

# **Terra Estate Danica ApS**

## **Annual report for 2021**

**CVR no. 38 79 78 83**

**01.01.2021 - 31.12.2021**

**Jens Terp-Nielsens Vej 13, 6200 Aabenraa**

Adopted at the annual general meeting on 17 March 2022

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chairman Annette Hetzenegger

## Table of contents

	<b>Page</b>
<b>Statements</b>	
Statement by management on the annual report	1
Auditor's report on compilation of the financial statements	2
<b>Management's review</b>	
Company details	3
Management's review	4
<b>Financial statements</b>	
Accounting policies	5
Income Statement	8
Balance Sheet	9
Notes	11

## **Statement by management on the annual report**

The executive board has today discussed and approved the annual report of Terra Estate Danica ApS for the financial year 1 January - 31 December 2021.

The annual report is 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 the company's operations for the financial year 1 January - 31 December 2021.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Aabenraa, 17 March 2022

### **Executive board**

Bernhard Hubert Hammes

Annette Hetzenegger

## **Auditor's report on compilation of the financial statements**

### ***To the shareholder of Terra Estate Danica ApS***

We have compiled the financial statements of Terra Estate Danica ApS for the financial year 1 January - 31 December 2021 based on the company's bookkeeping records and other information made available by enterprise.

The financial statements comprises a summary of significant accounting policies, income statement, balance sheet and notes.

We performed the engagement in accordance with ISRS 4410, Compilation Engagements.

We have applied our professional expertise to assist the enterprise in the preparation and presentation of the financial statements in accordance with the Danish Financial Statements Act. We complied with the relevant provisions of the Danish Act on Approved Auditors and with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), including principles relating to integrity, objectivity, professional competence and due care.

The financial statements and the accuracy and completeness of the information used to compile the financial statements are the enterprise's responsibility.

As a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided by enterprise for our compilation of the financial statements. Accordingly, we do not express an audit or a review conclusion on whether the financial statements have been prepared in accordance with the Danish Financial Statements Act.

Aarhus N, 17 March 2022

Landbosyd Revision  
Godkendt revisionsanpartsselskab  
CVR no. 32 45 11 95

Jens Faurholt  
Registreret revisor  
MNE no. mne33755

## Company details

### The company

Terra Estate Danica ApS  
Jens Terp-Nielsens Vej 13  
6200 Aabenraa

CVR no.: 38 79 78 83

Reporting period: 1 January - 31 December 2021

Incorporated: 11 July 2017

Domicile: Aabenraa

### Executive board

Bernhard Hubert Hammes  
Annette Hetzenegger

### Auditors

Landbosyd Revision  
Godkendt revisionsanpartsselskab  
Agro Food Park 13  
8200 Aarhus N

### Bankers

Danske Bank

## **Management's review**

### **Business review**

The company's activity is leasing of agricultural properties.

### **Financial review**

The company's income statement for the year ended 31 December 2021 shows a profit of DKK 1.156.348, and the balance sheet at 31 December 2021 shows equity of DKK 642.701.

## **Accounting policies**

The annual report of Terra Estate Danica ApS for 2021 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied are consistent with those of last year.

The annual report for 2021 is presented in DKK

## **Income statement**

### **Gross profit**

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, changes in inventories of finished goods and work in progress and other operating income less costs of raw materials and consumables and other external expenses.

### **Revenue**

#### **Other external expenses**

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

### **Financial income and expenses**

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities, liabilities and foreign currency transactions, amortisation of financial assets and liabilities and surcharges and allowances under the Danish Tax Prepayment Scheme, etc.

### **Tax on profit/loss for the year**

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, 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**

#### ***Development projects, patents and licences***

Payment entitlements are recognised at cost and subsequently measured at cost minus accumulated depreciation. Rights are amortised over the estimated economic useful lives of the assets. The depreciation period is 6 years.

Profit or loss on disposal of intangible fixed assets are recognised in the income statement under other operating income or other operating costs.

## Accounting policies

### Tangible assets

Soil, land and buildings, plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

There is not amortised on land plots.

The depreciable amount is cost less the expected residual value at the end of the useful life. Land is not depreciated.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers and wages.

