

# **Hallumgade Invest ApS**

**Adelvej 9, Skovlund, 6823 Ansager**

**Company reg. no. 38 45 13 08**

## **Annual report**

**1 January - 31 December 2021**

The annual report was submitted and approved by the general meeting on the 17 March 2022.

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**Martin Kuper**  
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

## **Management's statement**

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Today, the board of directors and the managing director have presented the annual report of Hallumgade Invest ApS for the financial year 1 January - 31 December 2021.

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

We consider the accounting policies appropriate and, in our opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 December 2021 and of the company's results of activities in the financial year 1 January – 31 December 2021.

We are of the opinion that the management commentary presents a fair account of the issues dealt with.

We recommend that the annual report be approved at the Annual General Meeting.

Ansager, 17 March 2022

### **Managing Director**

Martin Kuper

### **Board of directors**

Stefan Wernsing  
Chairman

Martin Kuper

Martin Zwinkels

## **Independent auditor's report**

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### **To the shareholders of Hallumgade Invest ApS**

#### **Opinion**

We have audited the financial statements of Hallumgade Invest ApS for the financial year 1 January - 31 December 2021, which comprise accounting policies, income statement, statement of financial position, statement of changes in equity and notes. The financial statements have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements present a fair view of the company's assets, equity and liabilities, and financial position at 31 December 2021 and of the results of the company's activities for the financial year 1 January - 31 December 2021 in accordance with the Danish Financial Statements Act.

#### **Basis for opinion**

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the section "Auditor's responsibilities for the audit of the financial statements". We are independent of the company in accordance with international ethical requirements for auditors (IESBA's Code of Ethics), and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Responsibilities of management and those charged with governance for the financial statements**

Management is responsible for the preparation of financial statements that provide a fair view in accordance with the Danish Financial Statements Act. Management is also responsible 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.

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 unless management either intends to liquidate the 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 about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing, and the additional requirements applicable in Denmark, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

## Independent auditor's report

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As part of an audit conducted in accordance with international standards on auditing, and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the 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 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 preparation of the financial statements using the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists arising from events or conditions that may 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 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 company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and contents of the financial statements, including disclosures in notes, and whether the financial statements reflect the underlying transactions and events in a manner that presents a 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 the internal control that we identify during our audit.

### Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we express no assurance opinion thereon.

## **Independent auditor's report**

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In connection with our audit of the financial statements, it is our responsibility to read the management commentary and to consider whether the management commentary is materially inconsistent with the financial statements or the evidence obtained during the audit, or whether it otherwise appears to contain material misstatement.

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

Based on the work we have performed, we believe that management commentary is consistent with the financial statements and that it has been prepared in accordance with the provisions of the Danish Financial Statement Act. We did not discover any material misstatement in the management commentary.

Copenhagen, 17 March 2022

### **Grant Thornton**

State Authorised Public Accountants  
Company reg. no. 34 20 99 36

### **Brian Rasmussen**

State Authorised Public Accountant  
mne30153

## Company information

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### **The company**

Hallumgade Invest ApS  
Adelvej 9  
Skovlund  
6823 Ansager

Company reg. no. 38 45 13 08  
Financial year: 1 January - 31 December

### **Board of directors**

Stefan Wernsing, Chairman  
Martin Kuper  
Martin Zwinkels

### **Managing Director**

Martin Kuper

### **Auditors**

Grant Thornton, Statsautoriseret Revisionspartnerselskab  
Stockholmsgade 45  
2100 København Ø

### **Parent company**

Wernsing Scandinavia ApS

### **Subsidiaries**

Hallumgade Pig Production ApS, Varde  
Hallumgade Farming ApS, Varde

## **Management's review**

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### **The principal activities of the company**

The purpose of the company is to hold real estate specifically for agricultural purposes and other related activities.

### **Development in activities and financial matters**

The gross profit for the year totals DKK 4,9m against DKK 4,8m last year. Income or loss from ordinary activities after tax totals DKK 1,2m against DKK 2,2m last year. Management considers the net profit for the year satisfactory.

## Accounting policies

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The annual report for Hallumgade Invest ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

### Income statement

#### Gross profit

Gross profit comprises the revenue, changes in inventories of finished goods, and work in progress, work performed for own account and capitalised, other operating income, and external costs.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Other external costs comprise costs incurred for administration and premises.

#### Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation on, amortisation of, and writedown for impairment of tangible assets, respectively.

#### Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

#### Results from equity investments in group enterprises

After full elimination of intercompany profit or loss less amortised consolidated goodwill, the equity investment in the individual group enterprises are recognised in the income statement as a proportional share of the group enterprises' post-tax profit or loss.

#### Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises.

## Accounting policies

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The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

### Statement of financial position

#### Property, plant, and equipment

Property is measured at cost plus revaluations and less accrued depreciation and writedown for impairment. Land is not subject to depreciation.

