

AgroSoft A/S

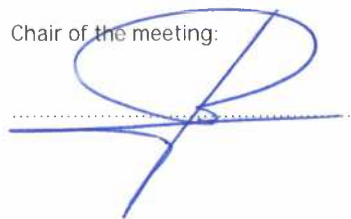
Kildeparken 32, 1.sal, 8722 Hedensted

CVR no. 10 61 50 89

Annual report 2021

Approved at the Company's annual general meeting on 15 June 2022

Chair of the meeting:

A handwritten signature in blue ink, consisting of a large, stylized loop followed by a horizontal line and a diagonal stroke.

Contents

Statement by the Board of Directors and the Executive Board	2
Independent auditor's report	3
Management's review	5
Financial statements 1 January - 31 December	7
Income statement	7
Balance sheet	8
Statement of changes in equity	10
Notes to the financial statements	11

Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of AgroSoft A/S for the financial year 1 January - 31 December 2021.

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 of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021.

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

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

Hedensted, 15 June 2022

Executive Board:



Jacob Rasmussen

Board of Directors:



Jan Pieter Bijkerk
Chair



Peter Enevoldsen



Jacob Rasmussen

Independent auditor's report

To the shareholders of AgroSoft A/S

Opinion

We have audited the financial statements of AgroSoft A/S for the financial year 1 January - 31 December 2021, which comprise 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.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021 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 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' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

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 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 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 the 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.
- ▶ 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.

Independent auditor's report

- ▶ 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 note 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 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.

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.

Horsens, 15 June 2022
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28



Morten Klarskov Larsen
State Authorised Public Accountant
mne32736

Management's review

Company details

Name	AgroSoft A/S
Address, Postal code, City	Kildeparken 32, 1.sal, 8722 Hedensted
CVR no.	10 61 50 89
Established	1 January 1987
Registered office	Hedensted
Financial year	1 January - 31 December
Board of Directors	Jan Pieter Bijkerk, Chair Peter Enevoldsen Jacob Rasmussen
Executive Board	Jacob Rasmussen
Auditors	EY Godkendt Revisionspartnerselskab Holmboes Allé 12, 8700 Horsens, Denmark

Management's review

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 pig management software.

Financial review

The income statement for 2021 shows a profit of DKK 5,712,593 against a profit of DKK 5,422,901 last year, and the balance sheet at 31 December 2021 shows equity of DKK 15,089,783.

Management considers the Company's financial performance in the year satisfactory.

Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

Financial statements 1 January - 31 December

Income statement

Note	DKK	2021	2020
	Revenue	17,808,079	18,153,183
	External expenses	-1,758,676	-2,539,449
	Gross profit	16,049,403	15,613,734
2	Staff costs	-9,585,033	-8,768,662
	Depreciation and impairment of property, plant and equipment	-62,671	-33,123
	Profit before net financials	6,401,699	6,811,949
	Income from investments in group entities	788,395	167,297
	Financial income	9,437	417
	Financial expenses	-91,089	-68,671
	Profit before tax	7,108,442	6,910,992
3	Tax for the year	-1,395,849	-1,488,091
	Profit for the year	5,712,593	5,422,901
	Recommended appropriation of profit		
	Proposed dividend recognised under equity	2,000,000	2,000,000
	Net revaluation reserve according to the equity method	742,055	-35,284
	Reserve for development costs	4,325,598	3,056,816
	Retained earnings/accumulated loss	-1,355,060	401,369
		5,712,593	5,422,901

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	2021	2020
	ASSETS		
	Fixed assets		
4	Intangible assets		
	Goodwill	0	0
	Development projects in progress and prepayments for intangible assets	7,382,414	3,056,816
		<u>7,382,414</u>	<u>3,056,816</u>
5	Property, plant and equipment		
	Other fixtures and fittings, tools and equipment	0	6,578
	Leasehold improvements	549,367	32,099
		<u>549,367</u>	<u>38,677</u>
6	Investments		
	Investments in subsidiaries	1,619,577	824,319
	Other receivables	181,562	331,562
		<u>1,801,139</u>	<u>1,155,881</u>
	Total fixed assets	<u>9,732,920</u>	<u>4,251,374</u>
	Non-fixed assets		
	Receivables		
	Trade receivables	4,196,521	4,855,127
	Income taxes receivable	53,782	0
	Other receivables	224,533	119,583
	Prepayments	82,462	114,314
		<u>4,557,298</u>	<u>5,089,024</u>
	Cash	<u>4,904,877</u>	<u>7,961,514</u>
	Total non-fixed assets	<u>9,462,175</u>	<u>13,050,538</u>
	TOTAL ASSETS	<u>19,195,095</u>	<u>17,301,912</u>

