

## **Westfleisch Scandinavia ApS**

**Gammel Kongevej 1, 2**  
**1610 København V**

**CVR no. 40 36 04 25**

**Annual report for 2019**  
**(1st Financial year)**

Adopted at the annual general  
meeting on 30 April 2020

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Michael Schulze Kalthoff  
chairman

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

The executive board has today discussed and approved the annual report of Westfleisch Scandinavia ApS for the financial year 11 March - 31 December 2019.

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 2019 and of the results of the company's operations for the financial year 11 March - 31 December 2019.

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

The financial statements have not been audited. Management considers the criteria for not auditing the financial statements to be met.

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

Copenhagen, 30 April 2020

### **Executive board**

Michael Schulze Kalthoff  
director

Henrik Buchhave  
CEO

## **Independent auditor's review report**

### ***To the shareholder of Westfleisch Scandinavia ApS***

We have reviewed the accompanying financial statements of Westfleisch Scandinavia ApS for the financial year 11 March - 31 December 2019, which comprise, income statement, balance sheet, notes and summary of significant accounting policies.

### **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 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.

### **Auditor's Responsibility**

Our responsibility is to express a conclusion on the accompanying financial statements. We conducted our review in accordance with International Standard relating to Engagements to Review Historical Financial Statements and additional requirements under Danish Auditor regulation. This requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This requires us also to comply with relevant ethical requirements.

A review of financial statements in accordance with the International Standard relating to Engagements to Review Historical Financial Statements is a limited assurance engagement. The auditor performs procedures primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly we do not express an audit opinion on these financial statements.

### **Opinion**

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not give a true and fair view of the company's assets, liabilities and financial position as at 31 December 2019 and of its financial performance for the financial year 11 March - 31 December 2019 in accordance with the Danish Financial Stement Act.

## **Independent auditor's review report**

### **Emphasis of matter**

We draw attention to Note 1 in the financial statements, which indicates that the Company incurred a net loss of DKK 659,680 during the year ended December 31, 2019 and, as of that date, the Company's current liabilities exceeded its total assets by DKK 609,680.

These events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Copenhagen, 30 April 2020

### **Rödl & Partner Danmark**

Godkendt Revisionsaktieselskab  
CVR no. 39 18 86 78

Gitte Henckel  
statsautoriseret revisor  
MNE no. mne32734

## Company details

### The company

Westfleisch Scandinavia ApS  
Gammel Kongevej 1, 2  
1610 København V

CVR no.: 40 36 04 25

Reporting period: 11 March - 31 December 2019

Incorporated: 11. March 2019

Domicile: Copenhagen

### Executive board

Michael Schulze Kalthoff, director  
Henrik Buchhave, CEO

### Auditors

Rödl & Partner Danmark  
Godkendt Revisionsaktieselskab  
Winghouse Ørestads Boulevard 73  
2300 København S

### General meeting

The annual general meeting is held at the company's address on 30 April 2020.

## **Management's review**

### **Business review**

The purpose of the company is to broker purchase agreements as a trading agent and trade in meat and meat products and other related business.

### **Financial review**

The company's income statement for the year ended 31 December 2019 shows a loss of DKK 659,680, and the balance sheet at 31 December 2019 shows negative equity of DKK 609,680.

The Company's realised loss of DKK 659,680 is a result of start-up costs and realised income from provision, which is not yet at a level of future expectations. The parent company has issued a letter of support and a resignation statements to ensure going concern for the company until the company is self-supporting.

As a consequence of the realised loss, the company has lost more than half of its share capital. Management expects that the share capital will be reestablished through own operation.

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

The complete effect of the Company's activities due to the COVID-19 pandemic is unknown. Management expects that it could influence the following year, but the effect can currently not be quantified. Management expects that it is not critical as regards to the going concern of the Company.

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

## **Accounting policies**

The annual report of Westfleisch Scandinavia ApS for 2019 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 provisions as regards larger entities.

The annual report for 2019 is presented in DKK

As 2019 is the company's first reporting period, no comparatives have been presented.

### **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**

### **Gross profit**

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue less other external expenses.



