Barritskov Holding ApS

Barritskovvej 36, 7150 Barrit

CVR no. 35 81 41 24

Annual report 2020

Approved at the Company's annual general meeting on 29 June 2021

Chair of the meeting:

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Thomas Harttung

Building a better working world

Contents

Statement by the Executive Board

Today, the Executive Board has discussed and approved the annual report of Barritskov Holding ApS for the financial year 1 January - 31 December 2020.

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

In my 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 Company at 31 December 2020 and of the results of the Group's and the Company's operations and of the consolidated cash flows for the financial year 1 January - 31 December 2020.

Further, in my opinion, the Management's review gives a fair review of the development in the Group's and the Company's operations and financial matters and the results of the Group's and the Company's operations and financial position.

I recommend that the annual report be approved at the annual general meeting.

Barrit, 29 June 2021
Executive Board:

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Thomas Harttung

Independent auditor's report

To the shareholder of Barritskov Holding ApS

Opinion

We have audited the consolidated financial statements and the parent company financial statements of Barritskov Holding ApS for the financial year 1 January - 31 December 2020, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for the Group and the Parent Company, and a consolidated cash flow statement. The consolidated financial statements and the parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

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 2020, and of the results of the Group's and Parent Company's operations as well as the consolidated cash flows for the financial year 1 January - 31 December 2020 in accordance with the Danish Financial Statements Act.

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 consolidated financial statements and the parent Company financial statements" (herinafter collectively referred to as "the financial statements") section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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 rules and requirements.

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 as to 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 the 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 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 note 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.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the 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 the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review 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's review.

Aarhus, 29 June 2021
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Tom B. Lassen	Nikolai Holm Pedersen
State Authorised Public Accountant	State Authorised Public Accountant
mne24820	mne45896

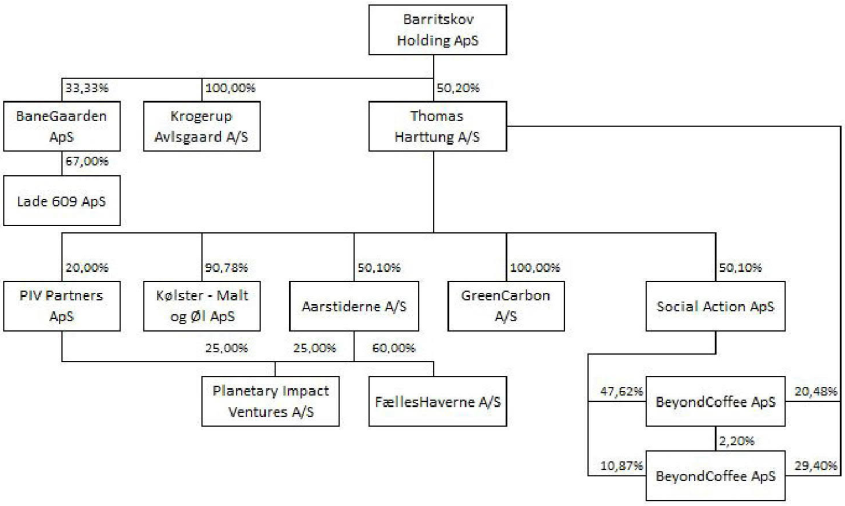
Management's review

Company details

Name	Barritskov Holding ApS
Address, Postal code, City	Barritskovvej 36, 7150 Barrit
CVR no.	35 81 41 24
Established	24 March 2014
Registered office	Hedensted
Financial year	1 January - 31 December
Executive Board	Thomas Harttung
Auditors	EY Godkendt Revisionspartnerselskab Værkmestergade 25, P.O. Box 330, 8100 Aarhus C, Denmark

Management's review

Group chart



Financial highlights for the Group

DKK'000	2020	2019	2018	2017	2016
Key figures					
Revenue	768,632	667,781	692,973	677,797	569,795
Gross profit	230,866	186,194	173,145	178,485	153,242
Operating profit/loss	33,233	7,958	9,758	42,799	41,127
Net financials	-764	-1,517	-1,041	-961	-1,253
Profit for the year	27,828	7,842	10,801	59,738	35,267
Total assets	307,732	238,946	230,081	245,348	212,995
Share capital	251	251	251	251	251
Equity	122,723	110,091	108,007	118,489	96,951
Financial ratios					
Operating margin	5.1%	1.9%	1.9%	6.8 %	7.8 %
Gross margin	30.0%	27.9%	25.0%	26.3%	26.9%
Equity ratio	16.4%	19.4%	19.8%	22.1%	23.0%
Return on equity	8.3%	1.5%	9.5%	55.5%	39.0%
Average number of employees	340	306	281	234	196

The financial ratios stated under "Financial highlights" have been calculated as follows:

Ordinary operating profit/loss: Profit/loss before financial items adjusted for other operating income and other operating expenses

Operating margin: $\frac{\text{Operating profit/loss (EBIT) x 100}}{\text{Revenue}}$

Gross margin: $\frac{\text{Gross profit/loss x 100}}{\text{Revenue}}$

Equity ratio: $\frac{\text{Equity, year-end x 100}}{\text{Total equity and liabilities, year-end}}$

Return on equity: $\frac{\text{Profit/loss after tax x 100}}{\text{Average equity}}$

Management's review

Business review

The primary activity of the Company is to act as a holding company and as a long-term owner of sustainably managed forests and agricultural land.

The principal activities of the Group are to deliver organic products and meal solutions directly to private households, offices, catering companies and other businesses and institutions.

