DANGRO INVEST A/S
Strandvejen 46
DK-3300 Frederiksværk

Annual Report 2019

CVR/VAT no. 19950530

Approved at the Company's Annual General Meeting, / 2020

Chairman

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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	Peter Simon Bryde, Chairman Pobert Pajurek Gerd Böeckenfoff
Credit institutions	BNP Paribas Polska 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	Kromann Reumert Law Firm Sundkrogsgade 5 DK-2100 København Ø

Group highlights and key figures overview

Results for the year	2019 TEURO	2018 TEURO	2017 TEURO	2016 TEURO	2015 TEURO
Net turnover	10.956	10.302	12.307	18.067	23.122
Earnings before interest, tax, depreciation and amortisation (EBITDA)	1.623	825	670	517	6.272
Earnings before interest and tax (EBIT)	3.539	186	468	(8.236)	(3.241)
Interest	(639)	(1.123)	(896)	(1630)	(1.860)
Currency adjustments	539	(1.564)	2.442	(1.865)	(288)
Profit before tax	3.439	(2.348)	2.015	(11.731)	(5.161)
Results for the year	2.977	(2.290)	1.575	(11.522)	(4.738)
Balance sheet					
Fixed assets	161.653	158.251	162.440	154.752	156.534
Current assets	11.271	11.098	9.995	14.152	56.825
Assets, total	172.925	169.349	172.435	168.903	213.359
Share capital	67.863	67.928	68.086	68.189	67.974
Equity, total	134.614	129.874	134.572	129.988	127.741
Long-term debt	113	32.179	286	34.107	44.664
Short term debt	36..644	5.828	35.857	3.321	38.922
Cash flow					
From operating profit before changes in the working capital	1.623	844	849	2.004	6.273
From operating activities	1.043	(680)	5.121	9.235	8.023
From investment activities	771	(345)	(96)	11.846	8.015
Investments in tangible fixed assets, net	(182)	(345)	(406)	5.235	16.320
From financing activities	(1.018)	(335)	(4.262)	(43.635)	(6.398)
Change in cash and cash equivalents	797	(1.361)	763	(22.553)	9.640
Cash and cash equivalents, 31 December	2.522	1.689	3.139	2.240	25.737
Profit margin (Earnings before interest and tax as % of turnover)	31	2	4	-46	-14
Return on investment (Earnings before interest and tax as % of average balance sheet total)	2,1	0,1	0,3	-4,3	-2,6
Return on equity (Net profit as % of average equity)	2,2	-1,7	1,2	-8,8	3,7
Equity ratio (Equity as % of assets)	78	77	78	76	60
Equity per share (DKK)	198	191	198	190	188
Average number of employees	0	0	0	110	132

Management's report

Main activity

The group's main activity consists of crop production by it´s subsidiaries in Poland
The parent company's activities mainly consist of providing consultancy services, and act as a holding company for the subsidiaries.

Presentation of developments in the company's financial activities

The Group's revenue increased compared to last year. The reason is that the group improved in custom farming operations and changed activity on part of custom farmed assets by leasing them out to local farmers. In result, at the end of 2019, portfolio was leased out in 62,3 % and the rest was custom farmed.

The Group recorded total revenue of TEURO 10.956, a increase compared to last year by TEURO 654.
Operating profit for the Group was TEURO 2.977 (operating profit 2018: TEURO – 2.290).

The company's results are significantly affected by weather conditions, and PLN exchange rate

Changes in equity

The changes in equity for 2019 are presented below:

The changes in equity specified in main items	TEURO
Equity as at 01 January 2019	129.874
Profit for the year (including currency adjustments)	2.997
Value adjustment of productive soil, subsidiaries	704
Other changes in equity	-
Change due to development of PLN rate	1.039
Equity as at 31 December 2019	**134.614**

New activities

No new activities have been set in motion this year.

Expected development

The Group`s activities are not expected to change substantially in the coming years.
It is expected that earnings for the coming year will be realized by approximately EURO 3 million under condition that weather will not impact adversely on 2020 harvest.
The Croup is not expected to be directly effected by COVID-19 outbreaks.

