DANGRO INVEST A/S
Strandvejen 46
DK-3300 Frederiksværk

Annual Report 2016

CVR/VAT no. 19950530

Approved at the Company's Annual General Meeting, 26 May 2017

Chairman

Table of contents

Company information	3
Group highlights and key figures overview	4
Management's report	5
Management's statement	8
Independent auditors' statement	9
Applied accounting policies	11
Group income statement	16
Group balance sheet	17
Group cash flow statement	19
Group notes	20
Income statement – parent company	28
Balance sheet – parent company	29
Notes – parent company	31

Company information

Company	DANGRO INVEST A/S Strandvejen 46 DK-3300 Frederiksværk CVR/VAT no.: 19950530 Established: 15 December 1996 Financial year: 1 January - 31 December
Management	Stephen James Shepherd
Board	Roger Martin Davies, chairman Stefano Haver Alvin Justin Ourso IV
Credit institutions	BGZ BNP Paribas S.A. ul. Kasprzaka 10/16 01-211 Warsaw Poland Jutlander Bank A/S Markedsvej 5 - 7 DK-9600 Aars Denmark
Auditor	PRICEWATERHOUSECOOPERS Statsautoriseret Revisionspartnerselskab Nobelparken Jens Chr. Skous Vej 1 DK-8000 Aarhus C
Attorney	Krommann Reumert Law Firm Sundkrogsgade 5 DK-2100 København Ø

Group highlights and key figures overview

Results for the year	2016 TEURO	2015 TEURO	2014 TEURO	2013 TEURO	2012 TEURO
Net turnover	18.067	23.122	24.823	31.695	34.042
Earnings before interest, tax, depreciation and amortisation (EBITDA)	517	6.272	6.843	6.927	8.123
Earnings before interest and tax (EBIT)	(8.236)	(3.241)	7.781	6.616	7.702
Interest	(1.630)	(1.860)	(2.073)	(2.444)	(4.211)
Currency adjustments	(1.865)	(288)	(2.434)	(1.143)	3.921
Profit before tax	(11.731)	(5.161)	3.188	2.641	7.269
Results for the year	(11.522)	(4.738)	2.762	2.953	5.501
Balance sheet					
Fixed assets	154.752	156.534	171.957	183.223	186.275
Current assets	14.152	56.825	41.105	28.957	26.822
Assets, total	168.903	213.359	213.062	212.180	213.097
Share capital	68.189	67.974	67.974	67.974	67.974
Equity, total	129.988	127.741	124.540	113.177	105.438
Long-term debt	34.107	44.664	75.662	80.115	87.901
Short term debt	3.321	38.922	11.376	16.778	16.697
Cash flow					
From operating profit before changes in the working capital	2.004	6.273	6.831	6.887	7.981
From operating activities	9.235	8.023	(2.028)	7.766	311
From investment activities	11.846	8.015	18.433	4.397	(5.403)
Investments in tangible fixed assets, net	5.235	16.320	17.095	9.839	(3.225)
From financing activities	(43.635)	(6.398)	53	(6.514)	17.011
Change in cash and cash equivalents	(22.553)	9.640	16.458	5.648	11.919
Cash and cash equivalents, 31 December	2.240	25.737	15.880	(473)	(8.844)
Profit margin (Earnings before interest and tax as % of turnover)	-46	-14	31	21	23
Return on investment (Earnings before interest and tax as % of average balance sheet total)	-4,3	-2.6	3.7	3.1	3.8
Return on equity (Net profit as % of average equity)	-8,8	-3.7	2.3	2.7	5.6
Equity ratio (Equity as % of assets)	76	60	58	53	49
Equity per share (DKK)	190	188	183	167	155
Average number of employees	110	132	151	216	226

Management's report

Main activity

The group's main activity consists of crop production in the subsidiaries in Poland
The parent company's activities mainly consist in providing consultancy services.

Presentation of developments in the company's financial activities

The Group has in 2016 implemented significant operational changes in order to streamline operations.
The effect of this change in strategy has impacted visibly the Group`s operating accounts and additional information is presented in the notes.

The Group recorded total revenue of TEURO 18.067, a decrease compared to last year at TEURO 5.055. Profit before interest, depreciation and amortization (EBITDA) was TEURO 517 (2015: TEURO 6.273). Operating profit for the Group was TEURO -11.731 (2015:T EURO -5.173).

Initiatives and strategic changes introduced during 2016 resulted in an extraordinary losses of TEUR 9.420.

Net loss of TEURO 11,522 is not considered satisfactory, however acceptable given poor agricultural results during 2016 following adverse weather conditions an substantial one-off restructuring changes.

Yield, tons per ha	2012	2013	2014	2015	2016
Wheat	6.8	7.0	7.9	8.4	5,7
Oilseed rape	3.9	3.4	3.9	4.4	2,8

Changes in equity

The changes in equity for 2016 are presented below:

The changes in equity specified in main items	TEURO
Equity as at 01 January 2016	127.741
Profit for the year (including currency adjustments)	(11.391)
Value adjustment of productive soil, subsidiaries	17.911
Other changes in equity	675
Change due to development of PLN rate	(4.948)
Equity as at 31 December 2016	**129.988**

Significant events and changes in the group during the year

During 2016 the Group changed its strategy as its future business. The management disposed the Group`s operating business taking a strategic decision that the Group`s core activity should be holding real estate assets while any services required to operate real estate portfolio assets can be sourced form third parties more cost effectively.

At year-end 2016 the Group had no employees and no own machines.

As a result of the revised strategy, the company's management conducted a review and reassessment of the Group's assets Which resulted in substantial write-downs and losses made of some of the Group`s assets.
In addition, the management proposed to recognise a provision for future costs that are necessary to address certain environmental risk.

Summary of one-off charges and losses incurred during 2016 total to EURO 9. million and are presented below:

Reservation for environmental cost	1.37 million.
Costs and sale assets, in connection with change of strategy	3.58 million.
Write-down, Receivables from assets sold	4.03 million.

Holdings

The group's holdings in Poland are located in 3 primary geographical areas, for the purpose of reducing the sensitivity under normal climatic conditions to a certain degree. The 3 primary geographical areas are the north-western part of Poland, the area south of Gdansk and an area in the north-eastern part of Poland.

The total area of the group amounts to 12.917 ha as at 31 December 2016.

The group's holdings are recognised at fair value. The valuation of the group's holdings in Poland is performed on the basis of an assessment carried out by an independent valuation company prepared in December 2016.

New activities

No new activities have been set in motion this year.

Events after the end of the financial year

During Q1 2017 the Group successfully refinanced its long-term bank debt provided by BGZ BNP Paribas SA. Any costs relating to the refinancing have been provided for as at December 31, 2016. Benefits of the refinancing are briefly set out in the relevant note in this Annual Report.

