

Bøgeskovgaard ApS

Ravnholtgyden 5
6600 Vejen

CVR No. 39228408

Annual Report 2021

4. financial year

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

Jens Ohnemus
Chairman

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Management's Statement

Today, Management has considered and adopted the Annual Report of Bøgeskovgaard 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

Independent Auditors' Report

To the shareholders of Bøgeskovgaard ApS

Opinion

We have audited the financial statements of Bøgeskovgaard 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

Bøgeskovgaard ApS
Ravnholtgyden 5
6600 Vejen

CVR No.

39228408

Date of formation

9 January 2018

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.

Accounting Policies

Reporting Class

The Annual Report of Bøgeskovgaard 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 the 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, change in inventories, 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 revaluated every year at fair value based on an external assessment. Revaluations and reversals of these less deferred tax are recognised directly in equity.

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

Land and buildings are revaluated every year at fair value based on an external assessment. Revaluations and reversals of less deferred taxes are recognised directly in equity.

Other investments

Investments in unlisted companies are recognised in the balance sheet at cost. The cost includes the purchase consideration calculated at fair value plus direct acquisition costs. Where the net realizable value is lower than cost, the investments are written down to this lower value. Realised and unrealised capital gains and losses are recognised in the income statement.

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.

Accounting Policies

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.

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		514.916	569.303
Employee expenses	1	-324.122	-304.273
Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets recognised in profit or loss		-131.951	-140.839
Profit from ordinary operating activities		58.843	124.191
Finance income		3.399	849
Finance expenses		-66.040	-67.168
Profit from ordinary activities before tax		-3.798	57.872
Tax expense on ordinary activities		1.511	-12.682
Profit		-2.287	45.190
Proposed distribution of results			
Retained earnings		-2.287	45.190
Distribution of profit		-2.287	45.190

Balance Sheet as of 31 December

	Note	2021 EUR	2020 EUR
Assets			
Payment entitlements	2	46.870	46.870
Intangible assets		46.870	46.870
Land and buildings	3	4.663.270	4.643.393
Fixtures, fittings, tools and equipment	4	544.361	536.592
Property, plant and equipment		5.207.631	5.179.985
Participating interests	5	32.035	21.001
Deposits, investments	6	2.999	0
Investments		35.034	21.001
Fixed assets		5.289.535	5.247.856
Raw materials and consumables		321.844	292.354
Livestock		481.006	467.604
Inventories		802.850	759.958
Short-term trade receivables		156.175	122.825
Other receivables		10.459	1.835
Short-term tax receivables		9	125
Short-term tax receivables from group enterprises		4.896	4.769
Deferred income assets		2.311	2.046
Receivables		173.850	131.600
Cash and cash equivalents		27.231	23.740
Current assets		1.003.931	915.298
Assets		6.293.466	6.163.154

Balance Sheet as of 31 December

	Note	2021 EUR	2020 EUR
Liabilities and equity			
Contributed capital		6.696	6.696
Revaluation reserve		332.664	289.660
Retained earnings		-84.829	-82.542
Equity		254.531	213.814
Provisions for deferred tax		73.506	62.888
Provisions		73.506	62.888
Mortgage debt		2.771.876	2.812.600
Payables to group enterprises		3.047.634	2.926.609
Long-term liabilities other than provisions	7	5.819.510	5.739.209
Short-term part of long-term liabilities other than provisions		46.040	44.975
Trade payables		57.387	62.180
Other payables		41.822	39.418
Deposits, liabilities other than provisions		670	670
Short-term liabilities other than provisions		145.919	147.243
Liabilities other than provisions within the business		5.965.429	5.886.452
Liabilities and equity		6.293.466	6.163.154
Contingent liabilities	8		
Collaterals and assets pledges as security	9		

Statement of changes in Equity

	Contributed capital	Revaluation reserve	Retained earnings	Total
Equity 1 January 2021	6.696	289.660	-82.542	213.814
Profit (loss)	0	0	-2.287	-2.287
Revaluations	0	43.004	0	43.004
Equity 31 December 2021	6.696	332.664	-84.829	254.531

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

Notes

	2021	2020
	EUR	EUR
1. Employee expenses		
Wages and salaries	301.350	281.551
Post-employment benefit expense	0	2.853
Social security contributions	7.152	5.982
Other employee expense	15.620	13.887
	324.122	304.273
Average number of employees	<u>6</u>	<u>7</u>
2. Payment entitlements		
Cost at the beginning of the year	<u>40.378</u>	<u>40.378</u>
Cost at the end of the year	40.378	40.378
Revaluations at the beginning of the year	<u>6.492</u>	<u>6.492</u>
Revaluations at the end of the year	6.492	6.492
Carrying amount at the end of the year	46.870	46.870
3. Land and buildings		
Cost at the beginning of the year	4.417.582	4.233.577
Addition during the year, incl. improvements	11.481	184.005
Cost at the end of the year	4.429.063	4.417.582
Revaluations at the beginning of the year	364.867	364.867
Revaluations for the year	<u>55.133</u>	<u>0</u>
Revaluations at the end of the year	420.000	364.867
Depreciation and amortisation at the beginning of the year	-139.056	-75.490
Amortisation for the year	<u>-46.737</u>	<u>-63.566</u>
Impairment losses and amortisation at the end of the year	-185.793	-139.056
Carrying amount at the end of the year	4.663.270	4.643.393

Notes

	2021	2020	
	EUR	EUR	
4. Fixtures, fittings, tools and equipment			
Cost at the beginning of the year	699.082	601.046	
Addition during the year, incl. improvements	116.205	113.535	
Disposal during the year	-30.533	-15.499	
Cost at the end of the year	784.754	699.082	
Depreciation and amortisation at the beginning of the year	-162.490	-88.618	
Amortisation for the year	-85.214	-77.273	
Reversal of impairment losses and amortisation of disposed assets	7.311	3.401	
Impairment losses and amortisation at the end of the year	-240.393	-162.490	
Carrying amount at the end of the year	544.361	536.592	
5. Long-term participating interests			
Cost at the beginning of the year	21.001	4.089	
Addition during the year, incl. improvements	11.034	16.912	
Cost at the end of the year	32.035	21.001	
Carrying amount at the end of the year	32.035	21.001	
6. Deposits, investments			
Addition during the year, incl. improvements	2.999	0	
Cost at the end of the year	2.999	0	
Carrying amount at the end of the year	2.999	0	
7. Long-term liabilities			
	Due	Due	Due
	after 1 year	within 1 year	after 5 years
	EUR	EUR	EUR
Mortgage debt	2.771.876	46.040	2.723.921
Payables to group enterprises	3.047.634	0	3.047.634
	5.819.510	46.040	5.771.555

Notes

8. 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.

9. Collaterals and securities

As security for mortgage debt the company has granted a pledge on land and buildings on EUR 3.124.319.