Property is revaluated on the basis of regular, independent fair-value assessments. Net revaluation at fair value adjustment is recognised directly in equity less deferred tax and tied up in a particular revaluation reserve. Net impairment loss at fair value adjustment is recognised in the income statement.

The depreciable amount is cost plus revaluations at fair value less expected residual value after the end of the useful life of the asset. The amortisation period is fixed at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount of the asset, depreciation is discontinued.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life:

	Useful life
Buildings	20 years

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

#### Impairment loss relating to non-current assets

The carrying amount of tangible fixed assets as well as equity investments in group enterprises are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

## Accounting policies

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If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

### Investments

#### Equity in group enterprises

Equity in group enterprises are recognised and measured by applying the equity method. The equity method is used as a method of consolidation.

Equity in group enterprises are recognised in the statement of financial position at the proportionate share of the enterprise's equity value. This value is calculated in accordance with the parent's accounting policies with deductions or additions of unrealised intercompany gains and losses as well as with additions or deductions of the remaining value of positive or negative goodwill calculated in accordance with the acquisition method. Negative goodwill is recognised in the income statement at the time of acquisition of the equity investment. If the negative goodwill relates to contingent liabilities acquired, negative goodwill is not recognised until the contingent liabilities have been settled or lapsed.

Equity in group enterprises with a negative equity value measured at DKK 0, and any accounts receivable from these enterprises are written down to the extent that the account receivable is uncollectible. To the extent that the parent has a legal or constructive obligation to cover a negative balance that exceeds the account receivable, the remaining amount is recognised under provisions.

To the extent the equity exceeds the cost, the net revaluation of equity investments in group enterprises are transferred to the reserve under equity for net revaluation according to the equity method. Dividends from group enterprises expected to be adopted before the approval of this annual report are not subject to a limitation of the revaluation reserve. The reserve is adjusted by other equity movements in group enterprises.

Newly acquired or newly established companies are recognised in the financial statement as of the time of acquisition. Sold or liquidated companies are recognised until the date of disposal.

On the acquisition of enterprises, the acquisition method, the uniting-of-interests method or the book value method is applied, cf. the above description under Business combinations.

## Accounting policies

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### Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired. If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Impairment losses are calculated as the difference between the carrying amount of accounts receivable and the present value of the expected cash flows, including the realisable value of any securities received. The effective interest rate for the individual account receivable or portfolio is used as the discount rate.

### Cash on hand and demand deposits

Cash on hand and demand deposits comprise cash at bank.

### Equity

#### Reserve for net revaluation according to the equity method

The reserve for net revaluation according to the equity method comprises net revaluation of equity investments in subsidiaries, associates and equity interests proportional to cost.

The reserve may be eliminated in the event of losses, realisation of equity investments, or changes in the accounting estimates.

The reserve cannot be recognised by a negative amount.

### Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as "Income tax receivable" or "Income tax payable".

## Accounting policies

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According to the rules of joint taxation, Hallumgade Invest ApS is unlimitedly, jointly, and severally liable to pay the Danish tax authorities the total income tax, including withholding tax on interest, royalties, and dividends, arising from the jointly taxed group of companies.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

### Liabilities other than provisions

Financial liabilities other than provisions related to borrowings are recognised at the received proceeds less transaction costs incurred. In subsequent periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value when using the effective interest rate. The difference between the proceeds and the nominal value is recognised in the income statement during the term of the loan.

Mortgage loans and bank loans are thus measured at amortised cost which, for cash loans, corresponds to the outstanding payables. For bond loans, the amortised cost corresponds to an outstanding payable calculated as the underlying cash value at the date of borrowing, adjusted by amortisation of the market value on the date of the borrowing effectuated over the repayment period.

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

**Income statement 1 January - 31 December**

All amounts in DKK.

<u>Note</u>	<u>2021</u>	<u>2020</u>
<b>Gross profit</b>	<b>4.942.367</b>	<b>4.844.845</b>
Depreciation and impairment of property, land, and equipment	-2.115.412	-2.105.724
<b>Operating profit</b>	<b>2.826.955</b>	<b>2.739.121</b>
Income from equity investments in group enterprises	-963.965	86.293
Other financial income from group enterprises	1.688.645	1.552.394
1 Other financial costs	-1.685.989	-1.643.646
<b>Pre-tax net profit or loss</b>	<b>1.865.646</b>	<b>2.734.162</b>
2 Tax on net profit or loss for the year	-622.502	-567.617
<b>Net profit or loss for the year</b>	<b>1.243.144</b>	<b>2.166.545</b>
<b>Proposed appropriation of net profit:</b>		
Reserves for net revaluation according to the equity method	-538.788	86.293
Transferred to retained earnings	1.781.932	2.080.252
<b>Total allocations and transfers</b>	<b>1.243.144</b>	<b>2.166.545</b>

**Balance sheet at 31 December**

All amounts in DKK.