Expected development

Capital and cash resources

As of December 31, 2016 the Group had available funds of EURO 2.2 million. Post balance sheet date the Group secured PLN and EURO-denominated working capital facilities with BGZ BNP Paribas SA in the aggregate amount of EURO 31.6 million.

Based on the above the Group`s financing needs for 2017, the management is of opinion that the Group and the Company have sufficient cash available for 2017. As such, the management presents this annual report on the assumption of the Group`s and the Company`s going concern.

Risk profile and risk management

Currency risks

As a result of the company's activities, which are located abroad, the exchange rate movements for PLN will therefore have a significant impact on the statement of the group's results, cash flows and in particular the equity. Currency adjustments of capital shares in subsidiaries are recognised directly in the equity.

The group's bank borrowing

The distribution of the group's bank borrowing in foreign currency is as follows:

	31 December 2016
EURO	99 %
PLN	1 %

The group's bank credits are only obtained in EURO and PLN.

Interest rate risks

Basically, an agricultural business must have a high degree of funds generated from operations. The group has a general objective to not letting the debt financing of the group's investments exceed 50%. The total interest bearing debt is, however, significant, which is why any changes in interest rates will have an impact on earnings.

The group's debt consists of floating rate loans. In order to reduce exposure to risk of an increase of interest rate, a 5-year interest rate hedging of 50% of the Euro loan in BGZ BNP Paribas SA was agreed in 2013.

As at 31 December 2016, the value of this hedging is negative at TEURO 516.

Credit risks

Credit risks are related to the trade debtors.

Management's report

Market risks

The group's earnings are sensitive to fluctuations in the market price of crops. The Group contracts up to 50 % of its estimated annual production prior to harvest.

The Group also generates revenues from leasing its real estate portfolio to third parties. During 2016 less than 10% of the Group`s property portfolio have been leased out to third parties.

External environment

The group has all the necessary authorisations for the production.
During the year, measures carried a review and registration of all buildings and installations for the assessment of the need for future environmental improvements. To meet future environmental requirements during the year set aside TEURO 1,356.

Shareholders

Dangro Invest A/S had in the beginning of the year a total of 418 shareholders.
In the end of 2016 there are only on owner of the shares.

Management's statement

The Executive and Supervisory Boards have today considered and adopted the Annual Report of Dangro Invest A/S for the financial year 1 January – 31 December 2016.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements and the Consolidated Financial Statements give a true and fair view of the financial position at 31 December 2016 of the Company and the Group and of the results of the Company and Group operations and cash flows for 2016.

In our opinion, Management's Review includes a true and fair account of the development in the operations and financial circumstances of the Group and the Company, of the results for the year and of the financial position of the Group and the Company as well as a description of the most significant risks and elements of uncertainty facing the Group and the Company.

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

Frederiksværk, 15. May 2017.

Executive Board

Stephan James Shepherd

Supervisory Board

Roger Martin Davies, chairman

Stefano Haver

Alvin Justin Ourso IV

Independent auditor`s Report

To the Shareholders of Dangro Invest A/S

Opinion

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2016, and of the results of the Group's and the Parent Company's operations as well as the consolidated cash flows for the financial year 1 January - 31 December 2016 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Dangro Invest A/S for the financial year 1 January - 31 December 2016, which comprise income statement, balance sheet, statement of changes in equity and notes, including af summary of significant accounting policies, for both the Group and the Parent Company, as well as consolidated statement of cash flows ("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 Group 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.

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 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 Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement in Management's Review.

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation of Consolidated Financial Statements and Parent Company 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 Group's and the Parent 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 Group or the Parent 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.

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.

Independent auditor`s Report

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent 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 Group's and the Parent 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 Group and the Parent 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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Aarhus, 15. May 2017

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Michael Nielsson

Michael Nielsson
State Authorised Public Accountant

Applied accounting policies

General

The annual report of Dangro Invest A/S for 2016 has been prepared in accordance with the provisions of the Danish Financial Statements Act on class C enterprises (medium-sized).

The consolidated accounts and the annual accounts have been prepared in accordance with the same accounting policies as last year.

Financial Statements for 2016 are presented in EURO.

General notes on recognition and measurement

In the income statement, income and expenses are recognised as they are earned, including value adjustments of financial assets and liabilities. The income statement also recognises all costs, including depreciation and write-down.

Assets are recognised in the balance sheet if it is probable that future financial benefits will flow to the company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet if it is probable that future financial benefits will flow out of the company and the value of the liability can be measured reliably.

Assets and liabilities must be measured at cost on initial recognition. Subsequently, assets and liabilities must be measured as described for each individual item in the following sections below.

On recognition and measurement foreseeable losses and risks arising before the time at which the annual report is presented and which are proving or disproving matters arising on or before the balance sheet day must be taken into consideration.

The consolidated accounts

The consolidated accounts shall include the parent company Dangro Invest A/S and any subsidiaries in which Dangro Invest A/S directly or indirectly holds more than 50 % of the capital shares and has a controlling interest.

Companies in which the group holds more than 20 % of the capital shares and has a significant, but not a controlling interest, shall be regarded as associated companies.

On consolidation, any intragroup income and expenses, shareholdings, intragroup balances and dividends as well as any realised gain and loss resulting from transactions between the consolidated companies are eliminated.

Investments in subsidiaries are eliminated at the proportionate share of the net assets and liabilities of the subsidiary at the time of purchase measured at fair value.

In connection with purchase of new companies, the acquisition method is applied, according to which the identified assets and liabilities of the purchased companies are measured at fair value at the time of purchase. Provisions are recognised to cover the charges of any decided and published restructuring in the acquired company in connection with the purchase. The tax effect of the reassessments made is taken into account.

Intragroup business combination

In connection with business combination such as purchase and sale of capital shares, mergers, etc. pertaining to companies that are under the parent company's control, the pooling of interest method is applied. Differences between the agreed fee and the acquired or sold company's net asset value are recognised in the equity.

Foreign currency conversion

Transactions based on foreign currency have been converted at the rate of the transaction date. Receivables, debt and other items in foreign currency, which are not settled at the balance sheet date, will be converted at the rate of the balance sheet date.

Realised and unrealised currency adjustments are recognised in the income statement under net interest and similar income and expenditure.

The income statement of foreign subsidiaries is converted at the average rate of the year. Balance sheet items are converted at the rate of the balance sheet date. Currency adjustments arising from the conversion of equity at the beginning of the year and currency adjustments arising from the conversion of the income statement at the rate of the balance sheet date are recognised directly in the equity.

Currency adjustment of balances regarded as a part of the total investment in subsidiaries is recognised directly in the equity under retained profit.

Derivative financial instruments

Derivative financial instruments are initially recognised at cost in the balance sheet and will subsequently be measured at fair value. Positive and negative fair values of derivative financial instruments are included in other receivables or other debt, respectively. Changes in the fair values of derivative financial instruments are recognised in the income statement.

