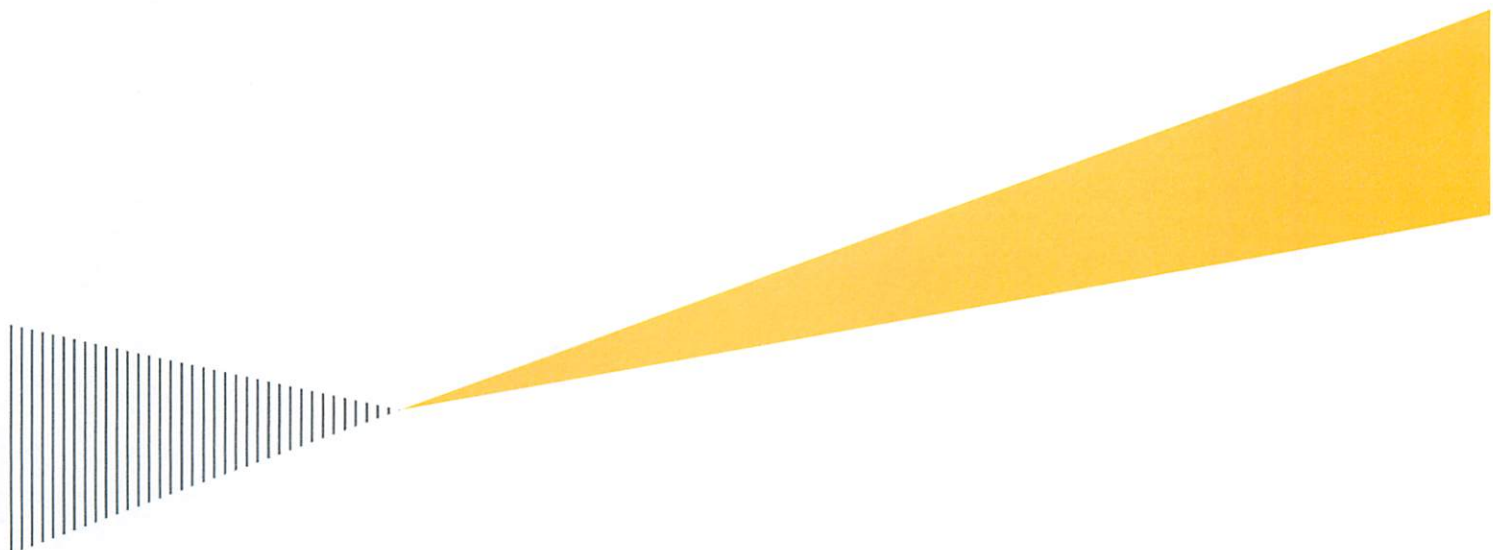


# AgroSoft A/S

Torvegade 82, 7160 Tørring

CVR No. 10 61 50 89



## Annual report

for the period 1 July - 31 December 2015

(6 months)

Approved at the annual general meeting of shareholders on

Chairman:



Building a better  
working world



## Contents

<b>Management's review</b>	<b>1</b>
Company details	1
Operating review	2
<b>Statement by the Board of Directors and the Executive Board</b>	<b>3</b>
<b>Independent auditors' report</b>	<b>4</b>
<b>Financial statements</b>	
Income statement	5
Balance sheet	6
Statement of changes in equity	8
Notes	
Accounting policies	9
Staff costs	12
Tax for the year	12
Intangible assets	12
Property, plant and equipment	13
Investments in group entities	14
Investments - Receivables	14
Share capital	15
Security for loans	15
Related parties	15



## Management's review

### Company details

Name	AgroSoft A/S
Address, Postal code, City	Torvegade 82, 7160 Tørring
CVR No.	10 61 50 89
Established	1 January 1987
Registered office	Hedensted
Financial year	1 July - 31 December
Board of Directors	Karel Heijink, Chairman Cornelis Peter Van van der Weg Peter Enevoldsen
Executive Board	Morten Øther Rasmussen
Auditors	Ernst & Young, Godkendt Revisionspartnerselskab Holmboes Allé 12, 8700 Horsens, Denmark

## **Operating review**

### **The Company's business review**

AgroSoft produces programs of a high and lasting quality that are constantly adjusting to future demands.