## **Accounting policies**

### **Revenue**

Income from provision is recognised in the profit and loss statement in accordance with the contract and if the income can be measured reliably and it is probable that future economic benefits will flow to the company.

Revenue is measured at the fair value of the agreed consideration, excluding VAT and other indirect taxes. Revenue is net of all types of discounts granted.

### **Other external costs**

Other external costs include expenses related to distribution, sale, advertising, administration, premises, payments under operating leases, etc.

### **Staff costs**

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

### **Financial income and expenses**

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses, realised and unrealised exchange gains and losses on foreign currency transactions and surcharges and allowances under the advance-payment-of-tax scheme, etc.

### **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.

## **Balance sheet**

### **Receivables**

Receivables are measured at amortised cost.

## **Accounting policies**

### **Prepayments**

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

### **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.

### **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. If foreign currency transactions are considered cash flow hedges, the value adjustments are taken directly to equity.

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 11 March - 31 December**

	<u>Note</u>	<u>2019</u> DKK
<b>Gross profit</b>		<b>392,653</b>
Staff costs	2	<u>-1,037,681</u>
<b>Profit/loss before net financials</b>		<b>-645,028</b>
Financial costs	3	<u>-14,652</u>
<b>Profit/loss before tax</b>		<b>-659,680</b>
Tax on profit/loss for the year		<u>0</u>
<b>Profit/loss for the year</b>		<b><u><u>-659,680</u></u></b>
Retained earnings		<u>-659,680</u>
		<b><u><u>-659,680</u></u></b>

**Balance sheet 31 December**

	<u>Note</u>	<u>2019</u> DKK
<b>Assets</b>		
Receivables from affiliated companies		167,568
Other receivables		85,535
Prepayments		<u>43,364</u>
<b>Receivables</b>		<b><u>296,467</u></b>
<b>Cash at bank and in hand</b>		<b><u>243,533</u></b>
<b>Total current assets</b>		<b><u>540,000</u></b>
<b>Total assets</b>		<b><u><u>540,000</u></u></b>

**Balance sheet 31 December**

	<u>Note</u>	<u>2019</u> DKK
<b>Equity and liabilities</b>		
Share capital		50,000
Retained earnings		-659,680
<b>Equity</b>	4	<u><b>-609,680</b></u>
Other credit institutions		5,285
Trade payables		57,209
Payables to subsidiaries		926,139
Other payables		<u>161,047</u>
<b>Total current liabilities</b>		<u><b>1,149,680</b></u>
<b>Total liabilities</b>		<u><b>1,149,680</b></u>
<b>Total equity and liabilities</b>		<u><u><b>540,000</b></u></u>
Uncertainty about the continued operation (going concern)	1	
Rent and lease liabilities	6	

**Notes****1 Uncertainty about the continued operation (going concern)**

The Company's realised loss of DKK 659,680 is a result of start-up costs and realised income from provision, which is not yet at a level of future expectations. The parent company has issued a letter of support and a resignation statements to ensure going concern for the company until the company is self-supporting.

As a consequence of the realised loss, the company has lost more than half of its share capital. Management expects that the share capital will be reestablished through own operation.

	<u>2019</u> DKK
<b>2 Staff costs</b>	
Wages and salaries	947,355
Pensions	87,583
Other social security costs	<u>2,743</u>
	<b><u><u>1,037,681</u></u></b>
Average number of employees	<u>1</u>
<b>3 Financial costs</b>	
Interest paid to subsidiaries	11,559
Other financial costs	1,861
Exchange loss	<u>1,232</u>
	<b><u><u>14,652</u></u></b>

**Notes****4 Equity**

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 11 March 2019	50,000	0	50,000
Net profit/loss for the year	0	-659,680	-659,680
<b>Equity at 31 December 2019</b>	<b><u>50,000</u></b>	<b><u>-659,680</u></b>	<b><u>-609,680</u></b>

**5 Deferred income**

Deferred income consists of payments received in respect of income in subsequent financial years.

**6 Rent and lease liabilities****Rent and lease liabilities**

Operating lease liabilities.

Total future lease payments:

Within 1 year

2019

DKK

124,422

Between 1 and 5 years

117,742

**242,164**