

ANNUAL REPORT 2015

Proud City (Denmark) Agri ApS

Ryttergårdsvej 3
7673 Harboøre

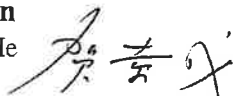
CVR nr. 35478981

Submitter:

Sønderup I/S
Statsautoriserede revisorer
Jyllandsgade 9
4100 Ringsted

**Presented and approved at the company's ordinary
general meeting, 10 March 2016**

Chairman
Sucheng He



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Management's Statement on the Annual Report

The management have today considered and approved the annual report for Proud City (Denmark) Agri ApS for the financial year 1 January to 31 December 2015.


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

In the managements opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2015 and of its financial performance for the financial year 1 January to 31 December 2015.

We recommend the annual report for approval at the annual general meeting.

Lemvig, 28. February 2016

Executive Board



Jan Pedersen

Kwai Lin Sally Ho

Sucheng He

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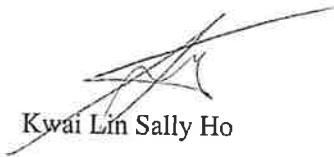
In the managements opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2015 and of its financial performance for the financial year 1 January to 31 December 2015.

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Lemvig, 28. February 2016

Executive Board

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Independent Auditor's Report on the Financial Statements

To the shareholders of Proud City (Denmark) Agri ApS

We have audited the financial statements of Proud City (Denmark) Agri ApS for the financial year 1 January to 31 December 2015, which comprise income statement, balance sheet and notes, including summary of significant accounting policies, for the Company. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Management's Responsibility for the Financial Statements

The 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 the Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish Audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Management, as well as the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The audit has not resulted in any qualification.

Independent Auditor's Report on the Financial Statements

Opinion

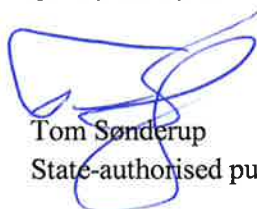
In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2015 and of the results of the Company's operations for the financial year 1 January to 31 December 2015 in accordance with the Danish Financial Statements Act.

Ringsted, 28. February 2016

SØNDERUP I/S

statsautoriserede revisorer

CVR 31 82 45 59



Tom Sønderup

State-authorized public accountant

Accounting principles applied

The annual report for Proud City (Denmark) Agri ApS 2015 has been prepared in accordance with the Danish Financial Statements Act for class B companies.

The income statement is presented by type of expenditure and the balance sheet is presented in account from. The measurement currency used is Danish kroner. All other currencies are considered foreign currency.

The accounting principles were applied consistently with the principles of last year's financial reporting.

General information on recognition and measurement

Income is recognized in the income statement as earned, including any value adjustments of financial assets and liabilities. Furthermore, all costs, including amortisation/depreciation and write-downs, are recognized in the income statement.

Assets are recognized in the balance sheet when it is probable that future economic benefits will flow to the company, and the value of the assets can be measured reliably.

Liabilities are recognized in the balance sheet when it is probable that future economic benefits will flow out of the company, and the value of the liabilities can be measured reliably.

The first recognition measures assets and liabilities at cost. Subsequently, assets and liabilities will be measured individually in respect of each accounting item as described below.

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 statement

Gross profit

In pursuance of section 32 (1) of the Danish Financial Statements Act, the first item in the income statement is the gross profit. The item gross profit is the result of other external cost and other operating income.

Other external cost

Other external cost comprise costs for administration, premises etc.

Financial items

Financial income and expenses are recognized in the income statement with the amounts relating to the financial year. The financial items comprise interest income and expense, realized and unrealized exchange rate, gains and losses resulting from transactions in foreign currencies and surcharges and refunds regarding corporation tax.

Accounting principles applied

Tax for the year

The company is jointly taxed with other group companies. The current corporation tax is divided between the jointly taxed companies pro rata to their taxable incomes. The parent company functions as the management company for the joint taxation and handles the tax payments to the danish tax authorities.

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

Balance sheet

Tangible fixed assets

Land and buildings, other plant, operating equipment and tools and fixtures as well as leasehold improvements are measured at cost price less accumulated depreciation and write-down.

Depreciation is based on cost price less expected residual value after end of service life. Land is not subject to depreciation. The cost price includes acquisition price and costs directly linked to the acquisition until the time when the asset is ready for commencement of use.

Straight-line depreciation is based on the following assesment of the assets expected useful lives:

Buildings: 50 years.

Assets with a cost per unit under the tax threshold for small assets are recognized as expenses in the year of acquisition.

Profits or losses in connection with disposal of tangible fixed assets are calculated as the difference between the sales price less sales costs and the book value at the time of sale. Profits and losses are entered in the income statement under other operating income and -costs.

Impairment of fixed assets

The carrying value of intangible and tangible fixed assets and investments in subsidiaries are assessed annually for indications of impairment beyond what is expressed by depreciation.