AgroSoft is Scandinavia's largest producer of swine management software.

### **Financial review**

For the 6 months period, the Company's revenue came in at DKK 8,344,785 against DKK 16,256,463 last financial year (12 months). The income statement for period 1 July - 31 December 2015 shows a profit of DKK 1,679,882 against DKK 1,579,408 last year, and the balance sheet at 31 December 2015 shows equity of DKK 4,825,954.

Effective 1 July 2015 the majority of the shares of the Company was acquired by AgroVision, the Netherlands, part of the CoMore-group.

Due to the take-over the financial year has been changed from 1 July - 30 June to 1 January - 31 December, resulting in a short financial year of 6 months for these financials statements.

### **Post balance sheet events**

No significant events have occurred subsequent to the financial year.

## Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of AgroSoft A/S for the financial year 1 July - 31 December 2015.

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 2015 and of the results of the Company's operations for the financial year 1 July - 31 December 2015.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend the adoption of the annual report at the annual general meeting.

Tørring, 18 March 2016

Executive Board:



Morten Øther Rasmussen

Board of Directors:



Karel Heijink  
Chairman



Cornelis Peter Van van der Weg



Peter Enevoldsen

To the shareholders of AgroSoft A/S

### Independent auditors' report on the financial statements

We have audited the financial statements of AgroSoft A/S for the financial year 1 July - 31 December 2015, which comprise an income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

#### 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. Further, Management is responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditors' responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements according to Danish audit regulations. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including an assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of financial statements that give a true and fair view. The purpose is to design audit procedures that are appropriate in the circumstances, but not to express an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used, the reasonableness of accounting estimates made by Management as well as the overall presentation of the financial statements.

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

Our audit has not resulted in any qualification.

#### Opinion

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2015 and of the results of its operations for the financial year 1 July - 31 December 2015 in accordance with the Danish Financial Statements Act.

#### Statement on the Management's review

Pursuant to the Danish Financial Statements Act, we have read the Management's review. We have not performed any other procedures in addition to the audit of the financial statements. On this basis, it is our opinion that the information provided in the Management's review is consistent with the financial statements.

Horsens, 18 March 2016

**ERNST & YOUNG**

Godkendt Revisionspartnerselskab

CVR No. 30 70 02 28



Morten Klarskov Larsen

state authorised public accountant

## Income statement for the year ended 31 December

Notes	2015 6 months DKK	2014/15 12 months DKK
Revenue	8,344,785	16,256,463
Raw materials and consumables	-257,894	-1,151,823
Other operating income	0	287,422
Other external expenses	<u>-1,576,708</u>	<u>-4,188,946</u>
<b>Gross profit</b>	<b>6,510,183</b>	<b>11,203,116</b>
<sup>2</sup> Staff costs	-4,203,090	-9,057,910
Amortisation/depreciation of intangible assets and property, plant and equipment	<u>-135,263</u>	<u>-325,682</u>
<b>Operating profit</b>	<b>2,171,830</b>	<b>1,819,524</b>
Income from investments in group entities	15,303	185,818
Financial income	1,589	4,270
Financial expenses	<u>-1</u>	<u>-2,068</u>
<b>Profit before tax</b>	<b>2,188,721</b>	<b>2,007,544</b>
<sup>3</sup> Tax for the year	<u>-508,839</u>	<u>-428,136</u>
<b>Profit/loss for the year</b>	<b><u>1,679,882</u></b>	<b><u>1,579,408</u></b>
<b>Recommended appropriation of the profit/loss for the year</b>		
Proposed dividend recognised under equity	1,617,622	0
Extraordinary dividend distributed in the year	46,957	1,350,000
Net revaluation reserve according to the equity method	15,303	0
Retained earnings	<u>0</u>	<u>229,408</u>
	<b><u>1,679,882</u></b>	<b><u>1,579,408</u></b>