<b>Assets</b>		
<u>Note</u>	<u>2021</u>	<u>2020</u>
<b>Non-current assets</b>		
Property	143.560.105	145.675.517
Total property, plant, and equipment	143.560.105	145.675.517
Equity investments in group enterprises	758.843	719.988
Receivables from group enterprises	42.105.403	29.736.267
Total investments	42.864.246	30.456.255
<b>Total non-current assets</b>	<b>186.424.351</b>	<b>176.131.772</b>
<b>Current assets</b>		
Trade receivables	608.498	831.083
Receivables from group enterprises	3.003.330	12.077.312
Deferred tax assets	689.442	770.524
Total receivables	4.301.270	13.678.919
Cash on hand and demand deposits	626.832	898.578
<b>Total current assets</b>	<b>4.928.102</b>	<b>14.577.497</b>
<b>Total assets</b>	<b>191.352.453</b>	<b>190.709.269</b>

**Balance sheet at 31 December**

All amounts in DKK.

<b>Equity and liabilities</b>			
<u>Note</u>		<u>2021</u>	<u>2020</u>
<b>Equity</b>			
3	Contributed capital	1.000.000	1.000.000
	Reserve for net revaluation according to the equity method	0	538.788
	Retained earnings	11.666.314	9.884.382
	<b>Total equity</b>	<b>12.666.314</b>	<b>11.423.170</b>
<b>Liabilities other than provisions</b>			
4	Mortgage loans	35.303.177	42.738.395
	Total long term liabilities other than provisions	35.303.177	42.738.395
	Current portion of long term payables	7.425.000	7.950.000
	Trade payables	97.680	184.295
	Payables to group enterprises	134.691.396	126.865.292
	Income tax payable	541.420	484.418
	Other payables	627.466	1.063.699
	Total short term liabilities other than provisions	143.382.962	136.547.704
	<b>Total liabilities other than provisions</b>	<b>178.686.139</b>	<b>179.286.099</b>
	<b>Total equity and liabilities</b>	<b>191.352.453</b>	<b>190.709.269</b>
<b>5</b>	<b>Charges and security</b>		
<b>6</b>	<b>Contingencies</b>		
<b>7</b>	<b>Related parties</b>		

**Statement of changes in equity**

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All amounts in DKK.

	<b>Contributed capital</b>	<b>Reserve for net revalua- tion according to the eq-uity method</b>	<b>Retained earnings</b>	<b>Total</b>
Equity 1 January 2020	1.000.000	452.495	7.804.130	9.256.625
Share of results	0	86.293	2.080.252	2.166.545
Equity 1 January 2021	1.000.000	538.788	9.884.382	11.423.170
Share of results	0	-538.788	1.781.932	1.243.144
	<b>1.000.000</b>	<b>0</b>	<b>11.666.314</b>	<b>12.666.314</b>

## Notes

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All amounts in DKK.

	<u>2021</u>	<u>2020</u>
<b>1. Other financial costs</b>		
Financial costs, group enterprises	971.392	902.208
Other financial costs	<u>714.597</u>	<u>741.438</u>
	<b><u>1.685.989</u></b>	<b><u>1.643.646</u></b>
<b>2. Tax on net profit or loss for the year</b>		
Tax of the results for the year, parent company	541.420	484.418
Adjustment for the year of deferred tax	<u>81.082</u>	<u>83.199</u>
	<b><u>622.502</u></b>	<b><u>567.617</u></b>
<b>3. Contributed capital</b>		
The share capital consists of 1.000.000 shares, each with a nominal value of DKK 1. No shares hold particular rights.		

## Notes

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All amounts in DKK.

	<u>31/12 2021</u>	<u>31/12 2020</u>
<b>4. Mortgage loans</b>		
Total mortgage loans	42.728.177	50.688.395
Share of amount due within 1 year	<u>-7.425.000</u>	<u>-7.950.000</u>
	<b><u>35.303.177</u></b>	<b><u>42.738.395</u></b>
Share of liabilities due after 5 years	<u>4.600.000</u>	<u>9.900.000</u>

## 5. Charges and security

As collateral for mortgage loans, TDKK 35.303 security has been granted on land and buildings representing a carrying amount of TDKK 143.560 at 31 December 2021.

## 6. Contingencies

### Joint taxation

With Wernsing Scandinavia ApS, company reg. no 30507029 as administration company, the company is subject to the Danish scheme of joint taxation and unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for the total corporation tax.

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

Any subsequent adjustments of corporate taxes or withholding tax, etc., may result in changes in the company's liabilities.

## 7. Related parties

### Consolidated financial statements

The consolidated annual accounts for Wernsing Scandinavia ApS can be obtained on <https://datacvr.virk.dk/data/>. The ultimate parent company in which the company is included as a subsidiary, is Wernsing Food Family Group GmbH & Co. KG, Germany. The consolidated annual accounts can be obtained on [www.bundesanzeiger.de](http://www.bundesanzeiger.de).