Changes in the fair values of derivative financial instruments, which are used to secure net investments in independent, foreign subsidiaries or associated companies, are recognised directly in the equity.

Income statement

Net turnover

The net turnover resulting from sales of commercial products, finished products, and services are recognised in the income statement if delivery and passing of risk have taken place within the end of the year and if the income can be made up reliably and is expected to be received. The net turnover is recognised exclusive of VAT, indirect tax and less any discounts in connection with the sale.

Value adjustment of work in progress (root crops)
At the time of the harvest, root crops become inventories for finished goods at fair value less distribution costs, which will then constitute the cost price.

Sale of services consists of rental income from leased land and buildings, field work performed for associated companies as well as field work and administrative services performed for others.

Land and crop subsidies etc.
Land subsidies are recognised in the income statement when the right to the subsidy is earned and the individual applications are approved. A significant part of the subsidies are not received until the following year in the period January to June. The amount is included under other receivables in the balance sheet.

The item also includes separate subsidies for special crops and separate refund of energy taxes.

Production costs

The production costs include costs incurred to obtain the net turnover of the year. It also includes costs for raw materials and ancillary materials, energy consumption and machinery costs.

Other external costs

Other external costs include operation of buildings, lease and rent of land and buildings, direct and indirect agricultural taxes, insurance as well as administrative expenses.

Staff expenses

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

Share of profits of subsidiaries and associated companies

In the income statement, the proportional share of the result after tax of the individual companies is recognised.

Interest and similar income and expenditure

Interest and similar income and expenditure are recognised in the income statement at the amounts related to the financial year. Net interest and similar income and expenditure include interest earnings and expenses, finance costs in connection with financial leasing, as well as realised and unrealised foreign exchange gains.

Tax on the results for the year

The tax for the year is recognised in the income statement with the share which is ascribable to the net profit and directly in the equity with the share which is ascribable to items directly in the equity.

The parent company is not jointly taxed with foreign subsidiaries.

Balance sheet

Intangible fixed assets

The intangible fixed assets are measured at cost less any accumulated amortisation and write-down.
Amortisation is conducted by the straight-line method over the expected economic life:
Software licenses 4 years
IPPC authorisations are amortised over a term of 10 years.

Development projects that are clearly defined and identifiable and where the technical feasibility, adequate resources and a potential future market or development opportunity can be established and where the intention is to produce, market or apply the project will be recognised as intangible fixed assets if the cost price can be made up reliably and there is sufficient certainty that the future earnings can cover the production, sales and administration costs as well as the development costs. Any other development costs are recognised in the income statement as they are incurred.

The development costs recognised in the balance sheet are measured at cost less any accumulated amortisation and write-down.

After the completion of the development work, the development costs are amortised by the straight-line method over the estimated economic life. The economic life will be estimated when the project is completed.

The profit and loss from sale of intangible fixed assets are recognised in the income statement under amortisation and write-down.

Tangible fixed assets

The tangible fixed assets, except for productive soil, are measured at cost less any accumulated depreciation and write-down.

The productive soil is measured at fair value. There are regular reassessments of the fair value of the productive soil. Productive soil is not depreciated. An amount corresponding to the revaluation is tied directly to a revaluation reserve under the equity. The revaluation reserve is reduced by the deferred tax, which is ascribable to the revaluation, if applicable.

Write-down of productive soil is set off against previously performed revaluation for that same soil. If the write-down exceeds any previous revaluation made, the difference is recognised in the income statement.

The cost price includes the acquisition price and any costs directly associated with the acquisition until the time when the asset is ready for use. The acquisition price is added to all land improvements that are assessed as being permanent. For self-produced assets and land improvements the cost price includes direct and indirect costs for materials, components, subcontractors and pay.

Straight-line depreciation is performed on the basis of an assessment of the economic life of the individual assets:

Buildings, owned properties	15 - 50 years
Buildings, leased properties	8 - 12 years
Plant and machinery	8 - 12 years

Profit and loss from the sale of tangible fixed assets are made up as the difference between the total proceeds less any distribution costs and the net asset value at the time of the sale. Profit and loss are recognised in the income statement under depreciation.

Net Book Value of buildings of the Group`s is annually tested against third party valuations.

Tangible fixed assets that are leased and comply with the terms of financial leasing are treated according to the same guidelines as owned assets.

Fixed asset investments

Shares in subsidiaries are measured by the equity method.

Shares in subsidiaries and associated companies are measured at the proportionate share of the equity value of the companies made up in accordance with the group's accounting principles less or plus any unrealised intragroup profits and losses and plus or less the remaining value of positive or negative goodwill made up in accordance with the acquisition method.

Net revaluation of capital shares in subsidiaries and associated companies are displayed as a net revaluation reserve by the equity method in the equity to the extent that the net asset value does not exceed the cost price. Dividends from subsidiaries which are expected to be adopted prior to the approval of the annual report of Dangro Invest A/S are not tied to the revaluation reserve.

Other securities and capital shares are recognised at the acquisition price or at their lower value on the balance sheet date.

Inventories

Inventories are measured at cost according to the FIFO method or net realisable value if this is lower.
The cost price of commercial products and ancillary materials includes the cost price plus delivery costs.

Goods in production (root crops) are measured at fair value less realisation costs. The fair value will typically be equivalent to the costs incurred in connection with the establishment of the crops and the share of any production overhead until the balance sheet date.

Finished products (crops) are measured at fair value at the time of the harvest less realisation costs. If the fair value is lower on the balance sheet date, the value is written down to this.

Debtors

Any receivables from sale and services are measured in the balance sheet at face value less depreciation in compliance with expected losses following an assessment of the individual receivables.

Accrued income and deferred expenses

Accrued income and deferred expenses consist of cost in relation to rent, and insurance etc.

Equity

Revaluation reserve

The revaluation reserve includes revaluations of the Group's own productive soil. The revaluation is reduced by deferred tax, which is ascribable to the revaluation.

Revaluation reserve under the equity method

The revaluation reserve under the equity method includes net revaluation of capital shares in subsidiaries and associated companies in relation to the cost price.

The reserve can be eliminated in case of loss, realisation of capital shares or changes in accounting estimates.

The reserve cannot be recognised by a negative amount.

Corporation tax and deferred tax

Any current tax liabilities and tax receivables are recognised in the balance sheet as forecast tax liability of the taxable income for the year, regulated for tax of the taxable income for previous years and taxes prepaid.

Deferred tax is measured by the balance sheet liability method of all temporary differences between the net asset value and the value for tax of assets and liabilities. No deferred tax will be recognised for temporary differences regarding goodwill non-deductible for tax purposes and other items where temporary differences apart from acquisitions have occurred at the time of the acquisition without affecting the result or the taxable income. In the cases where the statement of the tax base can be made in accordance with alternative tax rules, the deferred tax is measured on the basis of the planned application of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax base of deferrable tax loss, are recognised at the expected value base of their application, either by tax equalisation of future income or by set-off against deferred tax within the same legal tax entity and jurisdiction.

