

AV NUTRISMART HOLDING APS

Ballesvej 2, DK-7000 Fredericia

CVR no. 38 99 11 40

ANNUAL REPORT FOR 2020

Adopted at the annual general meeting on 12 May 2021

chairman

Niklas Dupont Tellervo

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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 2020.

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 2020 and of the results of the company's operations for the financial year 1 January - 31 December 2020.

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

Management recommends that the annual report should be approved by the company in general meeting.

Fredericia, 12 May 2021

Executive board

Jacob Holm Pedersen
director

Supervisory board

Alric Anthony Blake
chairman

Lars Aage Sørensen
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 2020, 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 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.

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.

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, 12 May 2021

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR no. 33 77 12 31

Tue Stensgård Sørensen
State Authorised Public Accountant
MNE no. mne32200

Company details

The company

AV Nutrismart Holding ApS
Ballesvej 2
DK-7000 Fredericia

Telephone: +45 3368 3000

CVR no.: 38 99 11 40

Reporting period: 1 January - 31 December 2020

Domicile: Fredericia

Supervisory board

Alric Anthony Blake, chairman
Lars Aage Sørensen, 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
DK-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 2020 shows a loss of DKK 40,184, and the balance sheet at 31 December 2020 shows negative equity of DKK 25,150. For description of uncertainty about the continued operations please refer to note 1. The company has lost the share capital. In 2021 a capital increase is planned to be carried out.

Significant events occurring after the end of the financial year

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Accounting policies

The annual report of AV Nutrismart Holding 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 provisions applying to reporting class C entities.

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

The annual report for 2020 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.

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.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

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 2020 - 31 December 2020

	<u>Note</u>	<u>2020</u> DKK	<u>2019</u> DKK
Administrative costs		-40,013	-20,000
Operating profit/loss		-40,013	-20,000
Financial income	2	2,197,575	2,172,663
Financial costs	3	-2,197,575	-2,172,663
Profit/loss before tax		-40,013	-20,000
Tax on profit/loss for the year		-171	302
Net profit/loss for the year		-40,184	-19,698
Proposed distribution of profit			
Retained earnings		-40,184	-19,698
		-40,184	-19,698

Balance sheet at 31 December 2020

	<u>Note</u>	<u>2020</u> DKK	<u>2019</u> DKK
Assets			
Investments in subsidiaries	4	7	7
Receivables from group enterprises		<u>129,594,468</u>	<u>127,782,662</u>
Fixed asset investments		<u>129,594,475</u>	<u>127,782,669</u>
Total non-current assets		<u>129,594,475</u>	<u>127,782,669</u>
Other receivables		<u>6,321</u>	<u>40,027</u>
Receivables		<u>6,321</u>	<u>40,027</u>
Total current assets		<u>6,321</u>	<u>40,027</u>
Total assets		<u><u>129,600,796</u></u>	<u><u>127,822,696</u></u>

Balance sheet at 31 December 2020

	<u>Note</u>	<u>2020</u> DKK	<u>2019</u> DKK
Equity and liabilities			
Share capital		50,002	50,002
Retained earnings		<u>-75,152</u>	<u>-34,968</u>
Equity		<u>-25,150</u>	<u>15,034</u>
Payables to group enterprises		<u>129,594,468</u>	<u>127,782,662</u>
Total non-current liabilities		<u>129,594,468</u>	<u>127,782,662</u>
Other payables		<u>31,478</u>	<u>25,000</u>
Total current liabilities		<u>31,478</u>	<u>25,000</u>
Total liabilities		<u>129,625,946</u>	<u>127,807,662</u>
Total equity and liabilities		<u>129,600,796</u>	<u>127,822,696</u>
Uncertainty about the continued operation (going concern)	1		
Related parties and ownership structure	5		

Statement of changes in equity

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2020	50,002	-34,968	15,034
Net profit/loss for the year	<u>0</u>	<u>-40,184</u>	<u>-40,184</u>
Equity at 31 December 2020	<u>50,002</u>	<u>-75,152</u>	<u>-25,150</u>

Contributed capital consists of DKK 50,002 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), and the addition in 2018 of DKK 2.

Notes

1 Uncertainty about the continued operation (going concern)

The company has lost the share capital and is thus covered by the Companies Act's provisions on capital loss. In 2021 a capital increase is planned to be carried out. The capital increase will restore the equity and ensure the liquidity needs for at least 2021.

	<u>2020</u> DKK	<u>2019</u> DKK
2 Financial income		
Interest received from subsidiaries	<u>2,197,575</u>	<u>2,172,663</u>
	<u>2,197,575</u>	<u>2,172,663</u>
3 Financial costs		
Interest paid to group enterprises	<u>2,197,575</u>	<u>2,172,663</u>
	<u>2,197,575</u>	<u>2,172,663</u>
4 Investments in subsidiaries		
Cost at 1 January 2020	<u>7</u>	<u>7</u>
Cost at 31 December 2020	<u>7</u>	<u>7</u>
Carrying amount at 31 December 2020	<u>7</u>	<u>7</u>
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.		