If there are indications of impairment, an impairment test of each asset or group of assets will be made. Impairment will be made to its recoverable amount if this is lower than the carrying value.

Receivables

Receivables are measured at amortized cost, which usually corresponds to the nominal value. Value is reduced by provisions for bad debts.

Dividend

Proposed dividend for the financial year is recognized as a separate component of the equity. Proposed dividends are recognized as a liability at the time of adoption.

Accounting principles applied

Tax payable and deferred tax

Current tax liabilities and current tax assets are recognized in the balance sheet as tax calculated on the taxable income allocated with the current tax rate, and adjusted for tax on prior years taxable income and prepaid taxes.

Deferred tax is measured by the liability method concerning temporary differences between the carrying value and tax value of assets and liabilities, calculated based on the planned use of the assets and settlement of the obligation, respectively.

Deferred tax assets, including the tax value of tax losses allowed for carry-forward, are measured at the value at which the asset is expected to be realisable, either through elimination in tax on future earnings or through offsetting in deferred tax liabilities in the same legal tax unit. Any deferred net tax assets are measured at their net realisation values.

Deferred tax is measured based on the tax rules and tax rates applicable in pursuance of the legislation in force on the balance sheet date when the deferred tax is expected to become payable as current tax. Changes in deferred tax due to change in tax rates is recognized in the income statement.

Liabilities

Other liabilities are measured at amortised cost corresponding to the nominal value.

Conversion of foreign currency

Transactions in foreign currencies are converted at the rate of exchange on the transaction date. Exchange differences arising between the rate on the transaction date and the rate on the payment date are recognized in the income statement as a financial income or expense. If the foreign exchange position is considered to hedge future cash flows, the unrealised exchange adjustments are recognized directly in the equity.

Accounts receivable, payable and other monetary items in foreign currencies that are not settled on the balance sheet date are converted at the exchange rate on the balance sheet date. The difference between the exchange rate on the balance sheet date and the receivable or payable is recognized in the income statement as financial income or expenses.

Fixed assets acquired in foreign currencies are converted at the rate of exchange on the transaction date.

Income statement 1 January - 31 December

Note	2015	2014
Gross profit	372.094	160.115
1. Depreciation and write-downs	-162.278	-175.758
OPERATING PROFIT	209.816	-15.643
Financial expenses to group companies	-207.700	0
PROFIT/-LOSS BEFORE TAX	2.116	-15.643
Tax for the year	-9.519	3.676
NET PROFIT/-LOSS FOR THE YEAR	-7.403	-11.967
Appropriation of profit		
Retained earnings	-7.403	-11.967
Total appropriation	-7.403	-11.967

Balance sheet 31 December

Note	2015	2014
ASSETS		
Land and buildings	<u>8.049.262</u>	<u>8.211.540</u>
Total tangible fixed assets	<u>8.049.262</u>	<u>8.211.540</u>
TOTAL FIXED ASSETS		
	<u>8.049.262</u>	<u>8.211.540</u>
Receivables from sales and services	30.000	0
Deferred tax assets	<u>0</u>	<u>3.676</u>
Total receivables	<u>30.000</u>	<u>3.676</u>
Cash funds	<u>2.279</u>	<u>14.185</u>
Total cash funds	<u>2.279</u>	<u>14.185</u>
TOTAL CURRENT ASSETS		
	<u>32.279</u>	<u>17.861</u>
TOTAL ASSETS		
	<u>8.081.541</u>	<u>8.229.401</u>

Balance sheet 31 December

Note	2015	2014
EQUITY AND LIABILITIES		
2. Equity		
3. Share capital	80.000	80.000
Retained earnings	-19.370	-11.967
TOTAL EQUITY	60.630	68.033
Provisions for deferred tax	5.843	0
TOTAL PROVISIONS	5.843	0
4. Long-term liabilities		
Other payables	8.015.068	8.161.368
Total long-term liabilities	8.015.068	8.161.368
TOTAL LIABILITIES	8.015.068	8.161.368
TOTAL EQUITY AND LIABILITIES	8.081.541	8.229.401
5. Main activity		
6. Charges and securities		

Notes

	2015	2014
1. Depreciation and write-downs		
Depreciation and write-downs of fixed assets	162.278	175.758
Total depreciation and write-downs	162.278	175.758
2. Equity		
Share capital		
Beginning of year	80.000	80.000
End of year	80.000	80.000
Retained earnings		
Beginning of year	-11.967	0
Transferred from net profit	-7.403	-11.967
End of year	-19.370	-11.967
Dividend		
Equity end of year	60.630	68.033

3. Share capital

The share capital consists of 80.000 shares of DKK 1. No shares have special rights.

4. Long-term liabilities

DKK 8.015.068 of long-term debt are due after 5 years.

5. Main activity

The company's main activity is to own a Danish minkfarm.

6. Charges and securities

As security for debt to affiliates, is a mortgage on DKK 4.000.000.