Objective

The Group recreates the close links between the work of the organic farmer and the work in every kitchen – transforming the bounties of the land into feasts of good, nutritious, seasonal and inspired food.

Financial review

Revenue from forestry and farming decreased by 63 % from DKK 3.0 million to DKK 1.9 million and EBIT came in at DKK 0.7 million after a profit of 1.9 million in 2019. Weather conditions in August and September, which made it impossible to harvest beech timber - and refurbishment costs at newly acquired agricultural properties were the main reasons for the drop in revenue and profit.

At Group level Revenue increased by DKK 101 million to DKK 769 million and net profit increased from DKK 7.8 million to DKK 27.8 million, mainly driven by improved performance at Aarstiderne. The balance sheet at 31 December 2020 showed equity of DKK 50.4 million compared to 46.4 million one year earlier.

The Parent company's equity ratio was 37 % at the end of 2020 compared to 43 % in 2019. The drop in equity ratio was mainly a result of land and property purchases of DKK 22 million which involved increasing mortgage debt by 11 million and the effects of other investments of DKK 7.9 million made during the 2020 financial year.

Non-financial matters

Financial risks and use of financial instruments

Price risks

The Group maintains comprehensive cooperation with growers inside and outside of Denmark. Consequently, the forward price situation is well known within a 12-month perspective. This unique collaboration was strengthened during 2019 through continued concerted efforts and developed further with regard to sustainability issues.

Currency risks

More than 80% of revenue is received in DKK.

The Group pays its foreign suppliers predominantly in EUR, DKK and SEK.

While impacting immediate profitability of the Swedish branch, fluctuations in the DKK/SEK exchange rate are not seen to pose any material risk to the Group. The Group hedges its exposure to SEK on a rolling 12-month basis.

Knowledge resources

The Group continuously accumulates internal knowledge about its business model, customers, and suppliers. Throughout 2020, emphasis was put on developing the cooperation with suppliers, expanding the diversity and the level of cooperation with farmers and producers of organic food. In 2020, emphasis has also been put on the continuing development and further deepening of the relationship with the customers among others through a line of initiatives such as invitations to communal eating and educational sessions.

Management's review

Co workers' commitment and ability to take charge of their situation is encouraged through cross cutting work groups and development projects. The Aarstiderne Academy is a structured way to work with this and improves the education and development level of co workers in the form of short courses. The Academy is run solely with an internal teaching staff, i.e. managers and specialists, and the starting points of the courses are always in real and relevant day-to-day issues.

Impact on the external environment

As an organically certified entity and due to our Articles of Association, Aarstiderne is committed to minimising its energy consumption, avoiding any unnecessary negative impact on the environment, and using local resources as much as possible. This is reflected in a comprehensive Environmental Assessment report, which governs company policy in this area and establishes frameworks for engagement and action plans.

The Group engages in carbon accounting, emissions are monitored, and reduction projects are assessed.

The Group maintained its organic certification throughout the financial year.

Research and development activities

At the two host farms Barritskov and Krogerup Avlsgaard, test fields are used to gain knowledge and test new varieties of vegetables, herbs, flowers, etc. to be incorporated in the composition of the Group's mealboxes.

The Group continuously initiates and participates in various research projects focusing on lowering carbon emissions, minimising food waste, increasing the Danish share of mealbox content etc. The 17 Sustainable Development Goals (SDGs) as set forth by the UN have become the guiding principles, however, the sustainability focus has always been an integrated part of the DNA of Aarstiderne.

The project regarding non-heated greenhouses was terminated in 2020 - and the results will be used to implement a new strategy for protected cropping in 2021-2022.

Foreign branches

The Group maintains a branch in Sweden.

Statutory CSR report

The statutory CSR report is published on the Company's website:

www.aarstiderne.com/barritskov-holding-csr-report-2020

Account of the gender composition of Management

The Company has no Board of Directors and it's Executive Board has only one member, so the Company is not covered by the requirements on target figures and giving an explanation.

The main subsidiary, Thomas Harttung A/S, has adopted a policy of gender diversity at the Board of Directors level and throughout its majority-owned subsidiaries.

Events after the balance sheet date

The Corona pandemic continues to affect the businesses in the portfolio in various ways. On balance, the company expects its business areas to return to normal in the 3rd and 4th quarter of 2021 after some difficulties in 1st and 2nd quarter.

Outlook

The agricultural and forestry assets will deliver returns comparable to 2020.

Net profit before tax in 2021 from the operation companies at Group level is expected to come in DKK 5-10 million lower than in 2020 (DKK 36.9 million) mainly due to costs related to the introduction of new business areas at the Aarstiderne subsidiary.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Income statement

Note	DKK'000	Group 2020	Group 2019	Parent company 2020	Parent company 2019
2	Revenue	768,632	667,781	1,891	2,968
	Other operating income	5,889	4,831	0	0
	Raw materials and consumables	-349,833	-308,893	-556	-665
	Other external expenses	-193,822	-177,525	-599	-380
	Gross profit	230,866	186,194	736	1,923
3	Staff costs	-168,458	-153,610	-125	0
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-23,286	-19,794	-379	-150
	Other operating expenses	0	-92	0	0
	Profit before net financials	39,122	12,698	232	1,773
	Income from investments in group entities	0	0	6,014	946
	Income from investments in associates	-1,450	-485	-1,366	-380
	Financial income	763	643	11	0
4	Financial expenses	-1,527	-2,160	-1,005	-1,675
	Profit before tax	36,908	10,696	3,886	664
5	Tax for the year	-9,080	-2,854	138	38
	Profit for the year	27,828	7,842	4,024	702
	Specification of the Group's results of operations:				
	Shareholder in Barritskov Holding ApS	4,024	702		
	Non-controlling interests	23,804	7,140		
		27,828	7,842		