Where individual components of an item of property, plant and equipment have different useful lives, and the individual component is a significant part of the total cost, the cost is divided into separate components, which are depreciated separately.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

	<b>Useful life</b>	<b>Residual value</b>
Buildings	10-50 years	0-50 %
Plant, machinery and inventory	5-10 years	0 %

Gains or losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses, respectively.

### Receivables

Receivables are measured at amortised cost.

### Prepayments

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

### Cash and cash equivalents

Cash and cash equivalents comprise cash and deposits at banks.

### Equity

#### Dividends

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability when declared by the annual general meeting of shareholders.



## **Accounting policies**

### **Income tax and deferred tax**

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax adjustments resulting from changes in tax rates are recognised in the income statement, with the exception of items taken directly to equity.

Deferred tax assets, including the tax base of tax losses allowed for carry forward, are measured at the value to which the asset is expected to be realised, either as a set-off against tax on future income or as a set-off against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

### **Liabilities**

Mortgage debt is thus measured at amortised cost, which for cash loans corresponds to the outstanding debt. For bond loans, amortised cost corresponds to an outstanding debt calculated as the underlying cash value of the loan at the time of borrowing, adjusted by amortisation of the value adjustment of the loan at the time of borrowing.

Other liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

### **Foreign currency translation**

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency instruments are considered cash flow hedges, any unrealised value adjustments are taken directly to a fair value reserve under 'Equity'.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates 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 latest financial statements is recognised in the income statement as financial income or financial expenses.

Fixed assets acquired in foreign currencies are translated at the exchange rate at the transaction date.

## Income statement 1 January 2021 - 31 December 2021

	<u>Note</u>	<u>2021</u> DKK	<u>2020</u> DKK
<b>Gross profit</b>		<b>6.204.772</b>	<b>2.901.958</b>
<b>Profit/loss before amortisation/depreciation and impairment losses</b>		<b>6.204.772</b>	<b>2.901.958</b>
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		<u>-1.655.719</u>	<u>-2.712.459</u>
<b>Profit/loss before net financials</b>		<b>4.549.053</b>	<b>189.499</b>
Financial income		60.757	465.255
Financial costs		<u>-3.127.579</u>	<u>-1.715.443</u>
<b>Profit/loss before tax</b>		<b>1.482.231</b>	<b>-1.060.689</b>
Tax on profit/loss for the year	1	<u>-325.883</u>	<u>-276.626</u>
<b>Profit/loss for the year</b>		<b><u>1.156.348</u></b>	<b><u>-1.337.315</u></b>
Retained earnings		<u>1.156.348</u>	<u>-1.337.315</u>
		<b><u>1.156.348</u></b>	<b><u>-1.337.315</u></b>

## Balance sheet at 31 December 2021

	<u>Note</u>	<u>2021</u> DKK	<u>2020</u> DKK
<b>Assets</b>			
Acquired patents		<u>3.387.097</u>	<u>3.587.600</u>
<b>Intangible assets</b>	2	<u><b>3.387.097</b></u>	<u><b>3.587.600</b></u>
Land and buildings		190.202.457	170.271.986
Other fixtures and fittings, tools and equipment		<u>742.183</u>	<u>784.210</u>
<b>Tangible assets</b>	3	<u><b>190.944.640</b></u>	<u><b>171.056.196</b></u>
<b>Total non-current assets</b>		<u><b>194.331.737</b></u>	<u><b>174.643.796</b></u>
Trade receivables		402.911	174.833
Other receivables		299.912	444.211
Deferred tax asset		0	6.191
Corporation tax		227.900	5.542
Prepayments		<u>7.398</u>	<u>3.896</u>
<b>Receivables</b>		<u><b>938.121</b></u>	<u><b>634.673</b></u>
<b>Cash at bank and in hand</b>		<u><b>1.887.522</b></u>	<u><b>6.751.349</b></u>
<b>Total current assets</b>		<u><b>2.825.643</b></u>	<u><b>7.386.022</b></u>
<b>Total assets</b>		<u><u><b>197.157.380</b></u></u>	<u><u><b>182.029.818</b></u></u>

