Vestergaard Hejnsvig ApS

Ravnholtgyden 5
6600 Vejen

CVR No. 37457310

Annual Report 2021

6. financial year

The Annual Report was presented and
adopted at the Annual General Meeting of
the Company on 30 May 2022

Jens Ohnemus
Chairman

ENGELSTED PETERSEN
statsautoriserede revisorer

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Management's Statement

Today, Management has considered and adopted the Annual Report of Vestergaard Hejnsvig ApS for the financial year 1 January 2021 - 31 December 2021.

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 assets, liabilities and financial position of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 1 January 2021 - 31 December 2021.

In our opinion, the Management's Review includes a true and fair account of the matters addressed in the review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Vejen, 29 March 2022

Executive Board

Hans Thor Jensen
Director

Supervisory Board

Jens Ohnemus Chairman	Hans Thor Jensen Director	Maria Carlsson Non-Executive director

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Independent Auditors' Report

To the shareholders of Vestergaard Hejnsvig ApS

Opinion
We have audited the financial statements of Vestergaard Hejnsvig ApS for the financial year 1 January 2021 - 31 December 2021, which comprise an income statement, balance sheet, statement of changes in equity and notes. 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 Company's financial position at 31 December 2021 and of the results of its operations for the financial year 1 January 2021 - 31 December 2021 in accordance with the Danish Financial Statements Act.

Basis of opinion
We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibility under those standards and requirements are further described in the "Auditors' responsibility for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statement 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 responsibility 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 considers 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 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 intends to either liquidate the Company or suspend operations, or has no realistic alternative but to do so.

The auditor's responsibility for the audit of the financial statements
Our responsibility is to obtain reasonable assurance as to whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is no guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect material misstatements. Misstatements can arise from fraud or error and can be considered material if it would be reasonable to expect that these - either individually or collectively - could influence the economic decisions taken by the users of financial statements on the basis of these financial statements.

Independent Auditors' Report

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain an attitude of professional skepticism throughout the audit. We also:

* Identify and assess the risk of material misstatements in 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 a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or 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 Company's internal control.

* Evaluate whether the accounting policies used are appropriate and whether the accounting estimates and the related disclosures made by Management are reasonable.

* Conclude on whether Management's use of the going concern basis of accounting in preparing the financial statements is appropriate and, based on the audit evidence obtained, conclude on whether a material uncertainty exists relating to events or conditions, which could cast significant doubt on the 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 auditors' 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 auditors' report. However, future events or conditions may imply that the Company can no longer remain a going concern.

* Evaluate the overall presentation, structure and contents of the financial statements, including note disclosures, and whether the financial statements reflect 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 which we identify during our audit.

Statement on 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 opinion providing assurance regarding the Management's review.

Our responsibility in connection with our audit of the financial statements 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 with the knowledge we have gained during the audit, or otherwise appears to be materially misstated.

Independent Auditors' Report

Moreover, it is our responsibility to consider whether the Management's review meets the disclosure requirements in the Danish Financial Statements Act.

Based on our procedures, we are of the opinion that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements in the Danish Financial Statements Act. In our opinion, the Management's review is not materially misstated.

Næstved, 29 March 2022

ENGELSTED PETERSEN
Statsaut. revisionsanpartsselskab
CVR-no. 20658231

Lars Engelsted Petersen
State Authorised Public Accountant
mne11683

Company details

Company	Vestergaard Hejnsvig ApS Ravnholtgyden 5 6600 Vejen
CVR No.	37457310
Date of formation	16 February 2016
Registered office	Vejen
Supervisory Board	Jens Ohnemus, Chairman Hans Thor Jensen, Director Maria Carlsson, Non-executive director
Executive Board	Hans Thor Jensen, Director
Auditors	ENGELSTED PETERSEN Statsaut. revisionsanpartsselskab Vestre Kaj 2, 1. 4700 Næstved CVR-no.: 20658231

Management's Review

The Company's principal activities

The Company's principal activities consist in operation of farms and farmland.

Reporting Class
The Annual Report of Vestergaard Hejnsvig ApS for 2021 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B with adoption of individual rules from class C.