Consolidated financial statements and parent company financial statements 1 January - 31 December

Balance sheet

		Group		Parent company	
Note	DKK'000	2020	2019	2020	2019
	ASSETS				
	Fixed assets				
6	Intangible assets				
	Carbon instruments	802	0	0	0
	Group goodwill	5,471	9,008	0	0
	Completed development projects	8,443	10,957	0	0
	Intellectual property rights and trademarks	4,104	5,586	0	0
	Goodwill	1,059	1,261	0	0
	Development projects in progress	5,905	0	0	0
		25,784	26,812	0	0
7	Property, plant and equipment				
	Land and buildings	91,689	69,420	91,689	69,420
	Other fixtures and fittings, tools and equipment	31,451	33,957	16	59
	Leasehold improvements	3,275	3,761	0	0
	Prepayments for property, plant and equipment	46	0	0	0
		126,461	107,138	91,705	69,479
8	Investments				
	Investments in group entities, net asset value	0	0	42,517	36,436
	Investments in associates, net asset value	3,289	464	0	120
	Receivables from associates	661	0	160	0
	Other securities and investments	4,558	0	0	0
	Other receivables	502	0	0	0
	Deposits, investments	240	181	0	0
		9,250	645	42,677	36,556
	Total fixed assets	161,495	134,595	134,382	106,035
	Non-fixed assets				
	Inventories				
	Raw materials and consumables	2,520	2,763	0	0
	Finished goods and goods for resale	27,513	18,296	112	320
		30,033	21,059	112	320
	Receivables				
	Trade receivables	19,931	22,040	0	1
	Receivables from group entities	0	0	0	208
	Receivables from associates	905	202	0	202
10	Deferred tax assets	0	0	58	33
	Income taxes receivable	0	1,203	0	1,203
	Other receivables	15,083	12,970	555	1,002
	Contributed capital in arrears	80	80	0	0
9	Prepayments	5,928	5,842	0	1
		41,927	42,337	613	2,650
	Securities and investments				
	Other securities and investments	115	115	0	0
		115	115	0	0
	Cash	74,162	40,840	109	241
	Total non-fixed assets	146,237	104,351	834	3,211
	TOTAL ASSETS	307,732	238,946	135,216	109,246

Consolidated financial statements and parent company financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	Group 2020	Group 2019	Parent company 2020	Parent company 2019
	EQUITY AND LIABILITIES				
	Equity				
	Share capital	251	251	251	251
	Net revaluation reserve according to the equity method	0	0	146	0
	Hedging reserve	-42	0	0	0
	Retained earnings	50,155	46,131	49,967	46,131
	Dividend proposed for the year	0	55	0	55
	Shareholder in Barritskov Holding ApS' share of equity	50,364	46,437	50,364	46,437
	Non-controlling interests	72,359	63,654	0	0
	Total equity	122,723	110,091	50,364	46,437
	Provisions				
10	Deferred tax	3,198	3,167	0	0
	Total provisions	3,198	3,167	0	0
	Liabilities other than provisions				
11	Non-current liabilities other than provisions				
	Mortgage debt	45,381	34,424	45,381	34,424
	Lease liabilities	932	2,963	0	0
	Other credit institutions	1,039	0	0	0
	Deposits	45	0	45	0
	Other payables	15,324	5,324	8	0
		62,721	42,711	45,434	34,424
	Current liabilities other than provisions				
11	Current portion of long-term liabilities	2,368	2,464	337	171
	Prepayments received from customers	3,114	2,978	0	0
	Trade payables	70,882	52,690	204	66
	Payables to group entities	0	0	30,688	24,728
	Income taxes payable	956	0	956	0
	Joint taxation contribution payable	0	0	186	1,048
	Deposits	723	820	0	0
	Other payables	40,851	24,025	7,047	2,372
	Deferred income	196	0	0	0
		119,090	82,977	39,418	28,385
		181,811	125,688	84,852	62,809
	TOTAL EQUITY AND LIABILITIES	307,732	238,946	135,216	109,246

1 Accounting policies
13 Contractual obligations and contingencies, etc.
14 Collateral
15 Related parties
16 Fee to the auditors appointed by the Company in general meeting
17 Appropriation of profit

Consolidated financial statements and parent company financial statements 1 January - 31 December

Statement of changes in equity

		Group						
Note	DKK'000	Share capital	Hedging reserve	Retained earnings	Dividend proposed for the year	Total	Non-controlling interests	Total equity
	Equity at 1 January 2019	251	0	45,412	0	45,663	62,344	108,007
	Transfer through appropriation of profit	0	0	647	55	702	7,140	7,842
	Other value adjustments of equity	0	0	72	0	72	-5,830	-5,758
	Equity at 1 January 2020	251	0	46,131	55	46,437	63,654	110,091
	Transfer through appropriation of profit	0	0	4,024	0	4,024	23,804	27,828
	Other value adjustments of equity	0	0	0	0	0	150	150
	Adjustment of hedging instruments at fair value	0	-42	0	0	-42	-124	-166
	Dividend distributed	0	0	0	-55	-55	0	-55
	Extraordinary dividend distributed	0	0	0	0	0	-15,125	-15,125
	Equity at 31 December 2020	251	-42	50,155	0	50,364	72,359	122,723

