



Hortiadvice A/S

Hvidkærvej 29
5250 Odense SV
CVR No. 32305164

Annual report 2023

The Annual General Meeting adopted the annual report on 18.04.2024

Jens Bligaard

Chairman of the General Meeting

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Entity details

Entity

Hortiadvice A/S
Hvidkærvej 29
5250 Odense SV

Business Registration No.: 32305164
Registered office: Odense
Financial year: 01.01.2023 - 31.12.2023

Board of Directors

Jens Bligaard, chairman
Richard Wibrand de Visser, boardmember
Thomas Skovgaard Lund, boardmember
Søren Bent Olesen, boardmember
Cornelis Jacob van der Wekken, boardmember
Helle Mathiasen, boardmember

Executive Board

Jan Hass

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
City Tower, Værkmestergade 2
8000 Aarhus C

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Hortiadvice A/S for the financial year 01.01.2023 - 31.12.2023.

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 31.12.2023 and of the results of its operations for the financial year 01.01.2023 - 31.12.2023.

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.

Odense, 18.04.2024

Executive Board

Jan Hass

Board of Directors

Jens Bligaard
chairman

Richard Wibrand de Visser
boardmember

Thomas Skovgaard Lund
boardmember

Søren Bent Olesen
boardmember

Cornelis Jacob van der Wekken
boardmember

Helle Mathiasen
boardmember

Independent auditor's report

To the shareholders of Hortiadvice A/S

Opinion

We have audited the financial statements of Hortiadvice A/S for the financial year 01.01.2023 - 31.12.2023, 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 31.12.2023 and of the results of its operations for the financial year 01.01.2023 - 31.12.2023 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 for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. 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:

- 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 by relevant law and regulations.

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 in the relevant law and regulations. We did not identify any material misstatement of the management commentary.

Aarhus, 18.04.2024

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

Tommy Schormand Johansen

State Authorised Public Accountant

Identification No (MNE) mne44080

Management commentary

Primary activities

HortiAdvice is primarily engaged in providing consultancy services, conducting research and development activities, and other related services within the horticultural industry. The Company collaborates with other organizations to participate in projects aimed at advancing research and development within the industry.

With a team of 36 employees, HortiAdvice offers advisory services to growers and publishes Gartner Tidende, a Danish magazine in the horticultural sector, as well as several technical newsletters.

Development in activities and finances

In 2023 we have increased our activities and turnover.

We will continue to focus on projects that are directly related to subjects important to growers. When working on heavy R&D projects in collaboration with other partners, such as universities, we will expand the model where growers and groups of growers co-finance the projects.

In 2024, we will continue to focus on the planning system GreenPlan, and we have a dedicated team for implementing and selling the system. We have made a strong cooperation with Delphy to implement GreenPlan in the Netherlands, Belgium and Germany.

Profits for the year will be retained by the Company.

Outlook

The Executive Board of HortiAdvice is optimistic about the Company's future and will continue to strengthen its efforts to achieve the goals set out in its 2023 strategic plan. The Company aims to increase its international activities to constitute 20% of its turnover. To ensure a new generation of consultants, HortiAdvice is launching junior consultant education programs in partnership with Delphy in the Netherlands.

Sales are expected to increase with the launch of the new IT-programs GreenLog and GreenPlan. In 2024, the Company will continue to focus on GreenPlan and anticipates having a dedicated team for implementing and selling the system. HortiAdvice also expects growth in the IT system InfoGrow, which helps reduce the cost of energy in greenhouses, in conjunction with GreenPlan.

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 2023

	Notes	2023 DKK	2022 DKK
Revenue		33,455,966	32,392,144
Own work capitalised		531,822	452,296
Other operating income		277,211	145,701
Other external expenses		(12,394,291)	(11,474,585)
Gross profit/loss		21,870,708	21,515,556
Staff costs	1	(21,199,236)	(21,515,928)
Depreciation, amortisation and impairment losses	2	(269,435)	0
Operating profit/loss		402,037	(372)
Other financial income		8,500	17,187
Other financial expenses	3	(249,556)	(73,855)
Profit/loss before tax		160,981	(57,040)
Tax on profit/loss for the year	4	(45,000)	2,000
Profit/loss for the year		115,981	(55,040)
Proposed distribution of profit and loss:			
Retained earnings		115,981	(55,040)
Proposed distribution of profit and loss		115,981	(55,040)

Balance sheet at 31.12.2023

Assets

	Notes	2023 DKK	2022 DKK
Completed development projects	6	1,077,742	0
Development projects in progress	6	4,424,376	4,339,020
Intangible assets	5	5,502,118	4,339,020
Deferred tax		0	42,000
Financial assets	7	0	42,000
Fixed assets		5,502,118	4,381,020
Trade receivables		3,134,451	3,330,430
Other receivables		5,449,151	9,099,350
Income tax receivable		197,000	197,000
Receivables		8,780,602	12,626,780
Current assets		8,780,602	12,626,780
Assets		14,282,720	17,007,800