Capital and cash resources

As of December 31, 2019 the Group had available funds of EURO 3,8 million. The Group secured PLN and EURO-denominated working capital facilities with BNP Paribas Polska SA in the aggregate amount of EURO 32,5 million and overdraft with a limit of up to a EURO equivalent of EURO 4,2 million. Both loan facilities matures in September 2020 with subject to be repaid from investor`s capital calls. It is considered new overdraft facility to be drawn at BNP Paribas Polska SA in the amount of about EURO 2 million to support financially custom farming operations.

Based on the Group`s financing needs for 2020, the management is of opinion that the Group and the Company have sufficient cash available for 2020 operations. 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 2019
EURO	95 %
PLN	5 %

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 30 % of Group GAV. 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 2-year interest rate hedging of 100 % of the Euro loan in BNP Paribas Polska SA was agreed at the end of 2018.

As at 31 December 2019, the value of this hedging is negative at TEURO 152
The agreement expires on September 30. 2020.

Credit risks

Credit risks are related to the trade debtors.

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. At the end of 2019 about 31% 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 last year, management 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 an amount of TEURO 1,409 has been reserved.

Shareholders

At the end of 2019 100% of the shares are owned by TEFF Investments B.V.

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 2019.

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 2019 of the Company and the Group and of the results of the Company and Group operations and cash flows for 2019.

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, den 7. maj 2020.

Executive Board

Stephen James Shephard

Supervisory Board

Peter Simon Bryde, chairman

Robert Pajurek

Gerd Böeckenhoff

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 2019, 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 2019 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 2019, which comprise income statement, balance sheet, statement of changes in equity and notes, including of 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.

- 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, den 7. maj 2020

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Michael Nielsson
State Authorised Public Accountant
mne15151

Applied accounting policies

General

The annual report of Dangro Invest A/S for 2019 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.

Finansial Statements for 2019 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 April. 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.

Share of profits of subsidiaries

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

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
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.

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.

Group income statement

Note	1 January - 31 December	2019 EURO	2018 EURO
	Sale of crops	8.198.830	5.099.952
	Sale of services	2.497.449	1.772.369
	Land and crop subsidies and reimbursement	1.744.584	1.540.515
	Compensensation for crops and other income	326.321	519.661
	Changing crop inventories	473.673	344.960
	Changing root crop inventories	(2.285.222)	1.024.539
	Net turnover	**10.955.635**	**10.301.996**
	Cost of raw materials and other production costs	(7.128.540)	(7.835.094)
	Other external costs	(2.203.694)	(1.641.567)
	Gross profit	**1.623.401**	**825.335**
1	Amortisation/depreciation and write-down, fixed assets	(116.037)	(639.583)
2/10	Write-down, current assets	2.031.424	-
	Earnings before interest and tax	**3.538.788**	**185.752**
3	Interest and similar income	717.019	154.388
4	Finance costs	(816.873)	(2.688.061)
	Profit before tax	**3.438.934**	**(2.347.921)**
5	Tax on the results for the year	(461.949)	57.619
	Result for the year	**2.976.985**	**(2.290.302)**

Group balance sheet

	Assets as at 31 December	2019 EURO	2018 EURO
6	Productive soil	156.711.927	154.447.988
7	Buildings, properties	3.324.807	3.274.769
8	Plant and machinery	-	-
	Tangible fixed assets, total	**160.036.734**	**157.722.757**
9	Amounts owed by subsidiaries	1.077.671	-
10	Other receivables	-	-
11	Deferred tax receivable	528.941	528.293
	Fixed assets investments, total	**1.616.612**	**528.293**
	Fixed assets, total	**161.653.346**	**158.251.050**
	Raw materials and ancillary materials	11.765	17.298
	Root crops	1.471.405	3.742.497
	Finished products, crops	1.771.804	1.281.004
	Inventories, total	**3.254.974**	**5.040.799**
	Receivables from sale and services	2.801.963	545.401
	Other receivables	933.275	1.258.841
	Accrued income and deferred expenses	93.642	148.340
	Receivables, total	**3.828.880**	**1.952.582**
	Cash funds	**4.187.537**	**4.104.631**
	Current assets, total	**11.271.391**	**11.098.012**
	Assets, total	**172.924.737**	**169.349.062**