Consolidated financial statements and parent company financial statements 1 January - 31 December

Statement of changes in equity (continued)

		Parent company				
Note	DKK'000	Share capital	Net revaluation reserve according to the equity method	Retained earnings	Dividend proposed for the year	Total
	Equity at 1 January 2019	251	0	45,412	0	45,663
17	Transfer, see "Appropriation of profit"	0	566	81	55	702
	Other value adjustments of equity	0	-566	638	0	72
	Equity at 1 January 2020	251	0	46,131	55	46,437
17	Transfer, see "Appropriation of profit"	0	5,149	-1,125	0	4,024
	Other value adjustments of equity	0	-5,003	4,961	0	-42
	Dividend distributed	0	0	0	-55	-55
	Equity at 31 December 2020	251	146	49,967	0	50,364

Consolidated financial statements and parent company financial statements 1 January - 31 December

Cash flow statement

Note	DKK'000	Group 2020	Group 2019
	Profit for the year	27,828	7,842
18	Adjustments	33,264	21,477
	Cash generated from operations (operating activities)	61,092	29,319
19	Changes in working capital	24,423	-4,571
	Cash generated from operations (operating activities)	85,515	24,748
	Interest received, etc.	763	649
	Interest paid, etc.	-1,528	-2,160
	Income taxes paid	-7,035	-503
	Cash flows from operating activities	77,715	22,734
	Additions of intangible assets	-10,603	-8,134
	Additions of property, plant and equipment	-30,766	-4,509
	Disposals of intangible assets and property, plant and equipment	0	262
	Purchase of financial assets	-4,531	-8
	Sale of financial assets	8	0
	Acquisition of companies	-2,629	0
	Changes in investments in subsidiaries	0	372
	Changes in investments in associates	1,803	-780
	Cash flows to investing activities	-46,718	-12,797
	Dividends distributed	-15,180	-6,470
	Proceeds of long-term liabilities	12,398	395
	Contracting of other long-term liabilities	-2,408	0
	Repayments, long-term liabilities	-2,485	-1,910
	Cash capital increase	0	80
	Raising of loan in the Employees' Fund for Residual Holiday Funds	10,000	5,323
	Cash flows from financing activities	2,325	-2,582
	Net cash flow	33,322	7,355
	Cash and cash equivalents at 1 January	40,840	33,485
20	Cash and cash equivalents at 31 December	74,162	40,840

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Barritskov Holding ApS for 2020 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to large reporting class C entities.

Effective from the financial year 2020, the Company has implemented amending act no. 1716 of 27 December 2018 to the Danish Financial Statements Act. The implementation of the amending act has not affected the Company's accounting policies on recognition and measurement of assets and liabilities but has solely entailed a requirement for further disclosures. The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

Consolidated financial statements

Control

The consolidated financial statements comprise the Parent Company and subsidiaries controlled by the Parent Company.

Control means a parent company's power to direct a subsidiary's financial and operating policy decisions. Besides the above power, the parent company should also be able to yield a return from its investment.

In assessing if the parent company controls an entity, de facto control is taken into consideration as well.

The existence of potential voting rights which may currently be exercised or converted into additional voting rights is considered when assessing if an entity can become empowered to direct another entity's financial and operating decisions.

Significant influence

Entities over whose financial and operating policy decisions the group exercises significant influence are classified as associates. Significant influence is assumed to exist if the Parent Company directly or indirectly holds or controls 20% or more of the voting power of the investee, but does not control the investee.

The existence of potential voting rights which may presently be exercised or be converted into additional voting rights in considered when assessing if significant influence exists.

Preparation of consolidated financial statements

The consolidated financial statements are prepared as a consolidation of the parent company's and the individual subsidiaries' financial statements, which are prepared according to the group's accounting policies. On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends, and realised and unrealised gains on intra-group transactions are eliminated. Unrealised gains on transactions with associates are eliminated in proportion to the group's interest in the entity. Unrealised losses are eliminated in the same way as unrealised gains if they do not reflect impairment.

In the consolidated financial statements, the accounting items of subsidiaries are recognised in full. Non-controlling interests' share of the profit/loss for the year and of the equity of subsidiaries which are not wholly-owned are included in the group's profit/loss and equity, respectively, but are disclosed separately.

Acquisitions and disposals of non-controlling interests which are still controlled are recognised directly in equity as a transaction between shareholders.

Investments in associates and joint ventures are recognised in the consolidated financial statements using the equity method.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

The group's activities in joint operations are recognised on a line-by-line basis.

Non-controlling interests

On initial recognition, non-controlling interests are measured at the fair value of the non-controlling interests' equity interest.

Goodwill relating to the non-controlling interests' share of the acquiree is recognised.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Derivative financial instruments

On initial recognition, derivative financial instruments are recognised at cost in the balance sheet and are subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are presented as separate items in the balance sheet.

Fair value adjustments of derivative financial instruments designated and qualifying as hedging of future assets or liabilities are recognised as separate items in the balance sheet and in the hedging reserve under equity. If the forecast transaction results in the recognition of assets or liabilities, amounts previously recognised in equity are transferred to the cost of the asset or liability, respectively. If the forecast transaction results in income or expenses, amounts previously recognised in equity are transferred to the income statement in the period in which the hedged item affects the income statement.

Public grants

Public grants to cover expenses are recognised in the income statement when it is deemed likely that all grant criteria have been met. Grants which must be repaid under certain circumstances are recognised only where they are not expected to be repaid.

