

Valhall ApS

Valhall ApS
Niels Jernes Vej 10
9220 Aalborg Øst
Denmark

CVR no. 40 87 91 96

**Annual report for the financial year 23 October 2019 - 30
June 2020**

The annual report was presented and approved at the
Company's annual general meeting
on SEPTEMBER 17 20 20
Søren A. Jørgensen
chairman of the annual general meeting

Valhall ApS

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Statement by the Executive Board

The Executive Board have today discussed and approved the annual report of Valhall ApS for the financial year 23 October 2019 – 30 June 2020.

The annual report has been prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 30 June 2020 and of the results of the Company's operations and cash flows for the financial year 23 October 2019 – 30 June 2020.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's activities and financial matters, of the results for the year and of the Company's financial position.

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

Aalborg, 17 September 2020

Executive Board:


Søren Agersbæk Jensen


Søren Bondo Andersen



Independent auditor's report

To the shareholders of Valhall ApS

Opinion

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 30 June 2020 and of the results of the Company's operations and cash flows for the financial year 23 October 2019 - 30 June 2020 in accordance with the International Financial Reporting Standards as adopted by the EU and additional requirements in the Danish Financial Statements Act.

Audited financial statements

Valhall ApS' financial statements for the financial year 23 October 2019 - 30 June 2020 comprise the income statement, statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including summary of significant accounting policies (the financial statements). The financial statements are prepared in accordance with the International Financial Reporting Standards as adopted by the EU and additional requirements in 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' 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 rules and requirements.

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.



Independent auditor's report

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.

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 International Financial Reporting Standards as adopted by the EU and additional requirements in 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 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 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 taken 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 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 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.

Aalborg, 17 September 2020

KPMG

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98



Steffen S. Hansen
State Authorised
Public Accountant
mne32737

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Management's review

Company details

Valhall ApS
Niels Jernes Vej 10
9220 Aalborg Øst
Denmark

CVR no.	40 87 91 96
Established:	23 October 2019
Registered office:	Aalborg
Financial year:	1 July – 30 June
First financial year:	23 October 2019 – 30 June 2020

Executive Board

Søren Agersbæk Jensen
Søren Bondo Andersen

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Østre Havnegade 18
DK-9000 Aalborg

Annual general meeting

The annual general meeting will be held on 17 September 2020.

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Management's review

Financial highlights

	23/10 2019- 30/6 2020
DKK'000	
Revenue	0
Operating profit/loss	-6
Profit/loss from finance income and finance costs	-4
Profit/loss for the year	-8
Total assets	1,494
Equity	1,492
Cash flows from operating activities	-7
Cash flows from investing activities	0
Cash flows from financing activities	8
Total cash flows	1

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Management's review

Operating review

Principal activities

The Company did not have any activity during the financial year.

Development in activities and financial position

Incurred costs relate to the start-up of the Company.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date that would influence the assessment and evaluation of the annual report in any substantial way.

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Financial statements 23 October 2019 – 30 June 2020**Income statement**

DKK	Note	2019/20
Revenue		0
Administrative expenses		-6,295
Operating profit/loss		-6,295
Finance income		0
Finance costs	2	-3,697
Profit/loss before tax		-9,992
Tax on profit/loss for the year	3	1,868
Profit/loss for the year		<u>-8,124</u>

Statement of comprehensive income

DKK	2019/20
Profit/loss for the year	-8,124
Total comprehensive income	<u>-8,124</u>

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Financial statements 23 October 2019 – 30 June 2020**Balance sheet**

DKK	Note	30/6 2020
ASSETS		
Current assets		
Receivables		
Amounts owed by group entities		1,491,750
Income tax receivable		1,868
Total receivables		1,493,618
Cash and cash equivalents	4	758
Total current assets		1,494,376
TOTAL ASSETS		1,494,376
EQUITY AND LIABILITIES		
Equity		
Contributed capital	5	50,000
Retained earnings		1,441,876
Total equity		1,491,876
Current liabilities		
Other payables		2,500
Total current liabilities	6	2,500
TOTAL EQUITY AND LIABILITIES		1,494,376

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Financial statements 23 October 2019 – 30 June 2020**Statement of changes in equity**

