

WOODFARM ApS
Ny Østergade 3
1101 Copenhagen
Business Registration No
30245393

Annual report 2018

The Annual General Meeting adopted the annual report on 30.04.2019

Chairman of the General Meeting



Name: Daniel Grunder

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Entity details

Entity

WOODFARM ApS
Ny Østergade 3
1101 Copenhagen

Central Business Registration No (CVR): 30245393

Registered in: Copenhagen

Financial year: 01.01.2018 - 31.12.2018

Board of Directors

Michael Starup Petersen Skovgaard

Daniel Grunder

Oliver Petersen Skovgaard

Executive Board

Michael Starup Petersen Skovgaard

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Papirfabrikken 26

8600 Silkeborg

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of WOODFARM ApS for the financial year 01.01.2018 - 31.12.2018.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2018 and of the results of its operations for the financial year 01.01.2018 - 31.12.2018.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Oberägeri – ZUG Switzerland, 30.04.2019

Executive Board

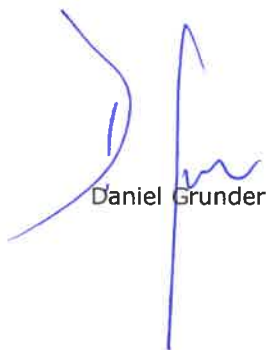


Michael Starup Petersen
Skovgaard

Board of Directors



Michael Starup Petersen
Skovgaard



Daniel Grunder



Oliver Petersen Skovgaard

Independent auditor's report

To the shareholder of WOODFARM ApS

Opinion

We have audited the financial statements of WOODFARM ApS for the financial year 01.01.2018 - 31.12.2018, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2018 and of the results of its operations for the financial year 01.01.2018 - 31.12.2018 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the Auditor's responsibilities for the audit of the financial statements section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of 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.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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 judgement and maintain professional scepticism throughout the audit. We also:

Independent auditor's report

- 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Independent auditor's report

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Silkeborg, 30.04.2019

Deloitte

Statsautoriseret Revisionspartnerselskab
Central Business Registration No (CVR)
33963556



Peter Mølkjær

State Authorised Public Accountant
Identification No (MNE) mne24821



Thorsten Jørgensen

State Authorised Public Accountant
Identification No (MNE) mne31431

Management commentary

Primary activities

The Company's principal activities are investments, asset management and related activities.

Development in activities and finances

The income statement for 2018 shows a profit of DKK 6,271,761. The profit is considered satisfactory.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK</u>
Other operating income		195.437	0
Other external expenses		<u>(5.038.247)</u>	<u>(5.681.847)</u>
Gross profit/loss		(4.842.810)	(5.681.847)
Staff costs	1	(106.922)	(108.048)
Depreciation, amortisation and impairment losses		<u>(690.221)</u>	<u>(196.800)</u>
Operating profit/loss		(5.639.953)	(5.986.695)
Other financial income	2	20.285.477	31.020.227
Other financial expenses		<u>(7.152.845)</u>	<u>(24.301.200)</u>
Profit/loss before tax		7.492.679	732.332
Tax on profit/loss for the year	3	<u>(1.220.918)</u>	<u>(351.985)</u>
Profit/loss for the year		<u>6.271.761</u>	<u>380.347</u>
Proposed distribution of profit/loss			
Retained earnings		<u>6.271.761</u>	<u>380.347</u>
		<u>6.271.761</u>	<u>380.347</u>

Balance sheet at 31.12.2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK</u>
Other fixtures and fittings, tools and equipment		1.037.000	295.200
Property, plant and equipment		1.037.000	295.200
Investments in group enterprises		132.460	127.274
Investments in associates		2.486.788	2.386.388
Other investments		168.886.000	50.638.836
Fixed asset investments	4	171.505.248	53.152.498
Fixed assets		172.542.248	53.447.698
Receivables from group enterprises	5	97.229.967	36.223.827
Other receivables		258.115	181.124
Receivables		97.488.082	36.404.951
Other investments		292.782.696	403.308.250
Other investments		292.782.696	403.308.250
Cash		9.143.350	15.549.042
Current assets		399.414.128	455.262.243
Assets		571.956.376	508.709.941