Deferred tax regulations are performed regarding the eliminations of unrealised intragroup profits and losses.

Deferred tax is measured on the basis of the tax rules and tax rates in the respective countries which will be applicable in accordance with the law at the balance sheet date, when the deferred tax is expected to create a tax liability.

Debts

Financial debts are recognised at the time of the raising of the loan at the received proceeds less any incurred transactions costs. In subsequent periods, the financial liabilities are measured at amortised cost.

The financial liabilities also include the capitalised remaining lease commitments on financial lease contracts.

Any other debts are measured at net realisable value.

Cash flow statement

The cash flow statement presents the Group's cash flows divided between operating, investment and financing activities for the year, the change in cash and cash equivalents and the Group's cash and cash equivalents at the beginning and the end of the year.

The cash flow effect of purchase and sale of companies is displayed separately under the cash flow from the investment activities. The cash flow statement includes cash flows regarding acquired companies from the time of the acquisition and the cash flows regarding companies sold are recognised until the time of the sale.

Cash flows from operating activities

The cash flows from operating activities are measured as the Group's share of the profit, regulated for non-cash operating items, changes in the working capital and paid corporation taxes.

Cash flows from investment activities

The cash flows from investment activities include payments in connection with purchase and sale of companies and activities as well as purchase and sale of intangible and tangible fixed assets and fixed asset investments.

Cash flows from financing activities

The cash flows from financing activities include changes in the size or composition of the share capital and costs in this connection as well as raising of loans, interest bearing debt and payment of dividend to the shareholders.

Cash and cash equivalents

Cash and cash equivalents include cash funds and short-term bank borrowing and leasing debt.

Group income statement

		2016 EURO	2015 EURO
	1 January - 31 December		
	Sale of crops	15.756.949	17.882.943
	Sale of services	2.193.483	2.672.875
	Sale of raw materials	1.133.142	119.197
	Land and crop subsidies and reimbursement	2.703.954	2.850.547
	Compensation for crops and other income	1.597.690	273.847
	Changing crop inventories	(4.049.786)	471.591
	Changing root crop inventories	(1.268.081)	(1.148.589
	Net turnover	**18.067.352**	**23.122.411**
	Cost of raw materials and other production costs	(12.033.237)	(11.113.016)
	Other external costs	(3.844.769)	(3.171.962)
	Gross profit	**2.189.346**	**8.837.434**
1	Staff costs	(1.672.025)	(2.564.934)
2	Amortisation/depreciation and write-down, fixed assets	(6.612.877)	(8.101.485)
3	Write-down, current assets	(2.140.705)	(1.423.800)
	Earnings before interest and tax	**(8.236.261)**	**(3.252.785)**
4	Share of profits of associated companies	-	369.270
5	Interest and similar income	69.709	910.905
6	Finance costs	(3.564.812)	(3.200.491)
	Profit before tax	**(11.731.365)**	**(5.173.102)**
7	Tax on the results for the year	209.505	434.888
	Result for the year	**(11.521.860)**	**(4.738.213)**

Group balance sheet

Note	Assets as at 31 December	2016 EURO	2015 EURO
8	Concessions, licenses etc.	-	117.330
	Intangible fixed assets, total	**-**	**117.330**
9	Productive soil	150.702.608	136.728.889
10	Buildings, properties	3.447.246	4.207.453
11	Plant and machinery	-	11.737.690
12	Fixed assets under construction	-	21.354
	Tangible fixed assets, total	**154.149.853**	**152.695.386**
13	Other securities and capital shares	33.590	37.687
14	Other receivables	-	2.081.387
15	Deferred tax receivable	568.169	1.602.031
	Fixed assets investments, total	**601.759**	**3.721.105**
	Fixed assets, total	**154.751.612**	**156.533.821**
	Raw materials and ancillary materials	30.289	2.832.423
	Root crops	4.846.313	6.332.386
	Finished products, crops	1.031.118	5.188.504
	Prepayments of goods	-	82.718
	Inventories, total	**5.907.720**	**14.436.030**
	Receivables from sale and services	1.661.663	2.172.335
16	Receivables from sold assets	224.887	6.355.624
	Other receivables	3.908.474	3.128.593
	Accrued income and deferred expenses	209.298	1.247.476
	Receivables, total	**6.004.321**	**12.904.027**
	Cash funds	**2.239.652**	**29.484.743**
	Current assets, total	**14.151.694**	**56.824.800**
	Assets, total	**168.903.306**	**213.358.621**

Group balance sheet

Liabilities as at 31 December

		2016 EURO	2015 EURO
17	Corporate capital	68.189.074	67.974.040
18	Revaluation reserve	60.386.023	43.860.654
19	Revaluation reserve under the equity method	-	-
20	Retained profit	1.413.343	15.906.388
	Equity, total	**129.988.440**	**127.741.082**
21	Deferred tax	130.941	2.032.007
22	Provision for environmental cost	1.356.240	-
	Provisions, total	**1.487.181**	**2.032.007**
23	Credit institutions	33.589.894	36.375.814
24	Leasing debt	-	7.498.489
25	Other financial liabilities	516.821	789.201
	Long-term debt, total	**34.106.715**	**44.663.504**
	Share of long-term debt payable within 1 year	1.632.687	33.295.502
26	Credit institutions	-	3.748.231
	Prepayments form customers	68.574	72.252
	Suppliers of goods and services	472.500	891.285
	Amounts due to related companies	545.851	-
	Corporate income tax	293.991	174.227
	Other debt	120.398	594.251
	Provision	186.968	146.280
	Short-term debt, total	**3.320.970**	**38.922.027**
	Provisions and debt, total	**38.914.866**	**85.617.539**
	Liabilities, total	**168.903.306**	**213.358.621**

27 Contingent liabilities
28 Pledged assets and security
29 Capital and cash resources
30 Contingent assets
31 Discontinuing activities