Group balance sheet

Note	Liabilities as at 31 December	2019 EURO	2018 EURO
	Corporate capital	67.862.658	67.927.587
	Revaluation reserve	62.781.640	61.478.309
	Retained profit	3.969.338	467.941
	Equity, total	**134.613.636**	**129.873.837**
12	Deferred tax	145.563	72.118
13	Provision for environmental cost	1.408.946	1.395.339
	Provisions, total	**1.554.509**	**1.467.457**
14	Credit institutions	112.664	31.889.725
15	Other financial liabilities	-	290.013
	Long-term debt, total	**112.664**	**32.179.738**
	Share of long-term debt payable within 1 year	32.528.451	1.511.499
	Credit institutions	1.665.082	2.416.029
	Prepayments form customers	1.590.466	182.408
	Suppliers of goods and services	473.966	1.350.427
	Amounts due to related companies	-	111.124
	Corporate income tax	355.896	217.695
	Other debt	15.476	24.631
	Provision	14.591	14.217
	Short-term debt, total	**36.643.928**	**5.828.030**
	Provisions and debt, total	**38.311.101**	**39.475.225**
	Liabilities, total	**172.924.737**	**169.349.062**

16 Pledged assets and security
17 Capital and cash resources
18 Contingent assets
19 Events after the end of the financial year

Equity

	Corporate capital	Revaluation reserve	Retained earnings	Total EURO
Equity at 1. January 2019	67.927.587	61.478.309	467.941	129.873.837
Currency adjustments at closing rate	(64.929)	599.492	504.158	1.038.721
Value adjustments for land		703.839		703.839
Retained profit for the year			2.976.985	2.976.985
Currency adjustment of profit at closing rate			20.254	20.254
Equity at 31. December 2019	**67.862.658**	**62.781.640**	**3.969.338**	**134.613.636**

Group cash flow statement

	2019	2018
	EURO	EURO
Results for the year	**2.976.985**	**(2.271.448)**
Depreciation, write-downs and provisions for cost	(1.915.387)	639.583
Net interests and similar income and expenditure	99.854	2.533.673
Tax on the results for the year	461.949	(57.619)
Cash flow from operating profit before changes in the working capital	**1.623.401**	**844.189**
Change of inventories	1.781.008	(1.216.194)
Change in receivables	(1.878.166)	(497.306)
Change in short-term debt	551.709	1.387.103
Cash flow from operations before interest	**2.077.952**	**517.792**
Interest received	177.688	154.388
Interest paid	(816.873)	(1.124.406)
Tax paid	(395.357)	(228.212)
Cash flow from operating activities	**1.043.410**	**(680.438)**
Performed work, land improvements	(56.324)	(26.045)
Sale of productive soil	6.293	-
Purchase and sale of buildings	(141.635)	(318.373)
Purchase and sale of plant and machinery	9.410	(1.081)
Other receivables and investments	953.753	-
Cash flow from investment activities	**771.497**	**(345.499)**
Repayment of loans with credit institutions	(1.017.917)	(335.004)
Cash flow from financing activities	**(1.017.917)**	**(335.004)**
Cash flow for the year	796.990	(1.360.941)
Opening cash and cash equivalents	1.688.602	3.138.788
Value adjustment, cash and cash equivalents	36.863	(89.845)
Closing cash and cash equivalents	**2.522.455**	**1.688.602**
Cash funds	4.187.537	4104.631
Short-term bank borrowing	(1.665.082)	(2.416.029)
Closing cash and equivalents	**2.522.455**	**1.688.602**