## Balance sheet at 31 December

Notes	31/12 2015 DKK	30/6 2015 DKK
<b>Assets</b>		
<b>Fixed assets</b>		
Goodwill	<u>57,500</u>	<u>72,500</u>
4 Intangible assets	<u>57,500</u>	<u>72,500</u>
Leasehold improvements	64,961	84,713
Other fixtures and fittings, tools and equipment	<u>507,924</u>	<u>579,800</u>
5 Property, plant and equipment	<u>572,885</u>	<u>664,513</u>
6 Investments in group entities, net asset value	646,653	645,214
7 Receivables from group entities	68,880	218,879
7 Other receivables	<u>150,000</u>	<u>0</u>
<b>Investments</b>	<u>865,533</u>	<u>864,093</u>
<b>Total fixed assets</b>	<u>1,495,918</u>	<u>1,601,106</u>
<b>Current assets</b>		
Manufactured goods and goods for resale	<u>63,177</u>	<u>108,066</u>
<b>Inventories</b>	<u>63,177</u>	<u>108,066</u>
Trade receivables	2,385,851	2,054,143
Deferred tax assets	81,476	109,561
Prepayments	<u>99,820</u>	<u>248,291</u>
<b>Receivables</b>	<u>2,567,147</u>	<u>2,411,995</u>
<b>Cash</b>	<u>3,315,297</u>	<u>1,979,780</u>
<b>Total current assets</b>	<u>5,945,621</u>	<u>4,499,841</u>
<b>Total assets</b>	<u>7,441,539</u>	<u>6,100,947</u>



## Balance sheet at 31 December

Notes	31/12 2015 DKK	30/6 2015 DKK
<b>Equity and liabilities</b>		
<b>Equity</b>		
8 Share capital	526,315	526,315
Net revaluation reserve according to the equity method	157,544	156,106
Retained earnings/Accumulated loss	2,524,473	2,524,473
Dividend proposed for the year	<u>1,617,622</u>	<u>0</u>
<b>Total equity</b>	<u><b>4,825,954</b></u>	<u><b>3,206,894</b></u>
<b>Liabilities</b>		
Trade payables	388,495	555,267
Payables to group entities	0	317,424
Income taxes payable	480,754	0
Deferred income	185,789	805,305
Other payables	<u>1,560,547</u>	<u>1,216,057</u>
<b>Short-term liabilities</b>	<u><b>2,615,585</b></u>	<u><b>2,894,053</b></u>
<b>Total liabilities</b>	<u><b>2,615,585</b></u>	<u><b>2,894,053</b></u>
<b>Total equity and liabilities</b>	<u><u><b>7,441,539</b></u></u>	<u><u><b>6,100,947</b></u></u>

## Statement of changes in equity

(DKK)	Share capital	Reserve for net revaluation acc. to the equity' method	Retained earnings	Dividend proposed for the year	Total
<b>Balance at 1/7 2014</b>	526,315	0	2,451,171	0	2,977,486
Change in accounting policies		156,106	-156,106		0
Profit/loss for the year, cf. appropriation of profit/loss		0	1,579,408	0	1,579,408
Extraordinary dividend distributed			<u>-1,350,000</u>		<u>-1,350,000</u>
Equity at 1/7 2015	526,315	156,106	2,524,473	0	3,206,894
Exchange rate adjustment	0	-13,865	0	0	-13,865
Profit/loss for the year, cf. appropriation of profit/loss		15,303	46,957	1,617,622	1,679,882
Extraordinary dividend distributed			<u>-46,957</u>		<u>-46,957</u>
<b>Equity at 31/12 2015</b>	<u>526,315</u>	<u>157,544</u>	<u>2,524,473</u>	<u>1,617,622</u>	<u>4,825,954</u>

## 1. Accounting policies

The annual report of AgroSoft A/S has been presented in accordance with the provisions of the Danish Financial Statements Act as regards reporting class B enterprises.

### Changes in accounting policies

Investments in subsidiaries are recognised using the equity method. Such investments were previously measured at cost. In management's opinion, the policy change entails a more true and fair view of the entity's activities and financial position.

The above policy changes have implied that the pre-tax profit for the year has been affected positively by DKK 15,303 (in 2014/15: DKK 185,818) and that the profit for the year has been affected positively by DKK 15,303 (in 2014/15: DKK 185,818). The balance sheet total has increased by DKK 1,438 (in 2014/15: DKK 156,106), and equity has increased by DKK 1,438 (in 2014/15: DKK 156,106)

The financial statements have otherwise been presented in accordance with the same accounting policies as were applied last year. Comparative figures have been restated to reflect the policy change.

### Reporting currency

The financial statements are presented in Danish kroner.

