

AAK DENMARK HOLDING A/S

Slipvej 4
8000 Aarhus C

Annual report
1 January 2022 - 31 December 2022

**The annual report has been presented and
approved on the company's general meeting the**

Juan-Luis Call Bendt

Chairman of general meeting

CVR-nr. 45954919

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Company information

Reporting company AAK DENMARK HOLDING A/S
Slipvej 4
8000 Aarhus C
Phone number: 87306000
Fax number: 87306012
CVR-nr: 45954919
Reporting period: 01/01/2022 - 31/12/2022

Auditor KPMG P/S
Frederiks Plads 42
8000 Aarhus C
DK Denmark
CVR-nr: 25578198

Statement by Management

The board of directors and the managing director have today presented the annual report of AAK Denmark Holding A/S for the financial year 1 January to 31 December 2022.

The annual report has been 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 and liabilities and its financial position as on 31 December 2022 and of the company's results of its activities in the financial year 1 January to 31 December 2022.

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 of the year and of the development in the Company's financial position.

The annual report is recommended for approval by the general meeting.

Aarhus, 30 June 2023

Management

Dorthe Bruun

Lisbeth Marianne Persson

Board of directors

Jarl Peter Göran Andreasson

Lisbeth Marianne Persson

Pontus Anders Johan Malmunger

The independent auditor's report on financial statements

To the shareholders of AAK DENMARK HOLDING A/S

Opinion

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.

We have audited the Financial Statements of AAK Denmark Holding A/S for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("financial statements").

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' 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 requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management 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 responsibility

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.

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 the management's review

Management is responsible for Management's Review.

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

Based on the work we have performed, in our view, 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 in Management's Review.

Aarhus, 30 June 2023

KPMG P/S
Statsautoriseret Revisionspartnerselskab
CVR:25578198

Steffen Sjørlev Hansen
statsautoriseret revisor
mne32737

Mikkel Trabjerg Knudsen
statsautoriseret revisor
mne34459

Management's Review

The main activity for AAK Denmark Holding A/S is to be a holding company for Danish and foreign companies. The main activity of these companies is to develop and produce vegetable oils of high quality, as ingredients for the food industry among others.

The company result for 2022 is 436 mDKK which is in line with expected. The result is mainly affected by received dividend from AAK Mexico S.A, de C.V. at 448 mDKK.

The equity as at end of 2022 is 1,436 mDKK.

Outlook

The result for 2023 is expected to be lower than 2023, as dividend payments from subsidiaries are expected to be lower in 2023. However, the result depends on decisions made for dividend payment during the year.

Reporting on corporate social responsibility

AAK have released the AAK Sustainability report 2022 at www.aak.com. The report covers most of AAK Group, including AAK Denmark Holding A/S. The information in the AAK Sustainability report 2022 covers the required information pursuant to the Danish Financial Statements Act § 99a on social responsibility.

We refer to the report by this internet address:

<https://www.aak.com/siteassets/sustainability/sustainability-reports/aak-sustainability-report-2022-final.pdf>

Reporting on gender composition of management.

The board of the company have an equal composition in relation to gender – two males and one female. According to the Danish Financial Statements Act §99b we therefore live up to the target of equal gender balance in the board.

The company do not have any employees, so it is not relevant to report on gender composition of other management.

Reporting on data ethics.

The company's ethics guidelines have been defined in The AAK Group Code of conduct:

<https://www.aak.com/about-AAK/code-of-conduct/>

The AAK Group Code of conduct includes a paragraph with guidelines about 'Information and communication'. All AAK employees are introduced to AAK Code of Conduct.

The company have a limited use of data technology and data. Therefore, what is outlined in the code-of-conduct covers our data ethics policy following the requirements for §99d in the Danish Financial Statement Act. The company will review its data use and make any necessary additions in the future.