Group cash flow statement

	2016 EURO	2015 EURO
Results for the year	**(11.391.247)**	**(4.738.213)**
Depreciation, write-downs and provisions for cost	10.109.822	9.666.718
Net interests and similar income and expenditure	3.495.104	1.778.883
Tax on the results for the year	(209.505)	(434.888)
Cash flow form operating profit before changes in the working capital	**2.004.173**	**6.272.500**
Change of inventories	8.573.978	1.719.471
Change in receivables	789.684	2.181.616
Change in short-term debt	(195.953)	(75.058)
Cash flow from operations before interest	**11.171.881**	**10.098.529**
Interest received	64.373	511.094
Interest paid	(1.694.768)	(2.370.801)
Tax paid	(306.322)	(215.880)
Cash flow from operating activities	**9.235.164**	**8.022.942**
Purchase of intangible fixed assets	(53.996)	(107.667)
Sale of intangible fixed assets	109.901	469.095
Sale of productive soil	-	17.502.234
Performed work, land improvements	(845.357)	(586.989)
Purchase of buildings	(49.950)	(682.201)
Sale of buildings	-	160.906
Purchase and sale of plant and machinery	6.074.619	(74.351)
Other receivables and investments	6.611.145	(8.665.813)
Cash flow from investment activities	**11.846.363**	**8.015.213**
Repayment of loans with credit institutions	(33.878.257)	(5.248.386)
Repayment of leasing debt	(9.756.717)	(1.149.466)
Cash flow from financing activities	**(43.634.974)**	**(6.397.852)**
Cash flow for the year	(22.553.447)	9.640.304
Opening cash and cash equivalents	25.817.929	15.879.844
Value adjustment, cash and cash equivalents	(1.024.829)	216.365
Closing cash and cash equivalents	**2.239.652**	**25.736.512**
Cash funds	2.239.652	29.484.743
Short-term bank borrowing	-	(3.748.231)
Closing cash and equivalents	**2.239.652**	**25.736.512**

The cash flows cannot be directly derived form the other elements of the consolidated accounts.

Group notes

		2016	2015
		EURO	EURO
1	**Staff costs**		
	Salary and social securities	1.584.671	2.413.124
	Other benefits for employees	87.354	151.810
	Staff costs, total	**1.672.025**	**2.564.934**
	Number of employees in the Group (average) With reference to section 98 b, subsection 3.1 of the Danish	110	132
	Financial Statements Act. management and directors` fees amount to	226.675	431.677
2	**Depreciation and write-down, fixed assets**		
	Depreciation, fixed assets	1.636.265	2.220.174
	Profit from sale of other fixed assets, Poland	(2.204)	(356.995)
	Loss from sale an closing down of leased productive soil, Poland	-	884.707
	Profit from sale of productive soil, Poland	-	(1.463.871)
	Loss from sale of other fixed assets, Poland	327.278	936.302
	Loss form sale of productive soil, Romania	-	1.000
	Reversed Write-down, productive soil, Romania	-	(54.095)
	Write-down of fixed assets, Poland	1.073.814	5.418.952
	Write-down, productive soil, Romania	-	520.261
	Write-down of buildings, Romania	-	(4.951)
	Costs and sale assets, in connection with change of business strategy	3.577.723	-
	Depreciation and write-down, fixed assets, total	**6.612.877**	**8.101.485**
3	**Write-down, current assets**		
	Write-down, receivables	2.156.607	45.003
	Write-down, receivables from assets sold	(15.902)	703.718
	Write-down, prepayments	-	402.886
	Write-down, spare parts inventory etc.	-	272.193
	Write-down, current assets, total	**2.140.705**	**1.423.800**
4	**Share of profits of associated companies**		
	Share of profits of associated companies, Poland		369.270
	Share of profits of associated companies, total	**-**	**369.270**

Group notes

		2016	2015
		EURO	EURO
5	**Interest and similar income**		
	Interest income, financial institutions etc.	64.373	17.249
	Interest income, associated companies	-	493.845
	Value adjustments of receivables and debt	5.336	399.811
	Interest and similar income, total	**69.709**	**910.905**
6	**Finance costs**		
	Interest expenses, financial institutions etc.	1.694.768	2.370.801
	Loss from sale of associated companies	-	141.433
	Value adjustments of receivables and debt	1.870.045	688.258
	Finance costs, total	**3.564.812**	**3.200.491**
7	**Tax on the results for the year**		
	Current tax for the year	(306.322)	(496.918)
	Tag for the previous years	-	30.144
	Change in value of deferred tax balance	515.828	901.662
	Tax on the results for the year, total	**209.505**	**434.888**
8	**Concessions, licenses etc.**		
	Cost price, 1. January	506.598	456.752
	Currency adjustments at closing rate	(18.609)	6.110
	Acquisitions during the year	53.996	107.667
	Disposals during the year	(541.984)	(63.932)
	Cost price, 31. December	**-**	**506.598**
	Depreciation, 1. January	(389.268)	(148.405)
	Currency adjustments at closing rate	14.299	(1.985)
	Depreciation, disposals during the year	378.087	63.230
	Depreciation, for the year	(3.119)	(21.823)
	Write-down for the year	-	(280.285)
	Depreciation 31. December	**-**	**(389.268)**
	Net asset value as at 31. December	**-**	**117.330**

		2016	2015
		EURO	EURO
9	**Productive soil**		
	Cost price, 1. January	92.906.671	91.890.681
	Currency adjustments at closing rate	(3.412.813)	1.187.899
	Acquisitions during the year, Poland	845.357	12.694.164
	Acquisitions during the year, Romania	-	2.882
	Disposals during the year, Poland	-	(8.488.957)
	Disposals during the year, Romania	-	(4.379.999)
	Cost price, 31. December	**90.339.215**	**92.906.671**
	Revaluation, 1. January	44.071.036	45.617.660
	Currency adjustments at closing rate	(1.618.895)	609.101
	Revaluation for the year	17.911.252	6.074.645
	Reversed revaluation, disposals during the year	-	(8.230.369)
	Revaluation, 31. December	**60.363.393**	**44.071.036**
	Write-down, 1. January	-	(610.377)
	Currency adjustments at closing rate	-	(2.387)
	Write-down, disposals during the year	-	1.080.371
	Write-down for the year	-	(467.607)
	Write-down, 31. December	**-**	**-**
	Depreciation, 1. January	(248.818)	(163.689)
	Currency adjustments at closing rate	9.140	(2.190)
	Depreciation, for the year	-	(82.939)
	Reclassification, to note 10.	239.678	-
	Depreciation, 31. December	**-**	**(248.818)**
	Net asset value as at 31. December	**150.702.608**	**136.728.889**
10	**Buildings, properties**		
	Cost price, 1. January	5.487.933	5.016.939
	Currency adjustments at closing rate	(201.592)	66.455
	Acquisitions during the year	49.950	1.159.214
	Disposals during the year	-	(754.675)
	Cost price, 31. December	**5.336.290**	**5.487.933**
	Depreciation, 1. January	(1.280.480)	(582.606)
	Currency adjustments at closing rate	47.037	(8.798)
	Reclassification	(239.678)	-
	Depreciation and Write-down, disposals during the year	-	153.925