### Income statement

#### Revenue

Income from the sale of goods and finished goods is recognised in revenue at the time of delivery and when the risk passes to the buyer, provided that the income can be made up reliably and is expected to be received.

Revenue is measured net of all types of discounts/rebates granted. Also, revenue is measured net of VAT and other indirect taxes charged on behalf of third parties.

#### Other operating income

Other operating income and operating expenses comprise items of a secondary nature relative to the entity's core activities, including gains or losses on the sale of fixed assets.

#### Other external expenses

Other external expenses include the year's expenses relating to the entity's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, 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.

#### Amortisation/depreciation of intangible assets and property, plant and equipment

The item comprises amortisation/depreciation of intangible assets and property, plant and equipment.

Goodwill is amortised over the expected economic life, measured by reference to an assessment of, among other factors, the nature, earnings and market position of the acquired entity as well as the stability of the industry and the dependence on key staff.

The estimated useful lives for intangible assets are as follows:

	<u>Useful life (year)</u>
Goodwill	5

Property, plant and equipment are depreciated on a straight-line basis over the expected useful life of each individual asset. The depreciation basis is the cost plus revaluations.

### 1. Accounting policies - continued

The expected useful lives of the assets are as follows:

	<u>Useful life (year)</u>
Leasehold improvements	5
Other fixtures and fittings, tools and equipment	5-6

#### Income from investments in group entities

The item includes the entity's proportionate share of the profit/loss for the year in subsidiaries after elimination of intra-group income or losses.

#### Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

#### Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

#### Balance sheet

##### Intangible assets

Goodwill is measured at cost less accumulated amortisation and impairment losses.

##### Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Gains or losses arising from the sale of items of property, plant and equipment are recognised in the income statement under 'Other operating income' or 'Other operating expenses', respectively. Gains and losses are calculated by reference to the difference between the selling price less selling expenses and the carrying amount at the time of sale.

##### Investments in group entities

Investments in subsidiaries are measured, using the equity method, at the parent's proportionate share of such entities' equity plus intra-group losses and less intra-group gains, if any.

##### Inventories

Inventories are measured at the lower of cost, measured by reference to the FIFO method, and net realisable value.

##### Receivables

Receivables are measured at amortised cost, which usually corresponds to the nominal value. Provisions are made for bad debts on the basis of objective evidence that a receivable or a group of receivables are impaired. Provisions are made to the lower of the net realisable value and the carrying amount.

##### Corporation tax

Current tax payable and receivable is recognised in the balance sheet as the estimated tax charge in respect of the taxable income for the year, adjusted for tax on prior years' taxable income and tax paid on account.

### 1. Accounting policies - continued

Provisions for deferred tax are calculated, based on the liability method, of all temporary differences between carrying amounts and tax values, with the exception of temporary differences occurring at the time of acquisition of assets and liabilities neither affecting the results of operations nor the taxable income, as well as temporary differences on non-amortisable goodwill.

Deferred tax is measured according to the taxation rules and taxation rates in the respective countries applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the value at which they are expected to be utilised, either through elimination against tax on future earnings or through a set-off against deferred tax liabilities within the same jurisdiction.

#### Liabilities

Financial liabilities are recognised on the raising of the loan at the proceeds received net of transaction costs incurred. Interest-bearing debt is subsequently measured at amortised cost, using the effective interest rate method. Borrowing costs, including capital losses, are recognised as financing costs in the income statement over the term of the loan.

Other liabilities are measured at net realisable value.

## Notes

	2015 6 months DKK	2014/15 12 months DKK
	<u>                    </u>	<u>                    </u>
<b>2. Staff costs</b>		
Analysis of staff costs:		
Wages/salaries	3,695,871	7,989,323
Pensions	438,356	918,093
Other social security costs	<u>68,863</u>	<u>150,494</u>
	<u><u>4,203,090</u></u>	<u><u>9,057,910</u></u>
<b>3. Tax for the year</b>		
Estimated tax charge for the year	480,754	428,234
Deferred tax adjustments in the year	<u>28,085</u>	<u>-98</u>
	<u><u>508,839</u></u>	<u><u>428,136</u></u>
<b>4. Intangible assets</b>		
(DKK)		<u>Goodwill</u>
Cost		
Balance at 1/7 2015		<u>150,000</u>
Cost at 31/12 2015		<u>150,000</u>
Amortisation and impairment losses		
Balance at 1/7 2015		77,500
Amortisation in the year		<u>15,000</u>
Amortisation and impairment losses at 31/12 2015		<u>92,500</u>
Carrying amount at 31/12 2015		<u><u>57,500</u></u>