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

Group notes

		2019	2018
		EURO	EURO
1	**Depreciation and write-down, fixed assets**		
	Depreciation, fixed assets	138.180	131.909
	Profit from sale of other fixed assets, Poland	(41.242)	(2.086)
	Write-down of fixed assets	19.099	509..760
	Depreciation and write-down, fixed assets, total	**116.037**	**639.583**
2	**Write-down, current assets**		
	Reverse Write-down, receivables	(2.031.424)	-
	Write-down, current assets, total	**(2.031.424)**	**-**
3	**Interest and similar income**		
	Interest income, financial institutions etc.	177.688	154.388
	Value adjustments of receivables and debt	539.331	-
	Interest and similar income, total	**717.019**	**154.388**
4	**Finance costs**		
	Interest expenses, financial institutions etc.	816.873	1.124.406
	Value adjustments of receivables and debt	-	1.563.655
	Finance costs, total	**816.873**	**2.688.061**
5	**Tax on the results for the year**		
	Current tax for the year	(348.114)	(228.212)
	Deferred tax	(66.592)	285.831
	Withholding taxes (WHT)	(47.243)	-
	Tax on the results for the year, total	**(461.949)**	**57.619**
6	**Productive soil**		
	Cost price, 1. January	92.969.679	95.822.362
	Currency adjustments at closing rate	906.575	(2.878.728)
	Acquisitions during the year	56.324	26.045
	Disposals during the year	(2.291)	-
	Cost price, 31. December	**93.930.287**	**92.969.679**
	Revaluation, 1. January	61.478.309	62.407.747
	Currency adjustments at closing rate	599.492	(1.874.875)
	Revaluation for the year	703.839	945.437
	Revaluation, 31. December	**62.781.640**	**61.478.309**
	Net asset value as at 31. December	**156.711.927**	**154.447.988**

		2019	2018
		EURO	EURO
7	**Buildings, properties**		
	Cost price, 1. January	6.093.930	5.954.443
	Currency adjustments at closing rate	59.425	(178.886)
	Acquisitions during the year	187.872	318.373
	Disposals during the year	(13.895)	-
	Cost price, 31. December	**6.327.332**	**6.093.930**
	Depreciation, 1. January	(2.819.161)	(2.253.419)
	Currency adjustments at closing rate	(27.492)	67.698
	Depreciation, disposals during the year	2.946	-
	Depreciation for the year	(139.532)	(127.702)
	Write-down, for the year	(19.286)	(505.738)
	Depreciation, 31. December	**(3.002.525)**	**(2.819.161)**
	Net asset value as at 31. December	**3.324.807**	**3.274.769**
8	**Plant and machinery**		
	Cost price, 1. January	874.529	915.709
	Currency adjustments at closing rate	8.527	(27.510)
	Acquisitions during the year	3.616	3.167
	Disposals during the year	(52.272)	(16.837)
	Cost price, 31. December	**834.400**	**874.529**
	Depreciation, 1. January	(874.529)	(915.709)
	Currency adjustments at closing rate	(8.527)	27.510
	Depreciation, disposals during the year	48.656	16.837
	Depreciation, for the year	-	(3.167)
	Depreciation, 31. December	**(834.400)**	**(874.529)**
	Net asset value as at 31. December	**-**	**-**
9	**Amounts owed by subsidiaries**		
	Cost price, 1. January	-	-
	Currency adjustments at closing rate	-	-
	Additions during the year	1.077.671	-
	Cost price, 31. December	**1.077.671**	**-**
	Net asset value as at 31. December	**1.077.671**	**-**
10	**Other receivables**		
	Cost price, 1. January	2.139.175	2.205.431
	Currency adjustments at closing rate	20.859	(66.256)
	Disposals during the year	(2.031.424)	-
	Cost price, 31. December	**128.610**	**2.139.175**
	Write-down, 1. January	(2.139.175)	(2.205.431)
	Currency adjustments at closing rate	(20.859)	66.256
	Change Write-down during the year	2.031.424	-
	Write-down at fair value, 31. December	**(128.610)**	**(2.139.175)**
	Net asset value as at 31. December	**-**	**-**

		2019 EURO	2018 EURO
10	**Other receivables**		

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 borrower´s ability to pay and time of repayment.

		2019 EURO	2018 EURO
11	**Deferred tax receivable**		
	Deferred tax, receivable, 1. January	528.293	509.078
	Currency adjustments at closing rate	5.150	(15.292)
	Change in deferred tax receivable for the year	5.498	34.507
	Deferred tax receivable as at 31. December	**538.941**	**528.293**
12	**Deferred tax**		
	Deferred tax, 1. January	72.118	311.146
	Currency adjustments at closing rate	704	(9.348)
	Change in deferred tax for the year	72.741	(229.680)
	Deferred tax as at 31. December	**145.563**	**72.118**
13	**Provisions for environmental cost**		
	Provisions, 1. January	1.395.339	1.438.557
	Currency adjustments at closing rate	13.607	(43.218)
	Provisions for environmental cost as at 31. December	**1.408.946**	**1.395.339**

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 set aside TPLN 6.000.