Income statement

Revenue

Revenue from the sale of goods for resale is recognised in the income statement provided that delivery and transfer of risk to the buyer have taken place before year end and that the income can be reliably measured and is expected to be received.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Other operating income and operating expenses

Other operating income and operating expenses comprise items of a secondary nature relative to the Company's core activities, including gains or losses on the sale of fixed assets.

Raw materials and consumables, etc.

Raw materials and consumables include expenses relating to raw materials and consumables used in generating the year's revenue.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

Amortisation/depreciation

The item comprises amortisation/depreciation of intangible assets and property, plant and equipment.

The cost net of the expected residual value for completed development projects and acquired IP rights is amortised over the expected useful life. Acquired IP rights include patents, rights and licences.

Amortisation is recognised in the income statement.

The basis of amortisation, which is calculated as cost less any residual value, is amortised on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Carbon instruments	1-3 years
Group goodwill	10-20 years
Completed development projects	3-5 years
Intellectual property rights and trademarks	3-20 years
Acquired other similar rights	20 years
Goodwill	20 years

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

Buildings	50 years
Other fixtures and fittings, tools and equipment	3-10 years
Leasehold improvements	5-20 years

Depreciation is based on the residual value of the asset and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the acquisition date and are reassessed annually. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

In the case of changes in the depreciation period or the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Land is not depreciated.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Profit/loss from investments in subsidiaries and associates

A proportionate share of the underlying entities' profit/loss after tax is recognised in the income statement according to the equity method. Shares of profit/loss after tax in subsidiaries and associates are presented as separate line items in the income statement. Full elimination of intra-group gains/losses is made for equity investments in subsidiaries. Only proportionate elimination of intra-group gains/losses is made for equity investments in associates.

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Tax

The parent company is covered by the Danish rules on mandatory joint taxation of the Group's Danish subsidiaries. Subsidiaries are included in the joint taxation arrangement from the date at which they are included in the consolidated financial statements and up to the date when they are no longer consolidated.

The parent company acts as management company for the joint taxation arrangement and consequently settles all corporate income tax payments with the tax authorities.

On payment of joint taxation contributions, the Danish corporate income tax charge is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use the tax losses to reduce their own taxable income.

Tax for the year, which comprises the current income tax charge, joint taxation contributions and deferred tax adjustments, including adjustments arising from changes in tax rates, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Intangible assets

Goodwill is amortised over the estimated useful life determined on the basis of Management's experience of the specific business areas. Goodwill is amortised over a period of 20 years or less, as this amortisation period is considered the best way to reflect the utility of the resources in question.

Other intangible assets comprise the IT platform, ongoing development projects, intellectual property rigths and trademarks.

Other intangible assets are measured at cost less accumulated amortisation and impairment losses.

Development projects regarding products and processes that are clearly defined and identifiable, where the technical utilisation degree, sufficient resources and a potential future market or development opportunities in the Company are evidenced, and where the Company intends to produce, market or use the project or the process in question, are recognised as intangible assets. Other development costs are recognised in the income statement when incurred.

Development costs comprise costs, including salaries and travelling expenses that are directly and indirectly attributable to the development projects.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Following the completion of the development work, development costs are amortised on a straight line basis over the estimated useful life. The amortisation period is usually five years.

The IT platform is measured at cost less accumulated amortisation and impairment. Cost comprises the acquisition price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Intellectual property rights and trademarks are measured at cost less accumulated amortisation and impairment. Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Gains and losses on the sale of intangible assets are recognised in the income statement under "Other operating income" or "Other operating expenses", respectively. Gains and losses are calculated as the difference between the selling price less selling expenses and the carrying amount at the time of sale.

Property, plant and equipment

Items of property, plant and equipment 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.

Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses.

Leases

On initial recognition, leases for assets that transfer substantially all the risks and rewards incident to the ownership to the Company (finance leases) are measured in the balance sheet at the lower of fair value and the present value of the future lease payments. In calculating the net present value, the interest rate implicit in the lease or the incremental borrowing rate is used as the discount factor. Assets held under finance leases are subsequently accounted for in the same way as the Company's other assets.

The capitalised residual lease liability is recognised in the balance sheet as a liability, and the interest element of the lease payment is recognised in the income statement over the term of the lease.

Leases that do not transfer substantially all the risks and rewards incident to the ownership to the Company are classified as operating leases. Payments relating to operating leases and any other rent agreements are recognised in the income statement over the term of the lease. The Company's aggregate liabilities relating to operating leases and other rent agreements are disclosed under "Contingent liabilities".

Investments in subsidiaries and associates

Equity investments in subsidiaries and associates are measured according to the equity method. Equity investments in joint ventures are also measured according to the equity method in the consolidated financial statements.

On initial recognition, equity investments in subsidiaries and associates are measured at cost, i.e. plus transaction costs. The cost is allocated in accordance with the acquisition method; see the accounting policies regarding business combinations.

The cost is adjusted by shares of profit/loss after tax calculated in accordance with the Group's accounting policies less or plus unrealised intra-group gains/losses.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Identified increases in value and goodwill, if any, compared to the underlying entity's net asset value are amortised in accordance with the accounting policies for the assets and liabilities to which they can be attributed. Negative goodwill is recognised in the income statement.

Dividend received is deduced from the carrying amount.

Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments in subsidiaries and associates is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value. The net realisable value of inventories is calculated as the sales amount less costs of completion and expenses required to effect the sale and is determined taking into account marketability, obsolescence and development in the expected selling price.