DKK	Contributed capital	Retained earnings	Total equity
Equity at 23 October 2019	<u>50,000</u>	<u>1,450,000</u>	<u>1,500,000</u>
Comprehensive income			
Effect of profit appropriation	<u>0</u>	<u>-8,124</u>	<u>-8,124</u>
Total comprehensive income	<u>0</u>	<u>-8,124</u>	<u>-8,124</u>
Equity at 30 June 2020	<u>50,000</u>	<u>1,441,876</u>	<u>1,491,876</u>

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Financial statements 23 October 2019 – 30 June 2020**Cash flow statement**

DKK	Note	2018/19
Profit/loss for the year		-8,124
Other adjustments of non-cash operating items	7	1,829
Cash generated from operations before changes in working capital		-6,295
Changes in working capital	8	2,500
Cash generated from operations		-3,795
Net finance income/finance costs		-3,697
Cash flows from operating activities		-7,492
Acquisition of intangible assets and property, plant and equipment		0
Cash flows from investing activities		0
Shareholders:		
Capital increase		1,500,000
Change in intercompany loan		-1,491,750
Cash flows from financing activities		8,250
Cash flows for the year		758
Cash and cash equivalents at the beginning of the year		0
Cash and cash equivalents at year end	4	758

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Financial statements 23 October 2019 – 30 June 2020**Overview of notes****Note**

1	Accounting policies
2	Finance costs
3	Tax on profit/loss for the year
4	Cash and cash equivalents
5	Contributed capital and capital management
6	Current liabilities
7	Other adjustments of non-cash operating items
8	Changes in working capital
9	Contractual obligations, contingencies, etc.
10	Financial risks and the use of derivative financial instruments
11	Related party disclosures
12	Events after the balance sheet date
13	New accounting standards not yet adopted

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Financial statements 23 October 2019 – 30 June 2020

Notes

1 Accounting policies

The annual report of for the financial year 23 October 2019 – 30 June 2020 has been prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements. The Company is classified as reporting class B according to the Danish Financial Statements Act.

The accounting policies set out below have been used consistently in respect of the financial year.

The Annual report is presented in DKK.

Foreign currency translation

Transactions in foreign currencies are translated into the Company's functional currency at the exchange rates on the transaction date.

Monetary assets and liabilities denominated in foreign currencies are translated into functional currency at the exchange rates on the reporting date.

Non-monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. Those measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Those that are measured based on historical cost in foreign currency are translated at the exchange rate at the date of the transaction.

Foreign currency differences are generally recognised in profit and loss except for certain equity instruments available for sale, financial liabilities and hedging instruments.

Income statement

Revenue

Revenue comprises net income from the principal activities of the Company. Financial derivatives are measured at fair value. Trading costs and other costs directly related to the revenue are recognised correspondingly.

Administrative expenses

Administrative expenses comprise expenses incurred during the year for management and administration of the Company, including expenses for administrative staff, management, office premises, office expenses and depreciation.

Finance income and costs

Finance income and costs comprise interest income and expense, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Tax on profit/loss for the year

Tax for the year comprises current 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 at the amount attributable to the profit/loss for the year and directly in equity at the amount attributable to entries directly in equity.

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Notes

1 Accounting policies (continued)

Balance sheet

Receivables

Receivables are measured at amortised cost.

Write-downs are made to counter losses on the basis of expected losses using the simplified expected credit loss model.

Receivables are monitored on an ongoing basis in accordance with the Company's risk policy.

Equity

Dividends

The expected dividend payment for the year is disclosed as a separate item under equity.

Corporation 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.

Liabilities

Financial liabilities are recognised at the date of borrowing at fair value, corresponding to the proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest rate. Accordingly, the difference between cost and the nominal value is recognised in the income statement over the term of the loan together with interest expenses.

Other liabilities are measured at amortised cost, which usually corresponds to nominal value.

Cash flow statement

The cash flow statement shows the Company's cash flows from operating, investing and financing activities for the year, the year's changes in cash and cash equivalents as well as the Company's cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities

Cash flows from operating activities are calculated as the profit/loss for the year adjusted for non-cash operating items, changes in working capital and corporation tax paid.

Cash flows from investing activities

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of entities and activities, intangible assets, property, plant and equipment and investments.

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Notes

1 Accounting policies (continued)

Cash flows from financing activities

Cash flows from financing activities comprise changes in size or composition of the Company's contributed capital and costs in this respect as well as raising of loans, instalments on interest-bearing debt and distribution of dividends to owners.