		2019 EURO	2018 EURO
14	**Credit institutions**		
	BNP Paribas Polska SA, loan in EURO	-	31.766.640
	ARIMR, long-term preferential debt funding CAPEX project (PLN-denominated)	112.664	123.085
	Credit institutions as at 31. December	**112.664**	**31.889.725**

BNP Paribas Polska SA: Loan in TEURO 31.766. Maturity year 2020.

ARIMR:
Loan in TEURO 148
Maturity year 2030/2032 Tenure beyond 5 years TEURO 64
Due Within 1 year TEURO 12

		2019 EURO	2018 EURO
15	**Other financial liabilities**		
	Value, 1. January	290.013	105.211
	Currency adjustments at closing rate	2.828	(3.161)
	Adjustment for the year	(140.917)	187.963
	Due Within 1 year	(151.924)	-
	Other financial liabilities as at 31. December	-	**290.013**

The group's debt consists of floating rate loans. In order to reduce exposure to risk of an increase of interest rate, a 2-year interest rate hedging of 100% of the Euro loan in BNP Paribas Polska SA was agreed in the end of 2018.
As at 31 December 2019, the value of this hedging is negative at TEURO 152.
The agreement expires on September 30, 2020.

	2019	2018
	EURO	EURO

16 Pledged assets and security

In accordance with the terms of the debt facility with BNP Paribas Polska SA, the Group`s has provided BGZ BNP Paribas Polska 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 156.712.

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 BNP Paribas Polska SA.

17 Capital and cash resources

As of December 31, 2019 the Group had available funds of EURO 3,8 million. The Group secured PLN and EURO-denominated working capital facilities with BNP Paribas Polska SA in the aggregate amount of EURO 32,5 million and overdraft with a limit of up to a EURO equivalent of EURO 4,2 million. Both loan facilities matures in September 2020 with subject to be repaid from investor`s capital calls. It is considered new overdraft facility to be drawn at BNP Paribas Polska SA in the amount of about EURO 2 million to support financially custom farming operations.

Based on the Group`s financing needs for 2020, the management is of opinion that the Group and the Company have sufficient cash available for 2020 operations. As such, the management presents this annual report on the assumption of the Group`s and the Company`s going concern.

18 Contingent assets

The group has a deferred tax receivable of TEURO 2.750. 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.

19 Events after the end of the financial year

There have been no events after the financial year that could significantly affect the Group's financial position.
The Croup is not expected to be directly effected by COVID-19 outbreaks.

Income statement – parent company

1 January - 31 December

Note		2019 EURO	2018 EURO
	Net turnover	55.743	134.992
	Other external costs	(114.328)	(203.405)
	Gross profit	**(58.585)**	**(68.413)**
	Earnings before interest and tax	**(58.585)**	**(68.413)**
1	Share of profits of subsidiaries	2.069.595	(2.389.885)
2	Interest and similar income	1.013.312	755.794
3	Finance costs	(94)	(587.798)
	Profit before tax	**3.024.228**	**(2.290.302)**
	Tax on the results for the year	(47.243)	-
	Result for the year	**2.976.985**	**(2.290.302)**

Balance sheet – parent company

Note		2019 EURO	2018 EURO
	Assets as at 31 December		
4	Shares in subsidiaries	112.458.901	108.606.162
5	Amounts owed by subsidiaries	22.063.598	21.317.719
	Fixed assets, total	**134.522.499**	**129.923.881**
	Amounts owed by subsidiaries	27.624	33.880
	Other receivables	1.096	1.142
	Receivables, total	**28.720**	**35.022**
	Cash funds	**77.729**	**39.458**
	Current assets, total	**106.449**	**74.480**
	Assets, total	**134.628.948**	**129.998.361**

Balance sheet – parent company

Note		2019 EURO	2018 EURO
	Liabilities as at 31. December		
	Corporate capital	67.862.658	67.927.587
	Revaluation reserve under the equity method	46.940.889	43.025.465
	Retained profit	19.810.089	18.920.785
	Equity, total	**134.613.636**	**129.873.837**
	Suppliers of goods and services	15.312	13.400
	Debt for subsidiaries	-	111.124
	Short-term debt, total	**15.312**	**124.524**
	Liabilities, total	**134.628.948**	**129.998.361**