The cost of raw materials and consumables comprises the cost of acquisition plus delivery costs.

Goods for resale are measured at cost, which comprises the cost of acquisition plus delivery costs as well as other expenses directly attributable to the acquisition.

Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Securities and investments

Securities and investments consisting in listed shares and bonds are measured at fair value (market price) at the balance sheet date. Investments not admitted to trading on an active market are measured at cost.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Cash

Cash comprise cash and short term securities which are readily convertible into cash and subject only to minor risks of changes in value.

Equity

Reserve for net revaluation according to the equity method

The net revaluation reserve according to the equity method includes net revaluations of investments in subsidiaries and associates relative to cost. The reserve can be eliminated in case of losses, realisation of investments or a change in accounting estimates. The reserve cannot be recognised at a negative amount.

Hedging reserve

The hedging reserve comprises the cumulative net change in the fair value of hedging transactions that qualify for recognition as a cash flow hedge and where the hedged transaction has not yet been realised. The reserve is dissolved when the hedged transaction is realised, if the hedged cash flows are no longer expected to be realised or if the hedging relationship is no longer effective. The reserve does not represent a limitation under company law and may therefore be negative.

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

As management company for all the entities in the joint taxation arrangement, the parent company is liable for payment of the subsidiaries' income taxes vis à vis the tax authorities as the subsidiaries pay their joint taxation contributions. Joint taxation contributions payable or receivable are recognised in the balance sheet as income tax receivables or payables.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

Lease liabilities

Lease liabilities are measured at the net present value of the remaining lease payments including any guaranteed residual value based on the interest rate implicit in the lease.

Prepayments received from customers

Prepayments from customers comprise payments received concerning income invoiced in the following year.

Deferred income

Advance invoicing of revenue comprises revenue excluding VAT on goods invoiced, but not yet delivered.

Deposits from customers comprise deposits invoiced to the subscribers.

Cash flow statement

The cash flow statement shows the Company's net cash flows broken down according to operating, investing and financing activities, the year's changes in cash and cash equivalents as well as the cash and cash equivalents at the beginning and the end of the year.

Cash flows from operating activities are calculated as the profit/loss for the year adjusted for non cash operating items, changes in working capital and paid corporate income tax.

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of entities and activities and of intangible assets, property, plant and equipment and investments.

Cash flows from financing activities comprise changes in the size or composition of the Company's share capital and related expenses as well as raising of loans, repayment of interest bearing debt and payment of dividends to shareholders.

Cash and cash equivalents comprise cash, short term bank loans and short term securities which are readily convertible into cash and which are subject only to insignificant risks of changes in value.

Segment information

The allocation of revenue to activities and geographical markets is disclosed where these activities and markets differ significantly in the organisation of sales of goods and services.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

2 Segment information

Group revenue relates to the delivery of organic meal solutions and vegetable boxes to private households in Denmark and Sweden, to the supply of organic fresh produce to restaurants, caterers and businesses, to the brewing of Demeter beer and Cider at Krogerup and to the production of oyster mushrooms from spent coffee grounds in Greater Copenhagen. Management consider the activity as one segment.

	Group		Parent company	
DKK'000	2020	2019	2020	2019
3 Staff costs				
Wages/salaries	153,882	140,363	124	0
Pensions	12,867	11,396	0	0
Other social security costs	1,684	1,837	1	0
Other staff costs	45	59	0	0
Staff costs transferred to non-current assets	-20	-45	0	0
	168,458	153,610	125	0

	Group		Parent company	
	2020	2019	2020	2019
Average number of full-time employees	340	306	0	0

Group

By reference to section 98b(3), (ii), of the Danish Financial Statements Act, remuneration to group Management is not disclosed.

Parent company

By reference to section 98b(3), (ii), of the Danish Financial Statements Act, remuneration to Management is not disclosed.

	Group		Parent company	
DKK'000	2020	2019	2020	2019
4 Financial expenses				
Interest expenses, group entities	0	0	344	347
Other financial expenses	1,527	2,160	661	1,328
	1,527	2,160	1,005	1,675
5 Tax for the year				
Estimated tax charge for the year	9,090	2,771	-113	-156
Deferred tax adjustments in the year	70	85	-25	118
Tax adjustments, prior years	-80	-2	0	0
	9,080	2,854	-138	-38

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

6 Intangible assets

	Group						
DKK'000	Carbon instruments	Group goodwill	Completed development projects	Intellectual property rights and trademarks	Goodwill	Develop-ment projects in progress	Total
Cost at 1 January 2020	0	28,232	34,042	13,688	3,818	0	79,780
Additions in the year	1,215	0	3,484	0	0	5,905	10,604
Disposals in the year	0	-3,200	-172	0	0	0	-3,372
Transfer from other accounts	0	0	764	-764	0	0	0
Cost at 31 December 2020	1,215	25,032	38,118	12,924	3,818	5,905	87,012
Impairment losses and amortisation at 1 January 2020	0	19,224	23,085	8,102	2,557	0	52,968
Amortisation/depreciation in the year	413	1,457	6,762	718	202	0	9,552
Reversal of depreciation and impairment of disposals	0	-1,120	-172	0	0	0	-1,292
Impairment losses and amortisation at 31 December 2020	413	19,561	29,675	8,820	2,759	0	61,228
Carrying amount at 31 December 2020	802	5,471	8,443	4,104	1,059	5,905	25,784
Amortised over	1-3 years	10-20 years	3-5 years	3-20 years	20 years		