Key figures and Financial Ratios

Key figures

mDKK	2022	2021	2020	2019	2018
Income from investment in group enterprises	438,4	414,0	-15,3	1.178,3	410,0
Profit from ordinary operating activities	438,3	413,9	-15,3	1.177,9	410,0
Net financials	-2,9	0,3	0,1	-0,3	1,1
Profit (loss) for the year	435,8	413,9	-15,3	1,178,0	410,9
Total assets	1.438,9	1.001,7	1.774,7	1.361,4	1.253,3
Equity	1.435,8	1.000,0	1.346,1	1.361,4	1.253,3

Financial ratios

Equity ratio	99,8%	99,8%	75,8%	100,0%	100,0%
Return on Equity	35,8%	35,3%	-1,1%	90,1%	30,7%

Income Statement 1 January - 31 December 2022

	Disclosure	2022	2021
kDKK			
Income from investments in group enterprises	2	438.409	413.955
Administrative expenses		-134	-57
Profit (loss) from operating activities		438.275	413.898
Other finance income from group enterprises		612	284
Other finance income		0	2
Finance expenses arising from group enterprises		-18	-12
Sundry finance expenses		-3.515	10
Profit (loss) from activities before tax		435.354	414.182
Tax expense	3	446	-292
Profit (loss) for the year	4	435.800	413.890

Balance sheet 31 December 2022

Assets	Disclosure	2022	2021
kDKK			
Investments in group enterprises		957.565	967.565
Investments	5	957.565	967.565
Deferred tax asset	6	0	2.184
Total non-current assets		957.565	969.749
Receivables from group enterprises		444.516	18.873
Tax receivables		33.807	13.060
Receivables		478.323	31.933
Current assets		478.323	31.933
Total assets		1.435.888	1.001.682

Balance sheet 31 December 2022

	Disclosure	2022	2021
Liability and equity			
kDKK			
Contributed capital	7	400.000	400.000
Retained earnings		1.035.810	600.010
Total equity		1.435.810	1.000.010
Other payables, including tax payables, liabilities other than provisions			
		64	64
Payables to group enterprises		14	1.608
Short-term liabilities other than provisions, gross		78	1.672
Liabilities other than provisions, gross		78	1.672
Liabilities and equity, gross		1.435.888	1.001.682
Disclosure of contingent liabilities	8		
Disclosure of ownership	9		
Information on transactions with related parties	10		

Statement of change in equity 1 January - 31 December 2022

	Contributed capital	Retained earnings	Total
kDKK			
Equity, beginning balance	400.000	600.010	1.000.010
Profit (loss)	0	435.800	435.800
Equity, ending balance	400.000	1.035.810	1.435.810

Disclosures

1 Accounting Policies

The annual report has been prepared in accordance with the regulation applying to Reporting class C, large-size enterprise.

The accounting policies used are unchanged compared to last year.
The annual accounts are presented in Danish kroner (DKK).

No consolidated annual accounts have been prepared; cf. section 112(1) of the Danish Financial Statements Act. The annual accounts of AAK Denmark Holding A/S and its group enterprises are included in the consolidated annual accounts for AAK AB, Malmo, Sweden (reg.no. 556669-2850).

Pursuant to section 86(4) of the Danish Financial Statements Act, no cash flow statement for the enterprise has been prepared, as the relevant information is included in the consolidated annual accounts of AAK AB.

Pursuant to section 96(3) of the Danish Financial Statements Act, it has been decided not to disclose of audit fee for the company. The relevant information is included in the consolidated annual accounts of AAK AB.

Translation of foreign currency

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction.

Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognized in the profit and loss account as an item under net financials.

Debtors, creditors, and other monetary items in foreign currency are translated by using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or the recognition in the latest annual accounts of the amount owed or the liability is recognized in the profit and loss account under financial income and expenses.

Profit and loss account

Administration costs

Administration costs comprise costs which have been incurred during the year for management and administration.

Income from investments in group enterprises

Dividends from group enterprises are recognized in the profit and loss account in the financial year where dividend have been declared. In the circumstances that the dividend exceeds the accumulated profit after acquisition, are dividends recognized as a reduction in acquisition cost.