Balance sheet at 31.12.2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK</u>
Contributed capital		126.000	126.000
Retained earnings		<u>498.696.708</u>	<u>492.424.947</u>
Equity		<u>498.822.708</u>	<u>492.550.947</u>
Deferred tax		<u>7.210.538</u>	<u>5.989.620</u>
Provisions		<u>7.210.538</u>	<u>5.989.620</u>
Bank loans		64.779.396	7.734.217
Income tax payable		66.334	51.471
Other payables		<u>1.077.400</u>	<u>2.383.686</u>
Current liabilities other than provisions		<u>65.923.130</u>	<u>10.169.374</u>
Liabilities other than provisions		<u>65.923.130</u>	<u>10.169.374</u>
Equity and liabilities		<u>571.956.376</u>	<u>508.709.941</u>
Contingent liabilities	6		
Assets charged and collateral	7		

Statement of changes in equity for 2018

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	126.000	492.424.947	492.550.947
Profit/loss for the year	<u>0</u>	<u>6.271.761</u>	<u>6.271.761</u>
Equity end of year	<u>126.000</u>	<u>498.696.708</u>	<u>498.822.708</u>

Retained earnings include "Reserves from Capital Contribution" according to Swiss tax law of DKK 2,782,639 (2017: 2,782,639).

Notes

	2018	2017
	DKK	DKK
1. Staff costs		
Wages and salaries	96.688	98.221
Other social security costs	10.234	9.827
	106.922	108.048
Average number of employees	1	1

	2018	2017
	DKK	DKK
2. Other financial income		
Financial income arising from group enterprises	174.433	102.400
Other financial income	20.111.044	30.917.827
	20.285.477	31.020.227

	2018	2017
	DKK	DKK
3. Tax on profit/loss for the year		
Change in deferred tax	1.220.918	351.985
	1.220.918	351.985

4. Fixed asset investments

	Corpo- rate form	Equity inte- rest %
Registered in		
Investments in group enterprises comprise:		
Skovgaard Holding GmbH	Zug, Switzerland GmbH	100,0

	Corpo- rate form	Equity inte- rest %
Registered in		
Investments in associates comprise:		
Woodman Venture Opportunity II AG	Zug, Switzerland AG	21,4

Notes

5. Receivables from group enterprises

Of receivables from group entities, DKK 1,430 thousand is subordinated loans.

6. Contingent liabilities

Securities and other investments comprise "Credit Opportunities Funds" and similar to which the Company has committed to invest a maximum of additionally DKK 351,588 thousand. The commitment can be called at the discretion of the individual investment provider.

Privat equity subscriptions of DKK 9,250 thousand is made.

7. Assets charged and collateral

Bank loans are secured by way of investment assets.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

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

The accounting policies applied to these financial statements are consistent with those applied last year.

Consolidated financial statements

Referring to section 110 of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Income statement

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities including gains and losses from the sale of property, plant and equipment.

Accounting policies

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses relating to capital management, administration, premises, bad debt etc.

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to plant and equipment comprise depreciation, amortisation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing.

Other financial income

Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity has its tax obligations in Switzerland.

Balance sheet

Property, plant and equipment

This item comprises automobiles. Automobiles are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Automobiles	3 years
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Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to lower of recoverable amount and carrying amount.

Accounting policies

Investments in group enterprises

Investments in group enterprises are measured at cost. Dividends received that exceed the accumulated earnings in the subsidiary or the associate during the period of ownership are treated as a reduction in the cost of acquisition.

Investments in associates

Investments in associates are measured at cost. Dividends received that exceed the accumulated earnings in the subsidiary or the associate during the period of ownership are treated as a reduction in the cost of acquisition.

Other investments

Other securities and investments under non-current assets are measured at fair value (market price) at the balance sheet date. Unlisted equity investments and securities are measured at fair value using generally recognised valuation principles.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Other investments

Other securities and investments under current assets are measured at fair value (market price) at the balance sheet date. Unlisted equity investments and securities are measured at fair value using generally recognised valuation principles.

Cash

Cash comprises cash in hand and bank deposits.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset or the planned settlement of each liability. However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Other financial liabilities

Financial liabilities are recognised on the raising of the loan at the proceeds received net of transaction costs incurred. Interest-bearing debt is subsequently measured at amortised cost, which usually corresponds to nominal value. Borrowing costs, including capital losses, are recognised as financing costs in the income statement over the term of the loan.

Accounting policies

Other liabilities which also comprises unrealised losses on forward contracts and similar are measured at net realisable value.

Income tax receivable or payable

Current tax receivable or payable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.