Financial statements 1 January - 31 December

Statement of changes in equity

DKK	Share capital	Net revaluation reserve according to the equity method	Reserve for development costs	Retained earnings	Dividend proposed for the year	Tota
Equity at 1 January 2020	526,315	460,077	0	5,004,160	2,000,000	7,990,552
Transfer through appropriation of profit	0	-35,284	3,056,816	401,369	2,000,000	5,422,901
Exchange adjustment	0	-43,126	0	0	0	-43,126
Dividend distributed	0	0	0	0	-2,000,000	-2,000,000
Equity at 1 January 2021	526,315	381,667	3,056,816	5,405,529	2,000,000	11,370,327
Transfer through appropriation of profit	0	742,055	4,325,598	-1,355,060	2,000,000	5,712,593
Exchange adjustment	0	6,863	0	0	0	6,863
Dividend distributed	0	0	0	0	-2,000,000	-2,000,000
Equity at 31 December 2021	526,315	1,130,585	7,382,414	4,050,469	2,000,000	15,089,783

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of AgroSoft A/S for 2021 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

In accordance with section 110(1) of the Danish Financial Statements Act, the Company has not prepared consolidated financial statements.

Effective from the financial year 2021, the Company has implemented amending act no. 1716 of 27 December 2018 to the Danish Financial Statements Act. The implementation of the amending act has not affected the Company's accounting policies on recognition and measurement of assets and liabilities but has solely entailed a requirement for further disclosures. The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Reporting currency

The financial statements are presented in Danish kroner (DKK).

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Income from the sale of service agreements and software is recognised in revenue at the time of delivery and when the risk passes to the buyer, provided that the income can be measured reliably and payment is expected to be received.

Income from the rendering of consulting services is recognised as revenue as the services are rendered. Accordingly, revenue corresponds to the market value of the services rendered during the year (percentage-of-completion method).

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Other operating income and operating expenses

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.

External expenses

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.

Financial statements 1 January – 31 December

Notes to the financial statements

1 Accounting policies (continued)

Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

Depreciation

The item comprises depreciation of property, plant and equipment.

The basis of amortisation/depreciation, which is calculated as cost less any residual value, is amortised/depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Goodwill	5 years
Development projects in progress and prepayments for intangible assets	5-10 years
Other fixtures and fittings, tools and equipment	5-6 years
Leasehold improvements	5 years

Profit from investments in subsidiaries

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 amortised over the expected economic life of the asset, measured by reference to Management's experience in the individual business segments.

Development costs comprise expenses, salaries and amortisation directly or indirectly attributable to development activities.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Development projects that are clearly defined and identifiable, where the technical feasibility, sufficient resources and a potential future market or development opportunities are identifiable and where the Company intends to produce, market or use the project, are recognised as intangible assets provided that the cost can be measured reliably and that there is sufficient assurance that future earnings can cover production costs, selling costs and administrative expenses and development costs. Other development costs are recognised in the income statement as incurred.

Development costs that are recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

On completion of a development project, development costs are amortised on a straight-line basis over the estimated useful life. The amortisation period is usually 5-10 years and cannot exceed 10 years.

Property, plant and equipment

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 are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses.

Investments in subsidiaries

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.

Investments in subsidiaries and associates with negative net asset values are measured at DKK 0 (nil), and any amounts owed by such entities are written down in so far as the amount receivable is considered irrecoverable.

Identified increases in value and goodwill, if any, compared to the underlying entity's net asset value are amortised in accordance with the accounting policies for the assets and liabilities to which they can be attributed.

Dividend received is deduced from the carrying amount.

Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments in subsidiaries is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

Receivables

Receivables are measured at amortised cost.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

The Company has chosen IAS 39 as interpretation for impairment of financial receivables.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Equity

Reserve for net revaluation according to the equity method

The net revaluation reserve according to the equity method includes net revaluations of investments in subsidiaries and associates relative to cost. The reserve can be eliminated in case of losses, realisation of investments or a change in accounting estimates. The reserve cannot be recognised at a negative amount.

Reserve for development costs

The reserve for development costs comprises recognised development costs. The reserve cannot be used to distribute dividend or cover losses. The reserve will be reduced or dissolved if the recognised development costs are amortised or are no longer part of the Company's operations by a transfer directly to the distributable reserves under equity.