6 Related parties
7 Contingent liabilities
8 Contingent assets
9 Pledged assets and security
10 Capital and cash resources
11 Events after the end of the financial year
12 Group chart

Equity - parent company

	Corporate capital	Revaluation reserve under the equity method	Retained ernings	Total EURO
Equity at 1. January 2019	67.927.587	43.025.465	18.920.785	129.873.837
Currency adjustments at closing rate	(64.929)	1.121.736	(18.086)	1.038.721
Value adjustments for land		703.839		703.839
Retained profit for the year		2.069.595	907.390	2.976.985
Currency adjustment of profit at closing rate		20.254		20.254
Equity at 31. December 2019	**67.862.658**	**46.940.889**	**19.810.089**	**134.613.636**

The corporate capital consists of shares of DKK 100.

Corporate capital trends can be specified as follows:

	2019 TDKK	2018 TDKK	2017 TDKK	2016 TDKK	2015 TDKK
1 January	506.923	506.923	506.923	506.923	506.923
Capital increase	0	0	0	0	0
31 December	**506.923**	**506.923**	**506.923**	**506.923**	**506.923**

		2019 EURO	2018 EURO
1	**Share of profits subsidiaries**		
	Share of profits subsidiaries	2.069.595	(2.389.885)
	Share of profits subsidiaries, total	**2.069.595**	**(2.389.885)**
2	**Interest and similar income**		
	Interest income, subsidiaries	794.204	755.794
	Value adjustments of receivables and debt	219.108	-
	Interest and similar income, total	**1.013.312**	**755.794**
3	**Finance costs**		
	Interest expenses, financial institutions etc.	94	-
	Value adjustments of receivables and debt	-	587.798
	Finance costs, total	**94**	**587.798**
4	**Shares in subsidiaries**		
	Cost price 1. January	48.873.257	48.986.969
	Currency adjustments at closing rate	(46.715)	(113.712)
	Cost price 31. December	**48.826.542**	**48.873.257**
	Value adjustments 1, January	59.732.905	64.367.562
	Currency adjustments at closing rate	1.105.766	(3.291.722)
	Value adjustment for the year	703.839	1.028.097
	Net profit shares	2.069.595	(2.389.885)
	Currency adjustments of profit at closing rate	20.254	18.853
	Value adjustment 31. December	**63.632.359**	**59.732.905**
	Shares in subsidiaries as at 31. December	**112.458.901**	**108.606.162**

Shares in subsidiaries as at 31. December 2019 consists of shares in the Group`s subsidiaries in Poland.
Pleas refer to note 12 "Group Chart".

		2019 EURO	2018 EURO
5	**Amounts owed by subsidiaries**		
	Cost price, 1. January	21.317.719	-
	Transferred from amounts owed by subsidiaries current assets	-	21.198.786
	Currency adjustments at closing rate	198.655	(636.861)
	Acquisitions during the year	1.837.425	755.794
	Dispodals during the year	(1.290.201)	-
	Amounts owed by subsidiaries as at 31. December	**22.063.598**	**21.317.719**

6 Related parties

TEFF Investments B.V. , Claude Debussylaan 10, 1082 MD, Amsterdam, Netherlands holds 100% interest in the Company as at December 31, 2019.

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 56.
Interest TEURO 794.
Transactions with group undertakings are eliminated in the consolidated accounts.

7 Contingent liabilities

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

8 Contingent assets

The company has a deferred tax receivable of TEURO 2.750. 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.

9 Pledged assets and security

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

10 Capital and cash resources

Reference is made to note 17 of the consolidated accounts.

11 Events after the end of the financial year

There have been no events after the financial year that could significantly affect the Group's financial position.
The Croup is not expected to be directly effected by COVID-19 outbreaks.

12 Group chart

Parent company: Dangro Invest A/S

Consolidated group companies as at 31/12/2019

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
Agramax 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
Sobieradz 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
Cieszyslaw Sp.z.o.o.	Lozice, Pyrzyce, Poland
Opal Sp.z.o.o.	Lozice, Pyrzyce, Poland
Tetyn 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 SA	Lozice, Pyrzyce, Poland