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term marketable securities with a short term, which are easily convertible into cash and which are subject to only an insignificant risk of changes in value.

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DKK	<u>2019/20</u>
2 Finance costs	
Other interest expense measured at amortised cost	1,197
Other financial costs	<u>2,500</u>
	<u>3,697</u>
3 Tax on profit/loss for the year	
Current tax for the year (recognised in income statement)	<u>1,868</u>
	<u>1,868</u>
Reconciliation of tax rate	
Tax according to Danish tax rate, 22%	2,198
Tax effect of: Non-deductible costs	<u>330</u>
	<u>1,868</u>
Effective tax rate	<u>19%</u>
4 Cash and cash equivalents	
DKK	<u>30/6 2020</u>
Cash and cash equivalents at 30 June comprise:	
Cash	<u>758</u>
Cash and cash equivalents at 30 June 2020	<u>758</u>
5 Contributed capital and capital management	
The contributed capital (all fully paid) consists of:	
A shares of nom. DKK 1,500,000 each	
The current level of contributed capital is deemed to be sufficient and appropriate to support the principal activities of the Company. Loan facilities with banks are to be negotiated to support the cash resources.	
6 Current liabilities	
Current liabilities include accrued costs and will all be paid within 1 year.	

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Financial statements 23 October 2019 – 30 June 2020**Notes**

DKK	<u>2019/20</u>
7 Other adjustments of non-cash operating items	
Finance costs	3,697
Tax on profit/loss for the year	<u>-1,868</u>
	<u>1,829</u>
8 Changes in working capital	
Change in trade and other receivables	
Change in trade and other payables	<u>2,500</u>
	<u>2,500</u>
9 Contractual obligations, contingencies, etc.	
At 30 June 2020 The Company has not entered into any operating leasing contracts.	
The Company is jointly taxed with other Danish companies in the Group. As a jointly taxed company, the Company has joint unlimited liability for Danish corporation taxes and withholding taxes on dividends, interest and royalties within the joint taxation unit. Any subsequent corrections of income subject to joint taxation or withholding taxes could result in an increased liability for the Company.	
10 Financial risks and the use of derivative financial instruments	
As a result of its operations, the Company is exposed to a number of financial risks, including market, liquidity and credit risks.	
The Company has a comprehensive risk framework in place to manage the risks in the Company. The risk framework has been approved by the Executive Board.	
Market risk	
There is a risk that the fair value of or future cash flows from a financial instrument will fluctuate due to changes in market prices.	
The currency risk is low due to trading in DKK, and therefore no hedging is performed.	
Liquidity risks	
There is a risk that the Group will encounter difficulties in meeting obligations associated with financial liabilities.	
The Company will ensure the highest possible flexibility by maintaining a capital structure with strong equity financing.	
Credit risks	
There is a risk that a counterparty to a financial instrument is unable to fulfil its obligations and thereby will inflict a loss on the Company.	
No significant risks due to the type of counterparties.	

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Notes

11 Related party disclosures

Valhall ApS' related parties comprise its Executive Board and holding company, Yggdrasil Commodities ApS, which is controlled by the following holding companies:

Søren Bondo Andersen Holding ApS
Ryesgade 11 A
9000 Aalborg
Denmark

SAJ Finans ApS
Klarup Kirkevej 34
9270 Klarup
Denmark

Related parties also include the following sister companies:

Thordin ApS
Niels Jernes vej 10
9220 Aalborg Øst
Denmark

Nidhog ApS
Niels Jernes vej 10
9220 Aalborg Øst
Denmark

Dvalin ApS
Niels Jernes vej 10
9220 Aalborg Øst
Denmark

Related party transactions

Amounts owed to group entities (DKK 1,492 thousand) comprise debt to Yggdrasil Commodities ApS.

12 Events after the balance sheet date

No events have occurred after the balance sheet date to this date that would influence the assessment and evaluation of this annual report in any substantial way.

13 New accounting standards not yet adopted

The IASB has issued a number of new or amended accounting standards and interpretations, effective after 30 June 2020. The approved, though not yet effective, standards and IFRICs will be applied as they become mandatory for the Company.

None of the standards or interpretations – including IFRS 17 – is expected to affect the financial reporting.