers this to be an event that arose after the balance sheet date (31 December 2021) and therefore constitutes a non-regulatory event for the company.

It is currently not possible to determine the magnitude of its negative impact.

#### 5 Related parties and ownership structure

Vitfoss A/S, CVR no. 82776214, Ballesvej 2, 7000 Fredericia.  
Alltech Denmark ApS, CVR no. 19413780, Skomagervej 5B, 7100 Vejle.

#### Consolidated financial statements

The company is included in the consolidated report for DLG amba, CVR no. 24246930.  
The Group annual report can be requested from DLG amba, Ballesvej 2, 7000 Fredericia.