

Scandza Danmark ApS

Ahornvej 1, 4780 Stege

CVR no. 40 07 46 43

Annual report 2022

Approved at the Company's annual general meeting on 5 July 2023

Chair of the meeting:

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Gorm Hoffmann

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Statement by the Board of Directors and the Executive Board

Today, the Executive Board has discussed and approved the annual report of Scandza Danmark ApS for the financial year 1 January - 31 December 2022.

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

In my opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January - 31 December 2022.

Further, in my opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

I recommend that the annual report be approved at the annual general meeting.

Stege, 5 July 2023
Executive Board:

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Kristian Walsøe
CEO

Independent auditor's report

To the shareholders of Scandza Danmark ApS

Opinion

We have audited the financial statements of Scandza Danmark ApS for the financial year 1 January - 31 December 2022, which comprise an income statement, balance sheet, statement of changes in equity and notes, including 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 financial position of the Company at 31 December 2022, and of the results of the Company's operations for the financial year 1 January - 31 December 2022 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

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.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to 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 the 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 skepticism 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.

Independent auditor's report

- ▶ 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 note 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 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 audit 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 audit, 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 Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 5 July 2023

KPMG P/S

Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

David Olafsson
State Authorised Public Accountant
mne19737

Management's review

Company details

Name	Scandza Danmark ApS
Address, Postal code, City	Ahornvej 1, 4780 Stege
CVR no.	40 07 46 43
Established	6 December 2018
Registered office	Vordingborg
Financial year	1 January - 31 December
Executive Board	Kristian Walsøe, CEO
Auditors	KPMG P/S Statsautoriseret Revisionspartnerselskab Dampfærgevej 28, 2100 Copenhagen

Management's review

Business review

The Company's main activity is to conduct investment activities through ownership of companies within the food industry.

Financial review

The income statement for 2022 shows a loss of DKK 307,816 thousand against a loss of DKK 61,068 thousand last year, and the balance sheet at 31 December 2022 shows a negative equity of DKK 300,643 thousand. The large loss of the year is attributable to impairment losses of the company's investments in subsidiaries, as disclosed in note 7.

The company has lost more than 50% of the company's capital and is thus covered by the company law's rules on capital loss. The owner of Company is currently in the process of structuring the capital of the Company and the equity will during 2023 be restored by converting all or part of the group internal loan. Scandza Danmark ApS has a loan of DKK 650,483 with affiliated companies.

Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

Financial statements 1 January - 31 December

Income statement

Note	DKK'000	2022	2021
	Other external expenses	0	-50
	Gross profit	0	-50
4	Financial income	35,062	22,200
	Write-down on investments	-311,012	0
5	Financial expenses	-32,628	-87,138
	Profit/loss before tax	-308,578	-64,988
6	Tax for the year	762	3,920
	Profit/loss for the year	-307,816	-61,068
	Recommended appropriation of profit/loss		
	Retained earnings/accumulated loss	-307,816	-61,068
		-307,816	-61,068

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	2022	2021
	ASSETS		
	Fixed assets		
7	Investments		
	Investments in group enterprises	350,000	661,012
		<u>350,000</u>	<u>661,012</u>
	Total fixed assets	<u>350,000</u>	<u>661,012</u>
	Non-fixed assets		
	Receivables		
	Receivables from group enterprises	0	222,449
	Other receivables	50	50
		<u>50</u>	<u>222,499</u>
	Total non-fixed assets	<u>50</u>	<u>222,499</u>
	TOTAL ASSETS	<u>350,050</u>	<u>883,511</u>
	EQUITY AND LIABILITIES		
	Equity		
	Share capital	50	50
	Retained earnings	-300,693	7,123
	Total equity	<u>-300,643</u>	<u>7,173</u>
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Payables to group enterprises	650,483	876,228
	Other payables	210	110
		<u>650,693</u>	<u>876,338</u>
	Total liabilities other than provisions	<u>650,693</u>	<u>876,338</u>
	TOTAL EQUITY AND LIABILITIES	<u>350,050</u>	<u>883,511</u>

- 1 Accounting policies
- 2 Going concern uncertainties
- 3 Special items
- 8 Contractual obligations and contingencies, etc.
- 9 Related parties

