
Cowconnect ApS

Middelfartvej 77, DK-5466 Asperup

Annual Report for 1 January - 31 August 2020

CVR No 38 54 66 35

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
3 /3 2021

Jakob Østervang
Chairman of the General
Meeting

Contents

	<u>Page</u>
Management's Statement and Auditor's Report	
Management's Statement	1
Independent Auditor's Report	2
Company Information	
Company Information	5
Management's Review	6
Financial Statements	
Income Statement 1 January - 31 August	7
Balance Sheet 31 August	8
Statement of Changes in Equity	10
Notes to the Financial Statements	11

Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Cowconnect ApS for the financial year 1 January - 31 August 2020.

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 financial position at 31 August 2020 of the Company and of the results of the Company operations for 2020.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Middelfart, 3 March 2021

Executive Board

Jørn Bjarke Eg Sørensen

Jesper Sandfeld Mortensen

Board of Directors

Joshua Kevin Hoopes

Scott Michael Gurvis

José Jorge Nobre

Jakob Østervang

Independent Auditor's Report

To the Shareholders of Cowconnect ApS

Opinion

We have audited the Financial Statements of Cowconnect ApS for the financial year 1 January - 31 August 2020, which comprise income statement, balance sheet, statement of changes in equity and notes, including 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 financial position of the Company at 31 August 2020 and of the results of the Company's operations for the financial year 1 January - 31 August 2020 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

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 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.
- 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'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

Independent Auditor's Report

misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financials 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.

Herning, 3 March 2021

EY Godkendt Revisionspartnerselskab

CVR No 30 70 02 28

Karsten Mehlsen

statsautoriseret revisor

mne18473

Company Information

The Company

Cowconnect ApS
Middelfartvej 77
DK-5466 Asperup

CVR No: 38 54 66 35
Financial period: 1 January - 31 August
Municipality of reg. office: Middelfart

Board of Directors

Joshua Kevin Hoopes
Scott Michael Gurvis
José Jorge Nobre
Jakob Østervang

Executive Board

Jørn Bjarke Eg Sørensen
Jesper Sandfeld Mortensen

Auditors

EY Godkendt Revisionspartnerselskab
Dalgsgade 27, 3.
DK-7400 Herning

Bankers

Fynske Bank A/S
Østergade 4
5500 Middelfart

Management's Review

Financial Statements of Cowconnect ApS for 2020 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 rules applying to reporting class C.

The Annual Report has been prepared under the same accounting policies as last year.

Key activities

The company's main activity is to conduct business with the development and sale of IT solutions, as well as any related company.

Development in the year

The income statement of the Company for 2020 shows a loss of DKK 695,899, and at 31 August 2020 the balance sheet of the Company shows negative equity of DKK 413,681.

Management considers the company's performance in the financial year in line with expectations.

The company has changed financial year-end to align with group accounts, hence this financial 2020 cover eight-month period from January-August 2020.

Financial position

The company financial loss for 2020 has resulted in a negative equity as of 31. August 2020. The company expect the equity to be recovered within a short period of years from earnings.

The owner group has after the year-end supported the company with a loan to support the financial position. Furthermore, the company has received letter of support from owner group.

Outlook and expectations

For the coming financial year 2010/21 the company expects growth in sales and earnings compared to financial year 2020.

Subsequent events

After the closing of the financial year, the economy has again been impacted by second round of Covid-19 virus pandemic. The animal feed sector continues and has proven to be very resilient. The company main challenge relates to potential supply chain interruptions, but so far no mayor disruptions have occurred. No other significant events have occurred subsequent to the financial year-end.

Income Statement 1 January - 31 August

	Note	2020 DKK 8 months	2019 DKK
Gross profit/loss		2.130.058	3.108.470
Staff expenses	2	-2.961.437	-2.509.381
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-45.852	-99.772
Profit/loss before financial income and expenses		-877.231	499.317
Financial income		57	0
Financial expenses		-13.919	-35.788
Profit/loss before tax		-891.093	463.529
Tax on profit/loss for the year	3	195.194	-102.516
Net profit/loss for the year		-695.899	361.013

Distribution of profit

Proposed distribution of profit

Retained earnings		-695.899	361.013
		-695.899	361.013

Balance Sheet 31 August

Assets

	Note	2020 DKK	2019 DKK
Other fixtures and fittings, tools and equipment		200.983	236.302
Property, plant and equipment	4	200.983	236.302
Deposits		46.375	0
Fixed asset investments		46.375	0
Fixed assets		247.358	236.302
Inventories	5	586.519	531.537
Trade receivables		1.473.531	988.860
Other receivables		3.355	3.355
Deferred tax asset	6	12.408	17.000
Corporation tax receivable from group enterprises		285.242	0
Prepayments		96.368	4.255
Receivables		1.870.904	1.013.470
Cash at bank and in hand		448.552	4.164
Currents assets		2.905.975	1.549.171
Assets		3.153.333	1.785.473