		2016	2015
		EURO	EURO
	Depreciation for the year	(88.419)	(64.314)
	Write-down, for the year	(327.504)	(778.687)
	Depreciation, 31. December	**(1.889.045)**	**(1.280.480)**
	Net asset value as at 31. December	**3.447.246**	**4.207.453**
11	**Machines and equipment**		
	Cost price, 1. January	21.114.190	23.604.853
	Currency adjustments at closing rate	(775.604)	315.751
	Acquisitions during the year	1.898.099	4.596.402
	Disposals during the year	(21.328.618)	(7.402.816)
	Cost price, 31. December	**908.068**	**21.114.190**
	Depreciation, 1. January	(9.376.500)	(4.812.644)
	Currency adjustments at closing rate	344.434	(64.376)
	Depreciation, disposals during the year	10.562.799	2.035.604
	Depreciation, for the year	(1.698.648)	(2.197.816)
	Write-down for the year	(740.152)	(4.337.268)
	Depreciation, 31. December	**(908.068)**	**(9.376.500)**
	Net asset value as at 31. December	**-**	**11.737.690**
12	**Fixed assets under construction**		
	Cost price, 1. January	21.354	90.376
	Currency adjustments at closing rate	(784)	1.209
	Acquisitions during the year	-	61.458
	Disposals during the year	(20.570)	(131.688)
	Cost price, 31. December	-	**21.354**
	Net asset value as at 31. December	**-**	**21.354**
13	**Other securities and capital shares**		
	Cost price, 1. January	37.687	37.189
	Currency adjustments at closing rate	(1.384)	497
	Disposals during the year	(2.713)	-
	Cost price, 31. December	**33.590**	**37.687**
	Net asset value as at 31. December	**33.590**	**37.687**

Group notes

		2016	2015
		EURO	EURO
14	**Other receivables**		
	Cost price, 1. January	2.312.645	5.726
	Currency adjustments at closing rate	(84.952)	84
	Acquisitions during the year	-	2.312.645
	Disposals during the year	-	(5.810)
	Cost price, 31. December	**2.227.693**	**2.312.645**
	Write-down, 1. January	(231.257)	-
	Currency adjustments at closing rate	8.495	-
	Change Write-down during the year	(2.004.930)	(231.257)
	Write-down at fair value, 31. December	**(2.227.693)**	**(231.257)**
	Net asset value as at 31. December	**-**	**2.081.387**

Other receivables comprise of long-term loans granted to former Group Companies in Romania. Loans were granted in the years 2008-2013. The Group continues to work on recovery of these loans, however there is a great uncertainty the borrowers ability to pay and time of repayment.

		2016	2015
15	**Deferred tax receivable**		
	Deferred tax, receivable, 1. January	1.602.031	691.168
	Currency adjustments at closing rate	(58.849)	9.245
	Change in deferred tax receivable for the year	(975.014)	901.618
	Deferred tax receivable as at 31. December	**568.169**	**1.602.031**
16	**Receivables from assets sold**		
	Receivables from assets sold, Poland	-	4.495.300
	Receivables from assets sold, Romania	656.366	2.332.783
	Write-down at fair value	(431.479)	(472.460)
	Receivables from assets sold as at 31. December	**224.887**	**6.355.624**
17	**Corporate capital**		
	Corporate capital, 1. January	67.974.040	67.974.040
	Currency adjustments at closing rate	215.034	-
	Corporate capital as at 31. December	**68.189.074**	**67.974.040**

The corporate capital consist of shares of DKK 100.

		2016	2015
18	**Revaluation reserve**		
	Revaluation reserve, 1. January	43.860.654	45.544.560
	Currency adjustments at closing rate	(1.611.167)	607.200
	Value adjustments for the year, land	17.911.252	6.074.645
	Change in deferred tax of value adjustment	225.284	-
	Reversed value adjustment for the year, disposal of land	-	(8.365.750)
	Revaluation reserve as at 31. December	**60.386.023**	**43.860.654**

Group notes

		2016	2015
		EURO	EURO
19	**Revaluation reserve under the equity method**		
	Revaluation reserve, 1. January	-	314.021
	Currency adjustments at closing rate	-	4.201
	Change in equity of associated companies	-	121.039
	Share of profits of associated companies	-	369.270
	Disposal of capital shares in associated companies, forward to retained profit	-	(808.530)
	Revaluation reserve under the equity method as at 31. December	**-**	**-**
20	**Retained profit**		
	Retained profit, 1. January	54.059.571	10.707.827
	Currency adjustments at closing rate	(3.298.943)	1.043.566
	Change in value of fixed-rate agreement, reduced by deferred tax	368.162	88.198
	Retained profit for the year	(11.521.860)	(5.107.483)
	Currency adjustment of profit at closing rate	130.612	-
	Realized revaluation of land, disposals during the year	-	8.365.750
	Carried forward from revaluation reserve, disposals during the year	-	808.530
	Retained profit as at 31. December	**43.036.485**	**54.059.571**
	Appropriation statement		
	Result for the year	(11.521.860)	(4.738.213)
	Available	**(11.521.860)**	**(4.738.213)**
	The following allocation of the Group`s profit/(loss) is proposed:		
	Change in revaluation reserve under the equity method	-	369.270
	Retained profit (loss)	(11.521.860)	(5.107.483)
	Appropriation, total	**(11.521.860)**	**(4.738.213)**
21	**Deferred tax**		
	Deferred tax, 1. January	2.032.007	1.457.270
	Currency adjustments at closing rate	(74.643)	19.493
	Change in deferred tax for the year	(1.826.423)	555.245
	Deferred tax as at 31. December	**130.941**	**2.032.007**
22	**Provisions for environmental cost**		
	Provisions, 1. January	-	-
	Provisions during the year for environmental measures	1.356.240	-
	Provisions for environmental cost as at 31. December	**1.356.240**	**-**

During the year, measures carried a review and registration of all buildings and installations for the assessment of the need for future environmental improvements. To meet future environmental requirements during the year set aside TEURO 1,356.

		2016 EURO	2015 EURO
23	**Credit institutions**		
	BGZ BNP Paribas SA. Poland loan i EURO	32.909.825	35.532.065
	BGZ BNP Paribas SA. Poland loan i PLN	104.883	122.492
	Other banks in Poland (BZWBK, GBS) PLN-denominated term facility	414.693	554.642
	ARIMR, long-term preferential debt funding CAPEX project (PLN-denominated)	160.493	166.614
	Credit institutions as at 31. December	**33.589.894**	**36.375.814**

Debt, BGZ BNP Paribas SA.:

	Maturity year	Tenure beyond 5 years	Due within 1 year
Loan in TEURO 32.400	2018	0	TEURO 1.500
Loan in TPLN 522	2026	232	TPLN 58

On December 20, 2016 the Group entered into a refinancing agreement with BGZ BNP Paribas SA. In early 2017, the Group refinanced its debt facilities with BGZ BNP Paribas SA. The refinancing improved commercial term of the agreements with BGZ BNP Paribas SA.

Debt, BZWBK and GBS:
Investment and preferential credits.

	Maturity year	Tenure beyond 5 years	Due within 1 year
	Maturity year 2025/25	TPLN 594	TPLN 529.
ARIMR Loan in TPLN. 710	Maturity year 2030/2032	TPLN 482	TPLN 32

Reference is made to note 28. for a description of pledged assets and security.

