

# Scandza Danmark ApS

Ahornvej 1  
4780 Stege  
Denmark

CVR no. 40 07 46 43

## **Annual report 2021**

The annual report was presented and approved at  
the Company's annual general meeting on

6 July 2022

Gorm Hoffmann

Chairman of the annual general meeting

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**Scandza Danmark ApS**  
Annual report 2021  
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## **Statement by the Executive Board**

The Executive Board has today discussed and approved the annual report of Scandza Danmark ApS for the financial year 1 January – 31 December 2021.

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

In my opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2021 and of the results of the Company's operations for the financial year 1 January – 31 December 2021.

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.

Vordingborg, 6 July 2022  
Executive Board:

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Kristian Walsøe

## 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 2021 comprising 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 Company's assets, liabilities and 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' 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.

#### Management's responsibility 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 that 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 made 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 company 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.

## Independent auditor's report

- 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 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 Statements Act. We did not identify any material misstatement of the Management's review.

København, 6 July 2022

**KPMG**

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

David Olafsson  
State Authorised  
Public Accountant  
mne19737

**Scandza Danmark ApS**  
Annual report 2021  
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## **Management's review**

### **Company details**

Scandza Danmark ApS  
Ahornvej 1  
4780 Stege  
Denmark

CVR no.:	40 07 46 43
Established:	6 December 2018
Registered office:	Vordingborg
Financial year:	1 January – 31 December

### **Executive Board**

Kristian Walsøe

### **Auditor**

KPMG  
Statsautoriseret Revisionspartnerselskab  
Dampfærgevej 28  
DK-2100 København Ø  
CVR no. 25 57 81 98

## **Management's review**

### **Operating review**

#### **Principal activities**

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

#### **Development in activities and financial position**

The Company's income statement for 2021 shows a loss of DKK -61,068 thousand as against DKK 114,841 thousand in 2020. Equity in the Company's balance sheet at 31 December 2021 stood at DKK 7,172 thousand as against DKK 68,240 thousand at 31 December 2020.

#### **Material uncertainties regarding going concern**

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 2022 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 2022.

#### **Events after the balance sheet date**

The Company's Management is not aware of any other significant events that occurred after the balance sheet date.

## Financial statements 1 January – 31 December

### Income statement

DKK'000	Note	2021	2020
Other external costs		<u>-50</u>	<u>-85</u>
<b>Gross loss</b>		<b>-50</b>	<b>-85</b>
Other financial income	4	22,200	157,080
Other financial expenses	5	<u>-87,138</u>	<u>-37,472</u>
<b>Profit/loss before tax</b>		<b>-64,988</b>	<b>119,523</b>
Tax on profit/loss for the year	6	<u>3,920</u>	<u>-4,682</u>
<b>Profit/loss for the year</b>		<b><u>-61,068</u></b>	<b><u>114,841</u></b>
<b>Proposed profit appropriation/distribution of loss</b>			
Retained earnings		<u>-61,068</u>	<u>114,841</u>
		<b><u>-61,068</u></b>	<b><u>114,841</u></b>



## Financial statements 1 January – 31 December

### Balance sheet

DKK'000	Note	31/12 2021	31/12 2020
<b>ASSETS</b>			
<b>Fixed assets</b>			
<b>Investments</b>	7		
Equity investments in group entities		<u>661,012</u>	<u>661,012</u>
<b>Total fixed assets</b>		<u>661,012</u>	<u>661,012</u>
<b>Current assets</b>			
<b>Receivables</b>			
Receivables from group entities		222,449	201,011
Other receivables		<u>50</u>	<u>50</u>
		<u>222,499</u>	<u>201,061</u>
<b>Total current assets</b>		<u>222,499</u>	<u>201,061</u>
<b>TOTAL ASSETS</b>		<u><u>883,511</u></u>	<u><u>862,073</u></u>

## Financial statements 1 January – 31 December

### Balance sheet

DKK'000	Note	31/12 2021	31/12 2020
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Contributed capital		50	50
Retained earnings		7,122	68,190
<b>Total equity</b>		<u>7,172</u>	<u>68,240</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Payables to group entities		876,228	789,090
Other payables		111	4,743
		<u>876,339</u>	<u>793,833</u>
<b>Total liabilities</b>		<u>876,339</u>	<u>793,833</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>883,511</u></u>	<u><u>862,073</u></u>
<b>Disclosure of material uncertainties regarding going concern</b>	2		
<b>Average number of full-time employees</b>	3		
<b>Contractual obligations, contingencies, etc.</b>	8		
<b>Related party disclosures</b>	9		

## Financial statements 1 January – 31 December

### Statement of changes in equity

DKK'000	Contributed capital	Retained earnings	Total
Equity at 1 January 2021	50	68,190	68,240
Transferred over the profit appropriation	0	-61,068	-61,068
<b>Equity at 31 December 2021</b>	<b>50</b>	<b>7,122</b>	<b>7,172</b>

## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies

The annual report of Scandza Danmark ApS for 2021 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in from higher reporting classes.