The accounting policies applied remain unchanged from last year.

Reporting currency
The Annual Report is presented in EUR.

General information

Basis of recognition and measurement
The financial statement have been prepared under the historical cost principle.

Income is recognised in the income statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortized cost. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortization, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will accrue to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the financial statement, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

Accounting Policies

Income statement

Gross profit/loss
The Company has decided to aggregate certain items of the income statement in accordance with the provisions of Section 32 of the Danish Financial Statements Act.

Gross profit is a combination of the items of revenue, other operating income, costs for raw materials and consumables and other external expenses.

Revenue
Income from the sale of goods for resale and finished goods is recognised in the income statement if the goods have been delivered and the risk has passed to the buyer before year-end if it is possible to calculate the income reliably. The revenue is exclusive of VAT and net of sales discounts.

Income from delivery of services is recognised on a straight-line basis in net sales, as the service is delivered.

Other external expenses
Other external expenses include expenses for distribution, sales, advertising, administration, premises, bad debts, operating leasing expenses etc.

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

Amortisation and impairment of tangible and intangible assets
Amortization and impairment of intangible assets, property, plant and equipment has been performed based on a continuing assessment of the useful life of the assets in the Company. Non-current assets are amortized on a straight line basis, based on cost, on the basis of the following assessment of useful life and residual values:

	Useful life	Residual value
Properties	50 years	25%
Other fixtures and fittings, tools and equipment	3-10 years	0%

Payment entitlements and land are not amortized.

Profit or loss resulting from the sale of intangible assets or property, plant and equipment is determined as the difference between the selling price less selling costs and the carrying amount at the date of sale, and is recognised in the income statement under other operating income or expenses.

Accounting Policies

Financial income and expenses
Financial income and expenses are recognised in the income statement based at the amounts that concern the financial year. Financial income and expenses include interest revenue and expenses, financial expenses of finance leases, realised and unrealised capital gains and losses regarding securities, accounts payable and transactions in foreign currencies, repayment on mortgage loans, and surcharges and allowances under the advance-payment of tax scheme.

Dividends from other investments are recognised as income in the financial year in which the dividends are declared.

Tax on net profit for the year
Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

The Company and the Danish associates are taxed jointly. The Danish income tax is distributed between profit- and loss-making Danish enterprises in relation to their taxable income (full distribution).

Balance sheet

Intangible assets
Payment entitlements are recognised at the date of acquisition at cost plus costs directly attributable to the acquisition. Subsequently, payment entitlements are measured at fair value by adjusting the carrying amount through upwards or downwards adjustments in the Income Statement.

Property, plant and equipment
Property, plant and equipment are measured at cost on initial recognition and subsequently at cost less accumulated depreciation and impairment losses.

The depreciable amount is calculated taking into consideration the residual value of the asset at the end of its useful life, reduced by impairment losses, if any. The depreciation period and the residual value are determined at the data of acquisition. If the residual value exceeds the carrying amount of the asset, depreciation is discontinued.

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

Cost includes the purchase price and expenses directly related to the acquisition until the time when the asset is ready for use. The cost of self-constructed assets includes costs for materials, components, subcontractors, direct payroll costs and indirect production costs.

The cost of composite asset is disaggregated into components, which are separately depreciated if the useful lives of the individual component differ.

Accounting Policies

Other investments
Securities which the Company plans to hold to maturity are measured at amortized cost determined on the basis of the effective interest rate at the date of acquisition. Price adjustment is recognised in the income statement as an item in financial income and expenses.

Inventories
Inventories are measured at cost on the basis of the FIFO principle. Where the net realizable value is lower than cost, the inventories are written down to this lower value.

The net realizable value of inventories is calculated as the selling price less costs of completion and costs incurred to make the sale. The value is determined taking into account the negotiability of inventories, obsolescence and expected development in sales price.

Receivables
Receivables are measured at amortized cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Impairment of accounts receivables past due is based on individual assessment.