Financial income and expenses

Financial income and expenses include interest, gain and loss on financial assets, debt and transaction in foreign currency and amortizing of financial assets and liabilities.

Tax of the result of the year

AAK Denmark Holding A/S is taxed jointly with other Danish AAK companies. The actual tax is split between companies relative to the companies taxable income.

The tax for the year comprises the current tax for the year and the changes in deferred tax and it is recognized in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The balance Sheet**Investment in group enterprises**

Investments in group enterprises are measured at cost. Write-down takes place to recoverable value, if this value is lower than book value. Book value are reduced with dividend that exceeds the accumulated profit after acquisition.

Receiveables

Receiveables are measured at amortized cost which usually corresponds to the nominal value. In order to meet expected losses, write-down takes place at the net realizable value.

Equity

Proposed dividend is recognized as a liability at the time of declaration. Proposed dividend is shown as a separate item under equity.

Corporate tax and deferred tax

Current tax receivable and tax liabilities are recognized in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes.

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax.

Other liabilities

Other liabilities are measured at amortized cost which usually correspond to the nominal value.

Financial ratios

The financial ratios given in Key Figures and Financial Ratios are calculated this way:

- Equity ratio: $\text{Equity, end of year} \times 100 / \text{Total liability assets, end of year}$
- Return on equity: $\text{Profit} \times 100 / \text{Average equity}$

	2022	2021
	mDKK	mDKK
2 Income from investment in group enterprises		
Dividend	448	431
Revaluation of investment i group enterprises	-10	-17
	438	414

	2022	2021
	kDKK	kDKK
3 Tax expense		
Tax expense (- income, + costs)		
Current tax	1.511	-2.476
Change in tax related to earliere periods	226	0
Change in deferred tax	-2.183	2.183
	-446	-293

	2022	2021
	kDKK	kDKK
4 Proposed distribution of results		
Proposed dividend	0	0
Retained earnings	435.800	413.890
Result	435.800	413.890

		mDKK
5 Investment in group enterprises		
Acquisitions 1 January 2022		1.012
Disposals		0
Acquisitions 31 December 2022		1.012
Revaluations, 1 January 2022		-44
Revaluation of the year		-10
Revaluations, 31 December 2022		-54
Book value, 31 December 2022		958

Revaluations 31 December 2022 are related Aarhus 1 A/S (17mDKK) and AAK UK Ltd (37 mDKK)

Investment in group enterprises includes:

Name and domicile	Share of ownership %	Equity 31	Result 2022
		December 2022 mDKK	mDKK
AAK Mexico S.A, de C.V. Morelia, Mexico	94	379,0	138,5
AAK UK Ltd., Hull, Great Britain	100	211,5	0,8
Rowallan Creamery Limited, Great Britain	100	40,3	0,0
UNICAO Limited, Great Britain	100	0,1	0,0
Allied Foods Limited, Great Britain	100	47,7	0,0
AAK Denmark A/S, Aarhus, Denmark	100	1.275,4	200,0
Aarhus 3 A/S, Aarhus, Denmark	100	13,8	0,2
Aarhus 1 A/S, Aarhus, Denmark	100	31,3	-0,1
Ceylon Trading Co. Ltd, Sri Lanka *	100	14,0	-0,1
Maersk Lanka (PVT) LTD.*	30		
Anglia Oils Ltd., Hull, Great Britain	100	0,6	0,0
AAK USA Inc., USA	100	247,9	84,8
AAK Canada Ltd.. Canada	100	47,7	5,3
AAK USA K1, LLC, USA	100	995,2	167,2
AAK USA K2, LLC, USA	100	83,1	-1,0
AAK USA Realco, LLC, USA	100	29,7	2,2
Oasis Foods Company, USA	100	265,9	-54,2
AAK USA Richmond Corp., USA	100	803,3	76,8
AAK Malaysia Sdn. Bhd, Malaysia	100	147,6	53,3
AAK Australia Pty.Ltd., Australia	100	23,7	-3,4
AAK Havnen A/S, Denmark	100	18,1	0,2
OOO AAK, Russia	100	81,6	-1,5
AarhusKarlshamn Burkina Faso SARL, Burkina Faso	100	16,6	-9,0
AAK do Brasil Indústria e Comércio de Óleos			
Vegetais Ltda., Brasil	99	295,1	6,3
AAK Germany GmbH, Germany	100	2,0	0,0
AAK Mali SARL, Mali	100	2,8	0,7
AAK Nigeria Ltd. Nigeria	100	0,3	-0,4
KI, Ghana Ltd.	100	16,5	12,6
KNAR Benin Sarl, Benin *	100	10,4	-1,1
KNAR Togo, Togo *	100		
Book & Claim, Great Britain	100	10,4	1,4