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

7 Property, plant and equipment

DKK'000	Group				
	Land and buildings	Other fixtures and fittings, tools and equipment	Leasehold improvements	Prepayments for property, plant and equipment	Total
Cost at 1 January 2020	69,600	87,247	12,646	0	169,493
Additions in the year	22,396	8,153	171	46	30,766
Disposals in the year	0	-644	0	0	-644
Cost at 31 December 2020	91,996	94,756	12,817	46	199,615
Impairment losses and depreciation at 1 January 2020	180	53,290	8,885	0	62,355
Depreciation in the year	127	10,659	657	0	11,443
Reversal of amortisation/depreciation and impairment of disposals	0	-644	0	0	-644
Impairment losses and depreciation at 31 December 2020	307	63,305	9,542	0	73,154
Carrying amount at 31 December 2020	91,689	31,451	3,275	46	126,461
Property, plant and equipment include finance leases with a carrying amount totalling	0	3,904	0	0	3,904
Depreciated over	50 years	2-10 years	5-20 years		

DKK'000	Parent company		
	Land and buildings	Other fixtures and fittings, tools and equipment	Total
Cost at 1 January 2020	69,600	224	69,824
Additions in the year	22,396	0	22,396
Cost at 31 December 2020	91,996	224	92,220
Impairment losses and depreciation at 1 January 2020	180	165	345
Depreciation in the year	127	43	170
Impairment losses and depreciation at 31 December 2020	307	208	515
Carrying amount at 31 December 2020	91,689	16	91,705
Depreciated over	50 years	3 years	

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

8 Investments

	Group					
DKK'000	Investments in associates, net asset value	Receivables from associates	Other securities and investments	Other receivables	Deposits, investments	Total
Cost at 1 January 2020	851	0	0	0	181	1,032
Additions in the year	3,029	1,906	4,558	502	67	10,062
Disposals in the year	0	0	0	0	-8	-8
Cost at 31 December 2020	3,880	1,906	4,558	502	240	11,086
Value adjustments at 1 January 2020	-387	0	0	0	0	-387
Share of the profit/loss for the year	-1,453	0	0	0	0	-1,453
Other adjustments, investments	7	0	0	0	0	7
Impairment losses	-3	0	0	0	0	-3
Adjustment of investments with negative equity	1,245	-1,245	0	0	0	0
Value adjustments at 31 December 2020	-591	-1,245	0	0	0	-1,836
Carrying amount at 31 December 2020	3,289	661	4,558	502	240	9,250

Group

Name	Domicile	Interest
Associates		
BaneGaarden ApS	Copenhagen	33.33%
BeyondMushrooms ApS	Copenhagen	35.37%
PIV Partners ApS	Fredensborg	20.00%

	Parent company			
DKK'000	Investments in group entities, net asset value	Investments in associates, net asset value	Receivables from associates	Total
Cost at 1 January 2020	41,762	500	0	42,262
Additions in the year	109	0	1,405	1,514
Cost at 31 December 2020	41,871	500	1,405	43,776
Value adjustments at 1 January 2020	-5,326	-380	0	-5,706
Share of the profit/loss for the year	6,113	-1,365	0	4,748
Equity adjustments, investments	-42	0	0	-42
Impairment losses	-99	0	0	-99
Adjustment of investments with negative equity	0	1,245	-1,245	0
Value adjustments at 31 December 2020	646	-500	-1,245	-1,099
Carrying amount at 31 December 2020	42,517	0	160	42,677

Parent company

Name	Domicile	Interest
Subsidiaries		
Thomas Harttung A/S	Hedensted	50.20%
Krogerup Avlsgaard A/S	Fredensborg	100.00%
Associates		
BaneGaarden ApS	Copenhagen	33.33%

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

9 Prepayments

Group

Prepayments comprise prepaid costs regarding rent, insurance premium, subscriptions and returnable packages and boxes.

10 Deferred tax

	Group		Parent company	
DKK'000	2020	2019	2020	2019
Deferred tax at 1 January	3,166	3,006	-33	-151
Deferred tax adjustment in the year, income statement	78	83	0	118
Deferred tax adjustment in the year, equity	-46	77	0	0
Other deferred tax	0	0	-25	0
Deferred tax at 31 December	3,198	3,166	-58	-33

Deferred tax relates to:

	Group		Parent company	
DKK'000	2020	2019	2020	2019
Intangible assets	3,715	3,536	0	0
Property, plant and equipment	-1,574	-1,321	10	5
Inventories	886	778	0	0
Receivables	166	165	0	0
Liabilities	177	126	0	0
Tax loss	-104	-80	0	0
Other non-taxable temporary differences	-68	-38	-68	-38
	3,198	3,166	-58	-33

11 Non-current liabilities other than provisions

Group

DKK'000	Total debt at 31/12 2020	Repayment, next year	Long-term portion	Outstanding debt after 5 years
Mortgage debt	45,718	337	45,381	44,031
Lease liabilities	2,963	2,031	932	0
Other credit institutions	1,039	0	1,039	219
Deposits	45	0	45	0
Other payables	15,324	0	15,324	15,324
	65,089	2,368	62,721	59,574

Parent company

DKK'000	Total debt at 31/12 2020	Repayment, next year	Long-term portion	Outstanding debt after 5 years
Mortgage debt	45,718	337	45,381	44,031
Deposits	45	0	45	0
Other payables	8	0	8	8
	45,771	337	45,434	44,039

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

12 Derivative financial instruments

The Group uses forward exchange contracts to hedge currency risks relating to revenue in the coming year. Contractual value at 31 December 2020 totalled a negative DKK 139 thousand. The revaluation is recognised in equity.