		2016	2015
24	**Leasing liabilities**		
	Leasing liabilities	-	9.637.733
	Carried forward to short-term debt	-	(2.139.244)
	Leasing liabilities as at 31. December	**-**	**7.498.489**
25	**Other financial liabilities**		
	Value, 1. January	789.201	886.233
	Currency adjustments at closing rate	(28.990)	11.855
	Adjustment for the year	(243.390)	(108.887)
	Other financial liabilities as at 31. December	**516.821**	**789.201**

The group's debt consists of floating rate loans. In order to reduce exposure to risk of an increase of interest rate, a 5-year interest rate hedging of 50% of the Euro loan in BGZ BNP Paribas SA was agreed in 2013.
As at 31 December 2016, the value of this hedging is negative at TEURO 516.
The agreement expires on March 27, 2018.

		2016	2015
26	**Credit institutions**		
	Bank borrowing, in EURO	-	3.748.231
	Bank borrowing, in PLN	-	-
	Credit institutions as at 31. December	**-**	**3.748.231**

	2016	2015
	EURO	EURO

27 Other agreements

The Group`s subsidiaries entered into two land leas agreements with third parties based on which these third parties erected wind turbines on the Group`s properties. The agreements have a term of 30 years.

28 Pledged assets and security

In accordance with the terms of the long-term debt facility with BGZ BNP Paribas SA, the Group`s has provided BGZ BNP Paribas SA., with the following security.

First charge on the Group`s real estate assets owned by the Group`s subsidiaries in Poland. The net asset value, confirmed as of the balance sheet date by independent third party valuer, of the real estate assets amounts to TEURO 154.150.

Lien on shares of all Group companies that own the real estate.

Total registered pledge TEURO 129.000.

All group companies have joint and several liability as co-debtors in relation to BGZ BNP Paribas SA.

In accordance with the terms of the facility of BGZ BNP Paribas SA., the group cannot raise additional debt without prior approval by BGZ BNP Paribas SA.

Prior to December 31. 2016 the Group signed a refinancing agreement with BGZ BNP Paribas SA improving terms of the BGZ BNP Paribas SA debt facility. In addition to reduce margin, the Group is to benefit from ability to distribute dividends to its shareholders as well as more favourable covenants. As of December 31, 2016 the Group met covenants as defined by its debt facility with BGZ BNP Paribas SA.

39 Capital and cash resources

As of December 31, 2016 the Group has available funds of EURO 2.2 million. Post balance sheet date the Group secured PLN and EURO-denominated working capital facilities with BGZ BNP Paribas SA in the aggregate amount of EURO 31.6 million.

Based on the above and the Group`s financing needs for 2017, the management is of opinion that the Group and the Company have sufficient cash available for 2017. As such, the management present this annual report on the assumption of the Group`s and the Company`s going concern.

30 Contingent assets

The group has a deferred tax receivable of TEURO 3.009. It is not estimated that the group can make use of this within a short time frame, which is why the amount is not recognised in the consolidated accounts.

31 Discontinuing activities

During 2016 the Group changed its strategy as to its future business. The management disposed the Group operating business taking a strategic decision that the Group`s core activity should be holding real estate assets while any services required to operate real estate portfolio assets could be procured from third parties.

In accordance with section 80 of the Danish Financial Statements Act, the following may be disclosed:
The change did not affect revenue for the year. The Group incurred ca. EURO 3.6 million of one-off costs and Write-off relating to disposal or 100% provisions against assets that the Group`s management do not consider to be of strategic value. The result that the changes effect net profit extraordinary as described in the management report.

Income statement – parent company

Note	1 January - 31 December	2016 EURO	2015 EURO
	Net turnover	637.017	651.075
	Other external costs	(586.062)	(736.953)
	Gross profit	**50.956**	**(85.878)**
1	Staff costs	(229.634)	(800.252)
	Earnings before interest and tax	**(178.678)**	**(886.131)**
2	Share of profits of subsidiaries	(11.328.627)	(3.852.201)
3	Interest and similar income	5.336	480
4	Finance costs	(19.890)	(361)
	Profit before tax	**(11.521.860)**	**(4.738.213)**
	Tax on the results for the year	-	-
	Result for the year	**(11.521.860)**	**(4.738.213)**

Balance sheet – parent company

Note	Assets as at 31 December	2016 EURO	2015 EURO
5	Shares in subsidiaries	129.118.472	127.807.871
	Fixed assets, total	**129.118.472**	**127.807.871**
	Amounts owed by subsidiaries	552.152	458.037
	Receivables, total	**552.152**	**458.037**
	Cash funds	**987.956**	**31.743**
	Current assets, total	**1.540.108**	**489.781**
	Assets, total	**130.658.580**	**128.297.652**

Balance sheet – parent company

Note		2016 EURO	2015 EURO
	Liabilities as at 31. December		
6	Corporate capital	68.189.074	67.974.040
7	Revaluation reserve under the equity method	48.540.968	47.484.467
8	Retained profit	13.258.398	12.282.575
	Equity, total	**129.988.440**	**127.741.082**
	Suppliers of goods and services	17.634	180.513
	Debt for subsidiaries	545.851	-
	Other debt	106.655	376.057
	Short-term debt, total	**670.140**	**556.570**
	Liabilities, total	**130.658.580**	**128.297.652**

9 Related parties
10 Contingent liabilities
11 Contingent assets
12 Pledged assets and security
13 Capital and cash resources
14 Group chart

Notes – parent company

		2016 EURO	2015 EURO
1	**Staff costs**		
	Staff cost	210.450	746.218
	Other benefits for employees	19.184	54.034
	Staff costs, total	**229.634**	**800.252**
	Number of employees in the company (average)	1	1
	With reference to section 98 B, subsection 3.1 of the Danish Financial Statements Act, management and director`s fees amount	194.435	376.700
2	**Share of profits of subsidiaries companies**		
	Share of profits of subsidiaries, Poland	(11.328.627)	(2.707.952)
	Share of profits of subsidiaries companies, Romania	-	(1.144.249)
	Share of profits of subsidiaries companies, total	**(11.328.627)**	**(3.852.201)**
3	**Interest and similar income**		
	Interest income, financial institutions etc.	-	480
	Value adjustments of receivables and debt	5.336	-
	Interest and similar income, total	**5.336**	**480**
4	**Finance costs**		
	Interest expenses, financial institutions etc.	-	361
	Value adjustments of receivables and debt	19.890	-
	Finance costs, total	**19.890**	**361**
5	**Shares in subsidiaries**		
	Cost price 1. January	48.906.680	48.906.680
	Currency adjustments at closing rate	154.715	
	Cost price 31. December	**49.061.395**	**48.906.680**
	Value adjustments 1, January	78.901.192	74.814.545
	Currency adjustments at closing rate	(4.849.580)	1.654.966
	Value adjustment for the year	18.333.681	6.283.882
	Dividends paid in the year	(1.130.200)	-
	Net profit shares	(11.328.627)	(3.852.201)
	Currency adjustment of profit at closing rate	130.612	-
	Value adjustment 31. December	**80.057.078**	**78.901.192**
	Shares in subsidiaries as at 31. December	**129.118.472**	**127.807.871**

Shares in subsidiaries as at 31. December 2016 consists of shares in the Group`s subsidiaries in Poland.