Equity and liabilities

	Notes	2023 DKK	2022 DKK
Contributed capital		1,000,000	1,000,000
Reserve for development expenditure		4,291,652	3,384,435
Retained earnings		(650,108)	141,128
Equity		4,641,544	4,525,563
Deferred tax		3,000	0
Provisions		3,000	0
Bank loans		5,897,013	9,126,147
Trade payables		497,123	284,794
Payables to group enterprises		128,553	751,978
Other payables		2,988,772	2,095,260
Deferred income	8	126,715	224,058
Current liabilities other than provisions		9,638,176	12,482,237
Liabilities other than provisions		9,638,176	12,482,237
Equity and liabilities		14,282,720	17,007,800
Unrecognised rental and lease commitments	9		
Contingent liabilities	10		
Group relations	11		

Statement of changes in equity for 2023

	Contributed capital DKK	Reserve for development expenditure DKK	Retained earnings DKK	Total DKK
Equity beginning of year	1,000,000	3,384,435	141,128	4,525,563
Transfer to reserves	0	907,217	(907,217)	0
Profit/loss for the year	0	0	115,981	115,981
Equity end of year	1,000,000	4,291,652	(650,108)	4,641,544

Notes

1 Staff costs

	2023	2022
	DKK	DKK
Wages and salaries	19,189,846	19,409,310
Pension costs	1,708,383	1,806,936
Other social security costs	301,007	299,682
	21,199,236	21,515,928
Average number of full-time employees	34	34

2 Depreciation, amortisation and impairment losses

	2023	2022
	DKK	DKK
Amortisation of intangible assets	269,435	0
	269,435	0

3 Other financial expenses

	2023	2022
	DKK	DKK
Financial expenses from group enterprises	21,370	0
Other interest expenses	224,362	73,774
Exchange rate adjustments	3,824	81
	249,556	73,855

4 Tax on profit/loss for the year

	2023	2022
	DKK	DKK
Change in deferred tax	53,000	(2,000)
Adjustment concerning previous years	(8,000)	0
	45,000	(2,000)

5 Intangible assets

	Completed development projects DKK	Development projects in progress DKK
Cost beginning of year	0	4,339,020
Transfers	1,347,177	(1,347,177)
Additions	0	1,432,533
Cost end of year	1,347,177	4,424,376
Amortisation for the year	(269,435)	0
Amortisation and impairment losses end of year	(269,435)	0
Carrying amount end of year	1,077,742	4,424,376

6 Development projects

Development projects are recognized based on an assessment of future earning potential. The projects are assessed continuously to ensure that the future earnings correspond to the capitalized value. An annual impairment test based on future earnings is carried out to ensure this.

7 Financial assets

	Deferred tax DKK
Cost beginning of year	42,000
Disposals	(42,000)
Cost end of year	0
Carrying amount end of year	0

8 Deferred income

Liabilities other than provisions are funds received for use in the future period.

9 Unrecognised rental and lease commitments

	2023 DKK	2022 DKK
Liabilities under rental or lease agreements until maturity in total	284,010	337,987

10 Contingent liabilities

As HortiAdvice A/S annually receives and administers significant project funds, there is a risk that the grantor - for professional or other reasons - will not find the conditions for payment fully or partly fulfilled. Should this be the case, there is a risk that the subsidy will be reclaimed, in whole or in part.

The Entity participates in a Danish joint taxation arrangement in which L&F Primærsidens Komplementarselskab ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable from the financial year 2013 for income taxes etc for the jointly taxed entities, and from 1 July 2012 for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The total known net liability of the jointly taxed entities under the joint

taxation arrangement is evident from the administration company's financial statements.

The company has entered into an agreement with an affiliated company at an annual fee of 311 t.kr. and a notice period of six months.

11 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:
SEGES Innovation Fonden, Agro Food Park 15, 8200 Aarhus N

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 a few provisions for reporting class C.

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

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 nonmonetary assets that have been purchased in foreign currencies are translated using historical rates.

Income statement

Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Own work capitalised

Own work capitalised comprises staff costs and other costs incurred in the financial year and recognised in cost for proprietary intangible assets.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities, including salary refunds.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

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

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to intangible assets comprise depreciation, amortisation and impairment losses for the financial year.

Other financial income

Other financial income comprises interest income, including interest income on net capital gains on transactions in foreign currencies.

Other financial expenses

Other financial expenses comprise interest expenses, including transactions in foreign currencies as well as tax surcharge under the Danish 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 is jointly taxed with all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet**Intellectual property rights etc.**

Intellectual property rights etc. comprise development projects completed and in progress with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity in the reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Indirect production costs in the form of indirectly attributable staff costs and amortisation of intangible assets and depreciation of property, plant and equipment used in the development process are recognised in cost based on time spent on each project.

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. If the useful life cannot be estimated reliably, it is fixed at 10 years. For development projects protected by intellectual property rights, the maximum period of amortisation is the remaining duration of the relevant rights. The amortisation periods used are 5 years.

Intellectual property rights etc. are written down to the lower of recoverable amount and carrying amount.

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.

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.

Receivables

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

Tax payable or receivable

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

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Deferred income

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.