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

#### Omission of consolidated financial statements

Pursuant to section 112(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared. The financial statements of Scandza Danmark ApS and group entities are included in the consolidated financial statements of Jordanes AS, Oslo, Norway (org. no. 920355285).

#### Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates 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, 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

#### Other external costs

Other external costs comprise costs of distribution, sales and advertising, administrative expenses, costs of premises, bad debts, operating leases, etc.

#### Financial income and expenses

Financial income and expenses comprise interest income and expense, gains and losses on payables and transactions denominated in foreign currencies as well as surcharges and refunds under the on-account tax scheme, etc.

Dividends from equity investments in group entities measured at cost are recognised as income in the Parent Company's income statement in the financial year when the dividends are declared.

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

The Parent Company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. The subsidiaries are included in the joint taxation from the date when they are included in the consolidated financial statements and up to the date when they are excluded from the consolidation.

The Parent Company is the administrative company for the joint taxation and accordingly settles all payments of corporation tax to the tax authorities.

## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

On payment of joint taxation contributions, current Danish corporation tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have used the losses to reduce their own taxable profit.

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

### Balance sheet

#### Investments

Equity investments in group entities are measured at cost. In case of indication of impairment, an impairment test is conducted. When the cost exceeds the recoverable amount, write-down is made to this lower value.

#### Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable or a portfolio of receivables has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Receivables with no objective indication of individual impairment are assessed for objective indication of impairment on a portfolio basis. The portfolios are primarily based on the debtors' registered offices and credit rating in accordance with the Company's credit risk management policy. The objective indicators used in relation to portfolios are determined on the basis of historical loss experience.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast 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.

#### Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability. However, deferred tax is not recognised on temporary differences relating to goodwill non-deductible for tax purposes and on office premises and other items where the temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; 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. Any deferred net assets are measured at net realisable value.

## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

Deferred tax is measured in accordance with 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. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

#### Liabilities

Other liabilities are measured at amortised cost.

## Financial statements 1 January – 31 December

### Notes

#### 2 Material uncertainties regarding going concern

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 2022 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 2022.

#### 3 Average number of full-time employees

	<u>2021</u>	<u>2020</u>
Average number of full-time employees	0	0
	<u>0</u>	<u>0</u>

#### 4 Other financial income

Interest income from group entities	10,629	0
Gain on sales of equity investments in group entities	0	98,243
Exchange gains	<u>11,571</u>	<u>58,837</u>
	<u>22,200</u>	<u>157,080</u>

#### 5 Other financial expenses

Interest expense to group entities	41,720	37,472
Exchange losses	<u>45,418</u>	<u>0</u>
	<u>87,138</u>	<u>37,472</u>

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

Current tax for the year	0	4,682
Joint taxation for the year	<u>-3,920</u>	<u>0</u>
	<u>-3,920</u>	<u>4,682</u>

## Financial statements 1 January – 31 December

### Notes

#### 7 Investments

Name/legal form	Registered office	Ownership	Equity	Profit for the year
Subsidiaries:			DKK'000	DKK'000
Bisca A/S	Stege	100%	<u>283,220</u>	<u>15,650</u>
			<u>283,220</u>	<u>15,650</u>

Management has assessed that there is no indication of impairment of the investment in Bisca as at 31 December 2021. When assessing this, Management has evaluated the expected future cash flows from Bisca A/S' own operations as well as cash flows from Bisca A/S' 27.8% investment in Skagerak Holding AS (Norway). The assessment of Bisca A/S' activity is based on the updated business plan for 2022-2026 (December 2021).

Conservative Perpetual growth rates after 2026 of 1-2% and an applied after Tax WACC of 7.9% support the assessment that there is no impairment indication as at 31 December 2021.

The Ukraine/Russia war is considered a subsequent non adjusting event with regards to the business case assumptions. Management will in connection with the preparation of the 2022 Financial Statements reassess all base assumptions in the December 2021 business case in order to evaluate if there are any indications of impairment of the investment in Bisca A/S

#### 8 Contractual obligations, 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 party disclosures

Scandza Danmark ApS' related parties comprise the following:

##### Control

Jordanes Investments AS, Oslo, Norway (org. no. 812 481 282) wholly owns the contributed capital in the Company.

Scandza Danmark ApS is part of the consolidated financial statements of Jordanes AS, Henrik Ibsens Gate 60C, N-0255 Oslo, which is the smallest group in which the Company is included as a subsidiary.

The consolidated financial statements of Jordanes AS can be obtained by contacting the Company at the address above.