Financial statements 1 January - 31 December

Statement of changes in equity

DKK'000	Share capital	Retained earnings	Total
Equity at 1 January 2021	50	68,191	68,241
Transfer through appropriation of loss	0	-61,068	-61,068
Equity at 1 January 2022	50	7,123	7,173
Transfer through appropriation of loss	0	-307,816	-307,816
Equity at 31 December 2022	50	-300,693	-300,643

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Scandza Danmark ApS for 2022 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

In accordance with section 112(1) of the Danish Financial Statements Act, the Company has not prepared consolidated financial statements.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and 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 rate 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 most recent financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial reporting period. The items comprise interest income and expenses, e.g. from group entities and associates, declared dividends from other securities and investments, financial expenses relating to finance leases, realised and unrealised capital gains and losses relating to other securities and investments, exchange gains and losses and amortisation of financial assets and liabilities.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The Company and its Danish group entities are jointly taxed. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Balance sheet

Investments in subsidiaries

Investments in subsidiaries and associates are measured at cost. Dividends received that exceed the accumulated earnings in the subsidiary or the associate during the period of ownership are treated as a reduction in the cost of acquisition.

Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments in subsidiaries and associates is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

Receivables

The Company has chosen IAS 39 as interpretation for impairment write-down of financial 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 has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Equity

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

Financial statements 1 January - 31 December

Notes to the financial statements

2 Going concern uncertainties

The management of the Company consider the equity as lost at the date of signing of this report. The management work together with the owners on various alternatives to strengthen the capital structure of the Company at to restore the equity. It has been agreed with the debt provider that interest for 2023 shall not be paid during the year but will instead be added to the principal. Management therefore consider the conditions for "Going Concern" as being met for 2023.

3 Special items

DKK'000	2022	2021
Expenses		
Write-down on investments	-311,012	0
	<u>-311,012</u>	<u>0</u>
Special items are recognised in the below items of the financial statements		
Write-down on investments	-311,012	0
Net profit/loss on special items	<u>-311,012</u>	<u>0</u>

4 Financial income

Interest receivable, group entities	0	10,629
Other financial income	35,062	11,571
	<u>35,062</u>	<u>22,200</u>

5 Financial expenses

Interest expenses, group entities	32,628	41,720
Other financial expenses	0	45,418
	<u>32,628</u>	<u>87,138</u>

6 Tax for the year

Estimated tax charge for the year	-762	-3,920
	<u>-762</u>	<u>-3,920</u>

Financial statements 1 January - 31 December

Notes to the financial statements

7 Investments

DKK'000	Investments in group enterprises
Cost at 1 January 2022	661,012
Cost at 31 December 2022	661,012
Impairment losses	-311,012
Value adjustments at 31 December 2022	-311,012
Carrying amount at 31 December 2022	350,000

Subsidiaries

Name	Legal form	Domicile	Interest
BISCA A/S	A/S	Stege	100.00%

The Group, who owns the Company, has during the last year been involved in capital structuring processes, in which several indications of fair market value of Bisca has been obtained. These indications of fair market value has been taken into consideration when determining the impairment losses.

8 Contractual obligations and contingencies, etc.

Contingent liabilities

The Company is part of a Danish joint taxation as a management Company for the subsidiaries. The Company is therefore liable in accordance with the rules of the Danish Companies Tax Act for income taxes, etc. for the jointly taxed companies and also for any obligations to contain withholding tax on interest, royalties and dividends for the jointly taxed companies.

9 Related parties

Scandza Danmark ApS' related parties comprise the following:

Parties exercising control

Related party	Domicile	Basis for control
Jordanes Investments AS	Oslo, Norway	Main share holder

Information about consolidated financial statements

Parent	Domicile
Jordanes AS	Henrik Ibsens Gate 60C, N-0255 Oslo

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"By my signature I confirm all dates and content in this document."

Kristian Walsøe

CEO

On behalf of: Scandza Danmark ApS

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2023-07-05 15:47:08 UTC



David Olafsson

KPMG P/S CVR: 25578198

State Authorised Public Accountant

On behalf of: KPMG Statsautoriseret Revisionspartners...

Serial number: *4058bcfd-38c5-4b06-a182-68cc88d0b3c9*

IP: *83.151.xxx.xxx*

2023-07-05 16:11:25 UTC



Christian Gorm Hoffmann

Chair of the meeting

On behalf of: Scandza Danmark ApS

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