Balance Sheet 31 August

Liabilities and equity

	<u>Note</u>	<u>2020</u> DKK	<u>2019</u> DKK
Share capital		50.000	50.000
Retained earnings		-463.681	232.218
Equity		-413.681	282.218
Credit institutions		283.364	634.525
Trade payables		433.685	258.753
Corporation tax		155.972	70.516
Other payables		1.530.092	403.461
Deferred income		1.163.901	136.000
Short-term debt		3.567.014	1.503.255
Debt		3.567.014	1.503.255
Liabilities and equity		3.153.333	1.785.473
Financial position	1		
Contingent assets, liabilities and other financial obligations	7		
Related parties	8		
Accounting Policies	9		

Statement of Changes in Equity

	<u>Share capital</u> DKK	<u>Retained earnings</u> DKK	<u>Total</u> DKK
Equity at 1 January	50.000	232.218	282.218
Net profit/loss for the year	0	-695.899	-695.899
Equity at 31 August	50.000	-463.681	-413.681

Notes to the Financial Statements

1 Financial position

The company financial loss for 2020 has resulted in a negative equity as of 31. August 2020. The company expect the equity to be recovered from earnings within a short period of years.

The owner group has after the year-end supported the company with a loan to support the financial position. Furthermore, the company has received letter of support from owner group.

	2020 DKK 8 months	2019 DKK
2 Staff expenses		
Wages and salaries	2.674.440	2.200.464
Pensions	230.571	230.507
Other social security expenses	16.099	19.951
Other staff expenses	40.327	58.459
	2.961.437	2.509.381
Average number of employees	6	6

3 Tax on profit/loss for the year

Current tax for the year	-199.786	76.516
Deferred tax for the year	4.592	26.000
	-195.194	102.516

Notes to the Financial Statements

4 Property, plant and equipment

	Other fixtures and fittings, tools and equipment
	DKK
Cost at 1 January	421.000
Additions for the year	70.000
Disposals for the year	-109.000
Cost at 31 August	<u>382.000</u>
Impairment losses and depreciation at 1 January	184.698
Depreciation for the year	45.852
Reversal of impairment and depreciation of sold assets	-49.533
Impairment losses and depreciation at 31 August	<u>181.017</u>
Carrying amount at 31 August	<u>200.983</u>
Depreciated over	<u>5 years</u>

5 Inventories

	2020	2019
	DKK	DKK
Finished goods and goods for resale	586.519	531.537
	<u>586.519</u>	<u>531.537</u>

6 Deferred tax asset

Property, plant and equipment	4.592	3.000
Trade receivables	-17.000	-17.000
Amortization	0	-3.000
Transferred to deferred tax asset	12.408	17.000
	<u>0</u>	<u>0</u>
Deferred tax asset		
Calculated tax asset	12.408	17.000
Carrying amount	<u>12.408</u>	<u>17.000</u>

Notes to the Financial Statements

	2020 DKK	2019 DKK
7 Contingent assets, liabilities and other financial obligations		
Charges and security		
The following assets have been placed as security with bankers:		
Other fixtures, fittings, tools and equipment	133.900	236.302

Contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of AB Neo A/S, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

Notes to the Financial Statements

8 Related parties

Basis

Controlling interest

Associated British Foods Plc, London.

Participating interest

Ownership

The following shareholders are recorded in the Company's register of shareholders as holding at least 5% of the votes or at least 5% of the share capital:

ABF Overseas Limited, London.

Consolidated Financial Statements

The company is included in the group annual report of the parent company.

Name

Place of registered office

Associated British Foods Plc, London.

No. 293262 at Weston Centre, 10 Grosvenor Street,
London W1K 4QY

Notes to the Financial Statements

9 Accounting Policies

The Annual Report of Cowconnect ApS for 2020 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 rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2020 are presented in DKK. The company has changed financial year-end to align with group accounts, hence this financial accounts 2020 cover an eight-month period from January to August 2020.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset 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 out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Income Statement

Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve revenue for the year.

Notes to the Financial Statements

9 Accounting Policies (continued)

Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, expenses for raw materials and consumables and other external expenses.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Balance Sheet

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Interest expenses on loans raised directly for financing the construction of property, plant and equipment are recognised in cost over the period of construction. All indirectly attributable borrowing expenses are recognised in the income statement.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the

Notes to the Financial Statements

9 Accounting Policies (continued)

expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment 5 years

Depreciation period and residual value are reassessed annually.

Assets costing less than DKK

8 months 30,000 are expensed in the year of acquisition.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Fixed asset investments

Fixed asset investments consist of deposit.

Inventories

Inventories are measured at the lower of cost under the FIFO method and net realisable value.

The cost of goods for resale, raw materials and consumables equals landed cost.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Prepayments

Prepayments comprise prepaid expenses concerning insurance.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax

Notes to the Financial Statements

9 Accounting Policies (continued)

entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.

Deferred income

Deferred income comprises payments received in respect of income in subsequent years.