13 Contractual obligations and contingencies, etc.

Other contingent liabilities

	Group		Parent company	
DKK'000	2020	2019	2020	2019
Guarantee commitments	5,900	400	0	0
Other contingent liabilities	2,275	2,333	0	0
	8,175	2,733	0	0

Group

The Group has entered into a lease, which is interminable by the lessor until termination at 31 August 2048 with a yearly leasehold fee of DKK 977 thousand. During the contract period, the Group may terminate the contract with 12 months' notice with termination on 31 August of the following calendar year. The total obligation amounts to DKK 1,628 thousand.

The Group has entered into a lease, which is interminable until 31 August 2048 with a yearly leasehold fee of DKK 84 thousand. The total obligation amounts to DKK 647 thousand.

For fulfilment of Krogerup Avlsgaard A/S' obligations to lessor, a bank gurantee of DKK 400 thousand has been provided as collateral.

For fulfilment of Barritskov Holding ApS' obligations to seller of a building purchased during the year, a bank gurantee of DKK 5,500 thousand has been provided as collateral.

Other financial obligations

Other rent and lease liabilities:

	Group		Parent company	
DKK'000	2020	2019	2020	2019
Rent and lease liabilities	30,589	35,672	0	0

Group

The Group has entered into leases for office space, warehouses, terminals and warehousing with a rent commitment for 2021-2029 of DKK 25,501 thousand (2019: DKK 30,575 thousand).

Operating lease commitment totals DKK 5,088 thousand (2019: DKK 5,097 thousand).

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

Parent company

As management company, the Company is jointly taxed with other Danish group entities. Together with other jointly taxed group entities, the Company has joint and several liability for payment of income taxes and withholding taxes.

For fulfilment of obligations to seller of a building purchased during the year, a bank gurantee of DKK 5,500 thousand has been provided as collateral.

The Parent Company has pledged a claim against Krogerup Avlsgaard A/S for all outstanding balances with Nykredit. Krogerup Avlsgaard A/S' debt to Nykredit is DKK 0 thousand as of 31 December 2020.

The Company has given a letter of support in favor of the subsidiary Krogerup Avlsgaard A/S, in which the company declares that it will provide the necessary liquidity to secure ordinary day-to-day operations for the subsidiary up to and including December 2021.

14 Collateral

Group

As collateral for the Group's debt to mortgage credit institutions and other credit institutions, the Group has placed assets or other items as collateral worth a total of DKK 71,772 thousand. The total carrying amount of the assets having been provided as security is DKK 181,588 thousand. Breakdown of the collateral and the carrying amount:

Land and buildings at a carrying amount of DKK 91,689 thousand at 31 December 2020 have been provided as collateral for debt to mortgage credit institutions, totalling DKK 45,717 thousand.

Amounts owed to Sydbank are secured by a letter of indemnity, DKK 17,000 thousand, secured on trade receivables, inventories, operating equipment, goodwill and intellectual property rights.

The Group has issued letters of indemnity totalling DKK 8,000 thousand secured on fixtures and fittings, tools and equipment.

Amounts owed to Vækstfonden are secured by a letter of indemnity, DKK 1,055 thousand, secured trade receivables and inventories.

Parent company

Land and buildings at a carrying amount of DKK 91,689 thousand at 31 December 2020 have been provided as collateral for debt to mortgage credit institutions, totalling DKK 45,717 thousand.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

15 Related parties

Group

Barritskov Holding ApS' related parties comprise the following:

Parties exercising control

Related party	Domicile	Basis for control
Thomas Harttung	Hedensted	Majority shareholder

Related party transactions

There are no intra-group transactions that have not been carried out on normal market terms.

All transactions have been carried out on an arm's length basis.

Parent company

Parties exercising control

Related party	Domicile	Basis for control
Thomas Harttung	Hedensted	Majority shareholder

Transactions with related parties

There are no intra-group transactions that have not been carried out on normal market terms.

All transactions have been carried out on an arm's length basis.

	Group	
DKK'000	2020	2019
16 Fee to the auditors appointed by the Company in general meeting		
Total fees to EY	479	376
Statutory audit	220	190
Assurance engagements	31	0
Tax assistance	64	34
Other assistance	164	152
	479	376

	Parent company	
DKK'000	2020	2019
17 Appropriation of profit		
Recommended appropriation of profit		
Proposed dividend recognised under equity	0	55
Net revaluation reserve according to the equity method	5,149	566
Retained earnings/accumulated loss	-1,125	81
	4,024	702

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

DKK'000	Group 2020	Group 2019
18 Adjustments		
Amortisation/depreciation and impairment losses	23,282	19,794
Gain/loss on the sale of non-current assets	137	121
Financial income	-763	-649
Financial expenses	1,528	2,160
Tax for the year	8,985	0
Deferred tax	95	51
	33,264	21,477
19 Changes in working capital		
Change in inventories	-6,421	-2,161
Change in receivables	-8,974	-12,838
Change in trade and other payables	40,229	10,231
Other changes in working capital	-411	197
	24,423	-4,571
20 Cash and cash equivalents at year-end		
Cash according to the balance sheet	74,162	40,840
	74,162	40,840

List of Signatures

Barritskov Holding annual report 2020.pdf

Name	Method	Signed at
Thomas Alexander North Harttung	NEMID	2021-07-01 11:07 GMT+02