* Maersk Lanka (PVT) LTD. Is included in Ceylon Trading Co. Ltd
KNAR, Togo is included in KNAR Benin Sarl

6 Deferred tax asset	2022	2021
	kDKK	kDKK
Deferred tax asset can be specified as:		
Deffered tax asset, 1 January 2022	2.183	0
Included in Income statement	-2.183	2.183
Included in equity	0	0
Deffered tax asset, 1 January 2022	<u>0</u>	<u>2.183</u>

Deferred tax have been calculated with 22%, which is the tax rate the temporary differences is expected to be realized at.

7 Contributed capital

The share capital consists of 4,000,000 shares, each with a nominal value of 100 kr
No shares hold particular rights

8 Disclosure of contingent liabilities

The company is the administration company of the group of companies subject to the Danish scheme of joint taxation and unlimited jointly and several liable with the other joint taxed companies for the total corporation tax

9 Disclosure of ownership

Ownership

The company is owned 100 % by AAK AB (reg. no. 556669-2850), Malmö, Sverige

Group

The company is included in the Group Annual Report for AAK AB, which is smallest and the largest group, in which the Company is included as a subsidiary.
The Group Annual report can be downloaded at www.aak.com

Controlling interests

The owner AAK AB have controlling interest in the company.

10 Information on transactions with related parties

Related parties with controlling interest is AAK AB and its subsidiaries

Transaction with related parties in 2022:

Purchase of services 50 kDKK

Dividend, see note 3

Payables and receivables to group enterprises are disclosed in the balance sheet.

Financial income from and financial expences to group enterprises are disclosed in the income statement.

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Dorthe Bruun

Direktionsmedlem

On behalf of: AAK Denmark Holding A/S

Serial number: b0a91378-94c8-4563-b03c-681e480c8b5c

IP: 80.167.xxx.xxx

2023-06-30 12:56:50 UTC



MARIANNE PERSSON

Bestyrelsesmedlem

On behalf of: AAK DENMARK HOLDING A/S

Serial number: 19690908xxxx

IP: 83.226.xxx.xxx

2023-06-30 13:07:51 UTC



MARIANNE PERSSON

Direktionsmedlem

On behalf of: AAK DENMARK HOLDING A/S

Serial number: 19690908xxxx

IP: 83.226.xxx.xxx

2023-06-30 13:09:56 UTC



Jarl Peter Göran Andreasson

Bestyrelsesmedlem

On behalf of: AAK DENMARK HOLDING A/S

Serial number: 19620105xxxx

IP: 213.66.xxx.xxx

2023-07-01 12:09:32 UTC



Pontus Anders Johan Malmunger

Bestyrelsesmedlem

On behalf of: AAK DENMARK HOLDING A/S

Serial number: 19820827xxxx

IP: 212.247.xxx.xxx

2023-07-03 06:43:06 UTC



Mikkel Trabjerg Knudsen

Statsautoriseret revisor

On behalf of: KPMG Statsautoriseret Revisionspartners...

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2023-07-03 08:42:38 UTC



Juan-Luis Call Bendt

Dirigent

On behalf of: AAK DENMARK HOLDING A/S

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