



Tel.: +45 39 15 52 00
koebenhavn@bdo.dk
www.bdo.dk

BDO Statsautoriseret revisionsaktieselskab
Havneholmen 29
DK-1561 København V
CVR no. 20 22 26 70

LAKE VICTORIA VANILLA HOLDING APS

HASEJEVEJ 6, 3320 SKÆVINGE

ANNUAL REPORT

1 JANUARY - 31 DECEMBER 2022

**The Annual Report has been presented and
adopted at the Company's Annual General
Meeting on 19 June 2023**

Søren Søgaard

CVR NO. 40 64 91 23

CONTENTS

	Page
Company Details	
Company Details.....	3
Statement and Report	
Management's Statement.....	4
Independent Auditor's Report.....	5-7
Management Commentary	
Management Commentary.....	8
Financial Statements 1 January - 31 December	
Income Statement.....	9
Balance Sheet.....	10-11
Equity.....	12
Notes.....	13-14
Accounting Policies.....	15

COMPANY DETAILS

Company	Lake Victoria Vanilla Holding ApS Hasejevej 6 3320 Skævinge
	CVR No.: 40 64 91 23 Established: 8 July 2019 Municipality: Hillerød Financial Year: 1 January - 31 December
Board of Directors	Søren Søgaard, chairman Mette Brix Voetmann Mette Ravn
Executive Board	Mette Ravn
Auditor	BDO Statsautoriseret revisionsaktieselskab Havneholmen 29 1561 Copenhagen V

MANAGEMENT'S STATEMENT

Today the Board of Directors and Executive Board have discussed and approved the Annual Report of Lake Victoria Vanilla Holding ApS for the financial year 1 January - 31 December 2022.

The Annual Report is presented 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 2022 and of the results of the Company's operations for the financial year 1 January - 31 December 2022.

The Management Commentary includes in our opinion a fair presentation of the matters dealt with in the Commentary.

We recommend the Annual Report be approved at the Annual General Meeting.

Skævinge, 19 June 2023

Executive Board

Mette Ravn
Managing Director

Board of Directors

Søren Søgaard
Chairman

Mette Brix Voetmann

Mette Ravn

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Lake Victoria Vanilla Holding ApS

Opinion

We have audited the Financial Statements of Lake Victoria Vanilla Holding ApS for the financial year 1 January - 31 December 2022, which comprise income statement, Balance Sheet, statement of changes in equity, notes and a summary of significant 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 assets, liabilities and 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 are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Emphasis of matter

We draw the attention to the fact that the Company holds an investment in Lake Victoria Vanilla Farm Tanzania LTD, which is still in its start-up phase and awaiting the first vanilla production. The investment is recognized at cost of DKK 2,654,874 in the annual report. In addition, the Company has provided loans to the subsidiary in Tanzania of totally DKK 3,221 T.DKK at 31 December 2022 including added interest. Management assesses that the profit potential of the investment in the long-term can be significant and also expects that the loans from the subsidiary in the long-term will be fully recoverable. Due to the fact that Lake Victoria Vanilla Farm Tanzania LTD is still in its start-up phase where funding from the Danish parent or other sources are still required, we assess that the valuation of the investment and the loan receivable at this stage is subject to more than normal uncertainty. Our conclusion is not modified regarding this matter.

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 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 judgment 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.
- 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 Commentary

Management is responsible for Management Commentary.

Our opinion on the Financial Statements does not cover Management Commentary, 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 Management Commentary and, in doing so, consider whether Management Commentary 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 Commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that Management Commentary 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 Commentary.

INDEPENDENT AUDITOR'S REPORT

Copenhagen, 19 June 2023

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Kim Mücke
State Authorised Public Accountant
MNE no. mne10944

MANAGEMENT COMMENTARY

Primary activities

The primary activity of the Company is to invest in entities that produce and trade vanilla, as well as other related business.

Development in activities and financial and economic position

In the current year the Company has realized a profit of DKK 141 thousand versus a loss of DKK 23 thousand in prior year.

In 2022 the Company has carried out a capital increase of DKK 1.8 million in the subsidiary located in Tanzania, which has contributed to the size of the investment portfolio. In addition, the Company has provided loans to the subsidiary to finance the start-up operations of the subsidiary. The investment and the loans are carried at cost. Management is confident that the carrying amounts are at least equal to the recoverable amount based on our positive expectations to the financial performance in the mid- to long-term and considering that the investment is on track according to the business plan for the subsidiary. Being a start-up company, which is still in its start-up phase and awaiting the first vanilla production, though, there is a risk that the investment will not materialise as expected, and hence readers of the financial statements should note that there is a higher than normal uncertainty as to the recoverability of the investments and the loan receivables.

Furthermore, two capital increases were performed in 2022 resulting in a combined capital increase of equity of totally DKK 3.6 million, which is to contribute to the continuous funding of the Company's activities.

Events after the end of the financial year

No events have occurred subsequently to the end of the financial year of material significance for the Company's financial position.