## Balance sheet at 31 December 2021

	<u>Note</u>	<u>2021</u> DKK	<u>2020</u> DKK
<b>Equity and liabilities</b>			
Share capital		750.000	750.000
Retained earnings		-107.299	-1.263.647
<b>Equity</b>	4	<b><u>642.701</u></b>	<b><u>-513.647</u></b>
Provision for deferred tax		92.619	49.027
<b>Total provisions</b>		<b><u>92.619</u></b>	<b><u>49.027</u></b>
Mortgage loans		44.735.564	44.833.295
Payables to subsidiaries		149.284.706	136.725.513
<b>Total non-current liabilities</b>	5	<b><u>194.020.270</u></b>	<b><u>181.558.808</u></b>
Mortgage loans	5	108.000	85.000
Trade payables		1.188.606	48.318
Other payables		73.373	585.437
Deposits		1.031.811	216.875
<b>Total current liabilities</b>		<b><u>2.401.790</u></b>	<b><u>935.630</u></b>
<b>Total liabilities</b>		<b><u>196.422.060</u></b>	<b><u>182.494.438</u></b>
<b>Total equity and liabilities</b>		<b><u>197.157.380</u></b>	<b><u>182.029.818</u></b>

## Notes

	<u>2021</u>	<u>2020</u>
	DKK	DKK
<b>1 Tax on profit/loss for the year</b>		
Current tax for the year	276.100	84.458
Deferred tax for the year	<u>49.783</u>	<u>192.168</u>
<b>Total</b>	<b><u><u>325.883</u></u></b>	<b><u><u>276.626</u></u></b>

## 2 Intangible assets

	<u>Acquired patents</u>
Cost at 1 January 2021	4.141.945
Additions for the year	<u>137.831</u>
Cost at 31 December 2021	<u>4.279.776</u>
Impairment losses and amortisation at 1 January 2021	554.345
Amortisation for the year	<u>338.334</u>
Impairment losses and amortisation at 31 December 2021	<u>892.679</u>
<b>Carrying amount at 31 December 2021</b>	<b><u><u>3.387.097</u></u></b>

## Notes

### 3 Tangible assets

	<u>Land and buildings</u>	<u>Other fixtures and fittings, tools and equipment</u>
Cost at 1 January 2021	171.883.551	1.078.708
Additions for the year	<u>21.135.155</u>	<u>70.675</u>
Cost at 31 December 2021	<u>193.018.706</u>	<u>1.149.383</u>
Impairment losses and depreciation at 1 January 2021	1.611.566	294.498
Depreciation for the year	<u>1.204.683</u>	<u>112.702</u>
Impairment losses and depreciation at 31 December 2021	<u>2.816.249</u>	<u>407.200</u>
<b>Carrying amount at 31 December 2021</b>	<b><u><u>190.202.457</u></u></b>	<b><u><u>742.183</u></u></b>

## Notes

### 4 Equity

	Share capital	Retained earnings	Total
Equity at 1 January 2021	750.000	-1.263.647	-513.647
Net profit/loss for the year	0	1.156.348	1.156.348
<b>Equity at 31 December 2021</b>	<b>750.000</b>	<b>-107.299</b>	<b>642.701</b>

### 5 Long term debt

	2021 DKK	2020 DKK
<b>Mortgage loans</b>		
After 5 years	445.000	350.000
Between 1 and 5 years	44.290.564	44.483.295
Non-current portion	44.735.564	44.833.295
Within 1 year	108.000	85.000
	<b>44.843.564</b>	<b>44.918.295</b>
<b>Payables to subsidiaries</b>		
Between 1 and 5 years	149.284.706	136.725.513
Non-current portion	149.284.706	136.725.513
Within 1 year	0	0
Current portion	0	0
	<b>149.284.706</b>	<b>136.725.513</b>

### 6 Contingent liabilities

The company has no contingent liabilities.

### 7 Mortgages and collateral

Land and buildings at Vester Bjerndrupvej 1, Vester Bjerndrupvej 3, Vejrupvej 0, Dalshøjvej 2A, Lambertsdamvej, Dalshøjvej 6, Fæsteholt 10, Risbøge 23, Tolvalenvej 26, Stakrogevej 41 and Tørskindvej 38 at a carrying amount of DKK 106.702 thousand at 31 December 2021 have been provided as security for mortgage debt totalling DKK 44.844 thousand.