5. Property, plant and equipment

(DKK)	<u>Leasehold improvements</u>	<u>Other fixtures and fittings, tools and equipment</u>	<u>Total</u>
<b>Cost</b>			
Balance at 1/7 2015	480,828	1,184,954	1,665,782
Additions in the year	0	28,635	28,635
Disposals in the year	<u>-232,753</u>	<u>-244,400</u>	<u>-477,153</u>
Cost at 31/12 2015	<u>248,075</u>	<u>969,189</u>	<u>1,217,264</u>
<b>Depreciation and impairment losses</b>			
Balance at 1/7 2015	396,115	605,154	1,001,269
Depreciation in the year	19,752	100,511	120,263
Reversal of depreciation and impairment losses, disposals	<u>-232,753</u>	<u>-244,400</u>	<u>-477,153</u>
Depreciation and impairment losses at 31/12 2015	<u>183,114</u>	<u>461,265</u>	<u>644,379</u>
Carrying amount at 31/12 2015	<u>64,961</u>	<u>507,924</u>	<u>572,885</u>

6. Investments in group entities

(DKK)	<u>Investments in group entities</u>
<b>Cost</b>	
Balance at 1/7 2015	<u>488,992</u>
Cost at 31/12 2015	<u>488,992</u>
<b>Revaluations</b>	
Changes in accounting policies	156,106
Exchange adjustment	-13,748
Share of the profit/loss for the year	<u>15,303</u>
Revaluations at 31/12 2015	<u>157,661</u>
Carrying amount at 31/12 2015	<u><u>646,653</u></u>

	<u>Domicile</u>	<u>Interest (%)</u>	<u>Equity DKK</u>	<u>Profit/loss DKK</u>
<b>Subsidiaries</b>				
AgroSoft Ltd	Ipswich, England	100.00	463,273	114,093
AgroSoft OY	Seinäjoki, Finland	100.00	165,411	-111,602
AgroSoft Poland Sp. z o.o.	Naklo nad Notecia, Polen	99.00	17,966	12,812

7. Investments - Receivables

(DKK)	<u>Receivables from group entities</u>	<u>Other receivables</u>
<b>Cost</b>		
Balance at 1/7 2015	218,880	0
Transfer from other accounts	<u>-150,000</u>	<u>150,000</u>
Transfer from other accounts	<u>68,880</u>	<u>150,000</u>
Carrying amount at 31/12 2015	<u><u>68,880</u></u>	<u><u>150,000</u></u>



## Notes

### 8. Share capital

Analysis of the Company's share capital, DKK 526,315 :

	31/12 2015 DKK	30/6 2015 DKK
1,000 class A-share(s) of DKK 500.00 each	500,000	500,000
5,263 class B-share(s) of DKK 5.00 each	<u>26,315</u>	<u>26,315</u>
	<u><u>526,315</u></u>	<u><u>526,315</u></u>

	2015 DKK	2014/15 DKK	2013 DKK	2012 DKK	2011 DKK
Analysis of changes in the share capital over the past 5 years:					
Opening balance	526,315	526,315	526,315	500,000	500,000
Capital increase	<u>0</u>	<u>0</u>	<u>0</u>	<u>26,315</u>	<u>0</u>
Closing balance	<u><u>526,315</u></u>	<u><u>526,315</u></u>	<u><u>526,315</u></u>	<u><u>526,315</u></u>	<u><u>500,000</u></u>

### 9. Security for loans

The Company has not placed any assets or other as security for loans at 31/12 2015.

### 10. Related parties

Information about consolidated financial statements:

Parent	Domicile	Requisitioning of the parent's consolidated financial statements
Agrovision B.V.	Deventer, Netherland	Agrovision B.V.

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

Name	Domicile
AgroVision B.V.	Keulenstraat 15, 7418 ET Deventer
SEGES P/S	Agro Food Park 15, 8200 Aarhus N