In 2023, Management will continue its activities with securing funding to support the activities in the subsidiaries until the subsidiaries will be self-financing, expectedly in 2025.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2022 DKK	2021 DKK
GROSS PROFIT		541,608	405,621
Staff costs.....	1	-748,661	-563,078
OPERATING LOSS		-207,053	-157,457
Other financial income.....	2	360,355	139,158
Other financial expenses.....	3	-696	-4,243
PROFIT BEFORE TAX		152,606	-22,542
Tax on profit/loss for the year.....	4	-11,737	0
PROFIT FOR THE YEAR		140,869	-22,542
PROPOSED DISTRIBUTION OF PROFIT			
Retained earnings.....		140,869	-22,542
TOTAL		140,869	-22,542

BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	2022 DKK	2021 DKK
Investments in subsidiaries.....		2,654,874	835,382
Other equity investments.....		298,962	0
Receivables from Group companies.....		3,516,736	3,047,069
Financial non-current assets.....	5	6,470,572	3,882,451
NON-CURRENT ASSETS.....		6,470,572	3,882,451
Other receivables.....		15,369	30,179
Receivables.....		15,369	30,179
Cash and cash equivalents.....		1,735,821	579,446
CURRENT ASSETS.....		1,751,190	609,625
ASSETS.....		8,221,762	4,492,076

BALANCE SHEET AT 31 DECEMBER

EQUITY AND LIABILITIES	Note	2022 DKK	2021 DKK
Share capital.....		141,981	103,500
Retained earnings.....		7,954,105	4,251,813
EQUITY.....		8,096,086	4,355,313
Trade payables.....		53,912	55,536
Payables to owners and management.....		8,559	275
Joint tax contribution payable.....		11,737	0
Other liabilities.....		51,468	80,952
Current liabilities.....		125,676	136,763
LIABILITIES.....		125,676	136,763
EQUITY AND LIABILITIES.....		8,221,762	4,492,076
 Contingencies etc.	 6		

EQUITY

	Share capital	Retained earnings	Total
Equity at 1 January 2022.....	103,500	4,251,813	4,355,313
Proposed profit allocation.....		140,869	140,869
Capital increase.....	38,481		38,481
Transfer.....		3,561,423	3,561,423
Equity at 31 December 2022.....	141,981	7,954,105	8,096,086

NOTES

			Note
Staff costs			1
Average number of employees	1	1	
Wages and salaries.....	679,265	478,864	
Social security costs.....	6,506	5,823	
Other staff costs.....	62,890	78,391	
	748,661	563,078	
Other financial income			2
Other Interest Income.....	189,721	1,580	
Exchange rate adjustment.....	170,634	137,578	
	360,355	139,158	
Other financial expenses			3
Other interest expenses.....	696	4,243	
	696	4,243	
Tax on profit/loss for the year			4
Calculated tax on taxable income of the year.....	11,737	0	
	11,737	0	
Financial non-current assets			5
	Investments in subsidiaries	Investments in equity	Receivables from Group companies
Cost at 1 January 2022.....	835,382	0	3,047,069
Additions.....	1,819,492	298,962	469,667
Cost at 31 December 2022.....	2,654,874	298,962	3,516,736
Carrying amount at 31 December 2022.....	2,654,874	298,962	3,516,736

Investments in subsidiaries and receivables from group enterprises primarily represents the Company's financing of its subsidiary in Tanzania. Both the investment and the receivables are carried at cost. Management is confident that the carrying amounts are at least equal to the recoverable amounts based on our positive expectations to the financial performance in the mid- to long-term of the subsidiary including considering that the investment is on track according to the business plan for the subsidiary. Being a start-up company, which is still in its start-up phase and awaiting the first vanilla production, though, there is an inherent risk that the investment will not materialise as expected, and hence readers of the financial statements should note that there is a higher than normal uncertainty as to the recoverability of the investments and the loan receivables.

NOTES

Fixed asset investments (continued)	Note
Investments in subsidiaries	5

Name and domicil	Ownership
Lake Victoria Vanilla Farm Tanzania LTD, Tanzania.....	100 %
Mette Ravn Vanilje ApS, Denmark.....	100 %

Contingencies etc.	6
---------------------------	----------

Joint liabilities

The Danish companies of the Group is jointly and severally liable for tax on the Group's jointly taxed income and for certain possible withholding taxes such as dividend tax and royalty tax, and for the joint registration of VAT.

Tax payable of the Group's jointly taxed income amounts to DKK 2,200 thousand at the Balance Sheet date.

Support letter subsidiary

The Company has issued a letter financial support letter to a subsidiary valid until 31 december 2023.

ACCOUNTING POLICIES

The Annual Report of Lake Victoria Vanilla Holding ApS for 2022 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class B and certain provisions applying to reporting class C.

The Annual Report is prepared consistently with the accounting principles applied last year.

INCOME STATEMENT

Net revenue

Net revenue consists of intercompany administration fees and is recognised in the Income Statement based on the invoicing for services provided during the financial year.

Net revenue is recognised exclusive of VAT and less duties and discounts related to the sale.

Cost of sales

Cost of sales comprise costs incurred to achieve the net revenue for the year, including direct and indirect costs of raw materials and consumables.

Other external expenses

Other external expenses include administrative costs.

Staff costs

Staff costs comprise wages and salaries, including holiday pay and pensions, and other costs of social security etc., for the Company's employees.

Financial income and expenses

Financial income and expenses comprises income and loss from intercompany interest on group loans as well as currency losses and other minor interests.

BALANCE SHEET

Financial non-current assets

Investments in subsidiaries and equities are measured at cost. If the cost exceeds the net realisable value, this is written down to the lower value.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the recoverable amount is lower than the carrying amount, the asset is written down to the recoverable amount.

Receivables

Receivables are measured at amortised cost which usually corresponds to nominal value. The value is written down to meet expected losses.

Cash

Cash include cash at bank.

Tax payable and deferred tax

The Company is subject to joint taxation with Danish Group companies. The current corporation tax is distributed among the joint taxable companies in proportion to their taxable income and with full allocation and refund related to tax losses. The joint taxable companies are included in the tax-on-account scheme. Joint taxation contributions receivable and payable are recognised in the Balance Sheet under current assets and liabilities, respectively.

Liabilities

The amortised cost of current liabilities corresponds usually to the nominal value.