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and other items where temporary differences arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Liabilities

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

Other liabilities are measured at net realisable value.

Deferred income

Deferred income recognised as a liability comprises payments received concerning income in subsequent financial reporting years.

Financial statements 1 January - 31 December

Notes to the financial statements

DKK	2021	2020	
2 Staff costs			
Wages/salaries	7,888,340	7,282,493	
Pensions	1,492,967	1,318,236	
Other social security costs	203,726	167,933	
	<u>9,585,033</u>	<u>8,768,662</u>	
Average number of full-time employees	<u>26</u>	<u>24</u>	
3 Tax for the year			
Estimated tax charge for the year	284,218	889,350	
Deferred tax adjustments in the year	1,111,631	598,741	
	<u>1,395,849</u>	<u>1,488,091</u>	
4 Intangible assets			
DKK	Goodwill	Development projects in progress and prepayments for intangible assets	Total
Cost at 1 January 2021	150,000	3,056,816	3,206,816
Additions in the year	0	4,325,598	4,325,598
Cost at 31 December 2021	<u>150,000</u>	<u>7,382,414</u>	<u>7,532,414</u>
Impairment losses and amortisation at 1 January 2021	150,000	0	150,000
Impairment losses and amortisation at 31 December 2021	150,000	0	150,000
Carrying amount at 31 December 2021	<u>0</u>	<u>7,382,414</u>	<u>7,382,414</u>
5 Property, plant and equipment			
DKK	Other fixtures and fittings, tools and equipment	Leasehold improvements	Total
Cost at 1 January 2021	388,246	280,174	668,420
Additions in the year	0	573,360	573,360
Disposals in the year	-241,784	-248,075	-489,859
Cost at 31 December 2021	<u>146,462</u>	<u>605,459</u>	<u>751,921</u>
Impairment losses and depreciation at 1 January 2021	381,668	248,075	629,743
Depreciation in the year	6,578	56,092	62,670
Reversal of depreciation and impairment of disposals	-241,784	-248,075	-489,859
Impairment losses and depreciation at 31 December 2021	<u>146,462</u>	<u>56,092</u>	<u>202,554</u>
Carrying amount at 31 December 2021	<u>0</u>	<u>549,367</u>	<u>549,367</u>

Financial statements 1 January - 31 December

Notes to the financial statements

6 Investments

DKK	Investments in subsidiaries	Other receivables	Total
Cost at 1 January 2021	488,992	331,562	820,554
Disposals in the year	0	-150,000	-150,000
Cost at 31 December 2021	488,992	181,562	670,554
Value adjustments at 1 January 2021	335,327	0	335,327
Exchange adjustment	6,863	0	6,863
Share of the profit/loss for the year	788,395	0	788,395
Value adjustments at 31 December 2021	1,130,585	0	1,130,585
Carrying amount at 31 December 2021	1,619,577	181,562	1,801,139

Name	Domicile	Interest	Equity DKK	Profit/loss DKK
Subsidiaries				
AgroSoft Ltd	Ipswich, England	100.00%	741,752	598,829
AgroSoft Oy	Seinajoki, Finland	100.00%	417,364	143,227
AgroSoft Poland Sp. z o.o.	Naklo nad Notecia, Polen	99.00%	465,111	110,983

DKK	2021	2020
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7 Share capital

Analysis of the share capital:

1,000 A- shares of DKK 500.00 nominal value each	500,000	500,000
5,263 B- shares of DKK 5.00 nominal value each	26,315	26,315
	526,315	526,315

Analysis of changes in the share capital over the past 5 years:

DKK	2021	2020	2019	2018	2017
Opening balance	526,315	526,315	526,315	526,315	526,315
	526,315	526,315	526,315	526,315	526,315

8 Contractual obligations and contingencies, etc.

Other financial obligations

Rent and lease liabilities include a rent obligation totalling DKK 1,417 thousand in interminable rent agreements with remaining contract terms of 1-48 month.

9 Collateral

The Company has not provided any security or other collateral in assets at 31 December 2021.

Financial statements 1 January - 31 December

Notes to the financial statements

10 Related parties

Information about consolidated financial statements

<u>Parent</u>	<u>Domicile</u>	<u>Requisitioning of the parent company's consolidated financial statements</u>
AgroVision B.V.	Deventer, Netherland	AgroVision B.V.