Notes – parent company

		2016 EURO	2015 EURO
6	**Corporate capital**		
	Corporate capital 1. January	67.974.044	67.974.040
	Currency adjustments at closing rate	215.034	
	Corporate capital as at 31. December	**68.189.074**	**67.974.040**

The corporate capital consists of shares of DKK 100.

Corporate capital trends can be specified as follows:

	2016 TDKK	2015 TDKK	2014 TDKK	2013 TDKK	2012 TDKK
1 January	506.923	506.923	506.923	506.923	504.811
Capital increase	0	0	0	0	2.112
31 December	**506.923**	**506.923**	**506.923**	**506.923**	**506.923**

7	**Revaluation reserve under the equity method**		
	Reserve 1. January	47.484.467	43.397.821
	Currency adjustments at closing rate	(4.948.966)	1.654.966
	Value adjustment for the year	18.333.681	6.283.882
	Change for the year, cf. The appropriation statement	(11.328.627)	(3.852.201)
	Currency adjustment of profit at closing rate	130.612	-
	Dividends paid in the year	(1.130.200)	-
	Revaluation reserve under the equity method as at 31. December	**48.540.968**	**47.484.467**
8	**Retained profit**		
	Retained profit 1. January	12.282.575	13.168.587
	Currency adjustments at closing rate	35.856	
	Dividends	1.130.200	-
	Retained profit for the year	(193.233)	(886.012)
	Retained profit as at 31. December	**13.258.398**	**12.282.575**

Appropriation statement

Result for the year	(11.521.860)	(4.738.213)
Available	**(11.521.860)**	**(4.738.213)**

The following allocation of the Group`s loss is proposed:

Change in revaluation reserve under the equity method	(11.328.627)	(3.852.201)
Retained profit	(193.233)	(886.012)
Appropriation, total	**(11.521.860)**	**(4.738.213)**

Notes – parent company

9 **Related parties**

TEFF Investments B.V. ,Strawinskylaan 3127 Atrium Building, 8th Floor, 1077 ZX, Amsterdam, Netherlands holds 100% interest in the Company as at December 31, 2016.

Transactions

During the year, there have been transactions with the parties above.
The transactions have consisted in purchase of administrative services for Dangro Invest A/S in connection with the operation of the group undertakings in Poland.
The transactions are performed on the basis of concluded agreements and at arm's length.

The internal trade with group undertakings for the year includes the following:
Sale of services to group undertakings TEURO 637.

Transactions with group undertakings are eliminated in the consolidated accounts.

10 **Contingent liabilities**

The company has submitted a guarantee in connection with financing in Group companies by BGZ BNP Paribas SA.

11 **Contingent assets**

The company has a deferred tax receivable of TEURO 3.009. It is not estimated that the company can make use of this within a short time frame, which is why the amount is not recognised in the annual accounts.

12 **Pledged assets and security**

Shares in the subsidiaries in Poland are pledged for the benefit of BGZ BNP Paribas SA.

13 **Capital and cash resources**

Reference is made to note 30 of the consolidated accounts.

Notes – parent company

14 Group chart

Parent company: Dangro Invest A/S

Consolidated group companies as at 31/12/2016

The Company holds 100% interest in the following companies directly (or indirectly) (referred together as the "Group")

Name:	Registered office:
Pszenrol SA	Lozice, Pyrzyce, Poland
Agra Sp.z.o.o.	Lozice, Pyrzyce, Poland
Rola Sp.z.o.o.	Lozice, Pyrzyce, Poland
Ziemrol Sp.z.o.o.	Lozice, Pyrzyce, Poland
Agroservice Sp.z.o.o.	Lozice, Pyrzyce, Poland
Farmex Sp.z.o.o.	Lozice, Pyrzyce, Poland
Agramaz Sp.z.o.o.	Lozice, Pyrzyce, Poland
Agroland Sp.z.o.o.	Lozice, Pyrzyce, Poland
Budus Sp.z.o.o.	Lozice, Pyrzyce, Poland
Rolzbud Sp.z.o.o.	Lozice, Pyrzyce, Poland
Agropol Sp.z.o.o.	Lozice, Pyrzyce, Poland
Sobierads Sp.z.o.o.	Lozice, Pyrzyce, Poland
Agat Sp.z.o.o.	Lozice, Pyrzyce, Poland
Agrifarm Sp.z.o.o.	Lozice, Pyrzyce, Poland
Amal Sp.z.o.o.	Lozice, Pyrzyce, Poland
Jasionno Sp.z.o.o.	Lozice, Pyrzyce, Poland
Rolpol Sp.z.o.o.	Lozice, Pyrzyce, Poland
Kolno Sp.z.o.o.	Lozice, Pyrzyce, Poland
Satopy Sp.z.o.o.	Lozice, Pyrzyce, Poland
Cisy Sp.z.o.o.	Lozice, Pyrzyce, Poland
Walichnowy Sp.z.o.o.	Lozice, Pyrzyce, Poland
Milkowo Sp.z.o.o.	Lozice, Pyrzyce, Poland
Lozice Sp.z.o.	Lozice, Pyrzyce, Poland
Tokary Sp.z.o.o.	Lozice, Pyrzyce, Poland
Cieszyslaw Sp.z.o.o.	Lozice, Pyrzyce, Poland
Opal Sp.z.o.o.	Lozice, Pyrzyce, Poland
Tetyn Sp.z.o.o.	Lozice, Pyrzyce, Poland
Turkus Sp.z.o.o.	Lozice, Pyrzyce, Poland
Amber Sp.z.o.o.	Lozice, Pyrzyce, Poland
Weziny Sp.z.o.o.	Lozice, Pyrzyce, Poland
See Agro Sp.z.o.o.	Lozice, Pyrzyce, Poland
Agro Dubliny Sp.z.o.o.	Lozice, Pyrzyce, Poland
Szafir Sp.z.o.o.	Lozice, Pyrzyce, Poland
Jaroslawsko I Sp.z.o.o.	Lozice, Pyrzyce, Poland
Ogardy Sp.z.o.o.	Lozice, Pyrzyce, Poland
Jaroslawsko II Sp.z.o.o.	Lozice, Pyrzyce, Poland
Adamas Sp.z.o.o.	Lozice, Pyrzyce, Poland

Notes – parent company