Cash and cash equivalents
Cash and cash equivalents comprise cash at bank and in hand as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

Equity
Equity comprises the working capital and a number of equity items that may be statutory or stipulated in the articles of association.

Provisions
Deferred tax
Deferred tax and the associated adjustments for the year are determined according to the liability method as the tax base of all temporary differences between carrying amounts and the tax bases of assets and liabilities.

Deferred tax assets, including the tax base of tax losses allowed for carryforward, are recognised at the value at which they are expected to be used, either by elimination in tax on future earnings or by set-off against deferred tax liabilities in enterprises within the same legal entity and jurisdiction.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation applicable at the balance sheet date when the deferred tax is expected to crystallize as current tax.

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

Accounting Policies

Liabilities
Financial liabilities are recognised initially at the proceeds received net of transaction expenses incurred. In subsequent periods, financial liabilities are measured at amortized cost, corresponding to the capitalized value using the effective interest method, so that the difference between the proceeds and the nominal value is recognised in the income statement over the life of the financial instrument.

Mortgage debt is accordingly measured at amortized cost, corresponding to the outstanding balance in case of cash loans. In case of bond loans, amortized cost corresponds to the outstanding balance determined as the underlying cash value of the loans at the time of borrowing adjusted for amortisation of capital losses on the loans over the repayment period.

Other liabilities are measured at net realisable value.

Contingent assets and liabilities
Contingent assets and liabilities are not recognised in the Balance Sheet but appear only in the notes.

Income Statement

	Note	2021 EUR	2020 EUR
Gross profit		**528.821**	**743.174**
Employee expenses	1	-117.324	-88.273
Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets recognised in profit or loss		-77.606	-86.568
Other operating expenses		-77.393	-15.158
Gains from current value adjustments of investment assets		54.928	0
Profit from ordinary operating activities		**311.426**	**553.175**
Finance income		4.606	3.359
Finance expenses		-39.806	-36.862
Profit from ordinary activities before tax		**276.226**	**519.672**
Tax expense on ordinary activities		-60.691	-110.580
Profit		**215.535**	**409.092**
Proposed distribution of results			
Retained earnings		215.535	409.092
Distribution of profit		**215.535**	**409.092**

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Balance Sheet as of 31 December

	Note	2021 EUR	2020 EUR
Assets			
Payment entitlements	2	120.526	120.526
Intangible assets		**120.526**	**120.526**
Land and buildings	3	8.382.638	8.177.003
Fixtures, fittings, tools and equipment	4	339.630	276.623
Property, plant and equipment in progress	5	0	2.066
Property, plant and equipment		**8.722.268**	**8.455.692**
Participating interests	6	6.537	0
Other long-term investments	7	50.966	54.788
Investments		**57.503**	**54.788**
Fixed assets		**8.900.297**	**8.631.006**
Raw materials and consumables		41.920	64.006
Livestock		670.665	527.751
Inventories		**712.585**	**591.757**
Short-term trade receivables		389.430	277.746
Other receivables		76.330	233.706
Deferred income assets		3.522	5.205
Receivables		**469.282**	**516.657**
Cash and cash equivalents		**20.975**	**17.764**
Current assets		**1.202.842**	**1.126.178**
Assets		**10.103.139**	**9.757.184**

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Balance Sheet as of 31 December

	Note	2021 EUR	2020 EUR
Liabilities and equity			
Contributed capital		6.725	6.725
Retained earnings		1.536.276	1.320.741
Equity		**1.543.001**	**1.327.466**
Provisions for deferred tax		272.309	250.140
Provisions		**272.309**	**250.140**
Mortgage debt		4.453.375	4.554.572
Payables to group enterprises		3.059.306	3.361.868
Deposits, liabilities other than provisions		470	2.887
Long-term liabilities other than provisions	8	**7.513.151**	**7.919.327**
Short-term part of long-term liabilities other than provisions		103.141	102.522
Debt to banks		303.563	0
Trade payables		216.543	43.781
Tax payables		38.522	101.772
Tax payables to group enterprises		105.029	3.219
Other payables		7.880	8.957
Short-term liabilities other than provisions		**774.678**	**260.251**
Liabilities other than provisions within the business		**8.287.829**	**8.179.578**
Liabilities and equity		**10.103.139**	**9.757.184**

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Statement of changes in Equity

	Contributed capital	Retained earnings	Total
Equity 1 January 2021	6.725	1.320.741	1.327.466
Profit (loss)	0	215.535	215.535
Equity 31 December 2021	**6.725**	**1.536.276**	**1.543.001**

The share capital has remained unchanged since the date of formation.

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Notes

	2021 EUR	2020 EUR
1. Employee expenses		
Wages and salaries	83.514	57.369
Social security contributions	1.877	1.415
Other employee expense	31.933	29.489
	117.324	**88.273**
Average number of employees	2	2
2. Payment entitlements		
Cost at the beginning of the year	141.441	141.441
Cost at the end of the year	**141.441**	**141.441**
Fair value adjustments at the beginning of the year	-20.915	-20.915
Fair value adjustments at the end of the year	**-20.915**	**-20.915**
Carrying amount at the end of the year	**120.526**	**120.526**
3. Land and buildings		
Cost at the beginning of the year	7.375.899	7.399.692
Addition during the year, incl. improvements	183.903	52.433
Disposal during the year	0	-76.226
Cost at the end of the year	**7.559.802**	**7.375.899**
Depreciation and amortisation at the beginning of the year	-97.078	-48.293
Amortisation for the year	-33.196	-49.582
Reversal of impairment losses and amortisation of disposed assets	0	797
Impairment losses and amortisation at the end of the year	**-130.274**	**-97.078**
Fair value adjustments at the beginning of the year	898.182	898.182
Adjustments for the year	54.928	0
Fair value adjustments at the end of the year	**953.110**	**898.182**
Carrying amount at the end of the year	**8.382.638**	**8.177.003**

Notes

	2021 EUR	2020 EUR
4. Fixtures, fittings, tools and equipment		
Cost at the beginning of the year	394.454	324.146
Addition during the year, incl. improvements	124.948	70.308
Disposal during the year	-21.515	0
Cost at the end of the year	**497.887**	**394.454**
Depreciation and amortisation at the beginning of the year	-63.195	-26.209
Amortisation for the year	-44.410	-36.986
Reversal of impairment losses and amortisation of disposed assets	3.984	0
Impairment losses and amortisation at the end of the year	**-103.621**	**-63.195**
Fair value adjustments at the beginning of the year	-54.636	-54.636
Fair value adjustments at the end of the year	**-54.636**	**-54.636**
Carrying amount at the end of the year	**339.630**	**276.623**

	2021 EUR	2020 EUR
5. Property, plant and equipment in progress		
Cost at the beginning of the year	2.066	0
Addition during the year, incl. improvements	0	2.066
Transfers during the year to other items	-2.066	0
Cost at the end of the year	**0**	**2.066**
Carrying amount at the end of the year	**0**	**2.066**
6. Long-term participating interests		
Addition during the year, incl. improvements	6.537	0
Cost at the end of the year	**6.537**	**0**
Carrying amount at the end of the year	**6.537**	**0**
7. Other long-term investments		
Cost at the beginning of the year	54.788	0
Addition during the year, incl. improvements	0	54.788
Disposal during the year	-3.822	0
Cost at the end of the year	**50.966**	**54.788**
Carrying amount at the end of the year	**50.966**	**54.788**

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Notes

8. Long-term liabilities

	Due after 1 year EUR	Due within 1 year EUR	Due after 5 years EUR
Mortgage debt	4.453.375	103.141	4.034.939
Payables to group enterprises	3.059.306	0	3.059.306
Deposits, liabilities other than provisions	470	0	470
	7.513.151	**103.141**	**7.094.715**

9. Contingent liabilities

The Company is jointly taxed with the other enterprises in the group and are jointly and severally liable for the taxes that concern the joint taxation. The total amount appears from the annual report of Harvest Group ApS which is the administration company in the joint taxation.

10. Collaterals and securities

As security for mortgage debt and debt to banks the company has granted a pledge on land and buildings on EUR 7.342.164.