

# Hasfarm Europe A/S

Viborgvej 717 A,, 8471 Sabro

Company reg. no. 39 85 54 96

## Annual report

**1 October 2022 - 30 September 2023**

The annual report was submitted and approved by the general meeting on the 12 March 2024.

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**Gert Graff**

Chairman of the meeting

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 %.

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## Management's statement

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Today, the board of directors and the managing director have presented the annual report of Hasfarm Europe A/S for the financial year 1 October 2022 - 30 September 2023.

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 30 September 2023 and of the company's results of activities in the financial year 1 October 2022 – 30 September 2023.

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.

Sabro, 11 March 2024

### Managing Director

Gert Graff

### Board of directors

Adrianus Anthonius Maria Gordijn Nuttakajorn Yanpirat

Gert Graff

Jesper Skjellerup Slot

## **Independent auditor's report on extended review**

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### **To the Shareholders of Hasfarm Europe A/S**

#### **Conclusion**

We have performed an extended review of the financial statements of Hasfarm Europe A/S for the financial year 1 October 2022 - 30 September 2023, which comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies. The financial statements are prepared under the Danish Financial Statements Act.

Based on the work performed, in our opinion, the financial statements give a true and fair view of the Company's financial position at 30 September 2023 and of the results of the Company's operations for the financial year 1 October 2022 - 30 September 2023 in accordance with the Danish Financial Statements Act.

#### **Basis for conclusion**

We conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises and FSR – Danish Auditors' standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Practitioner's responsibilities for the extended review 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 (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

#### **Management's Responsibilities 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 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 in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

#### **Practitioner's responsibilities for the extended review of the Financial Statements**

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures in order to obtain limited assurance for our conclusion on the financial statements and in addition perform specifically required supplementary procedures to obtain further assurance for our conclusion.

## **Independent auditor's report on extended review**

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An extended review comprises procedures that primarily consist of making inquiries of Management and others within the Company, as appropriate, analytical procedures and the specifically required supplementary procedures as well as evaluation of the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit, and accordingly, we do not express an audit opinion on the financial statements.

### **Statement on the Management's Review**

Management is responsible for the Management's Review.

Our conclusion on the financial statements does not cover the Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our extended review of the financial statements, our responsibility is to read the Management's Review and, in doing so, consider whether the Management's Review is materially inconsistent with the financial statements or our knowledge obtained during the extended review, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's Review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in the Management's Review.

Aarhus, 11 March 2024

### **Redmark**

Godkendt Revisionspartnerselskab  
Company reg. no. 29 44 27 89

Marianne Fog Jørgensen

State Authorised Public Accountant  
mne21405

## Company information

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<b>The company</b>	Hasfarm Europe A/S Viborgvej 717 A, 8471 Sabro  Company reg. no. 39 85 54 96 Financial year: 1 October - 30 September
<b>Board of directors</b>	Adrianus Anthonius Maria Gordijn Nuttakajorn Yanpirat Gert Graff Jesper Skjellerup Slot
<b>Managing Director</b>	Gert Graff
<b>Auditors</b>	Redmark Godkendt Revisionspartnerselskab Sommervej 31C 8210 Aarhus V
<b>Participating interest</b>	Q-iRose Breeding ApS (under frivillig likvidation), Sabro

## Management's review

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

The trading company's main activity is based on two business areas. One being collaboration with international breeders and specialists within this field around supply chain management based on plant production in primarily Vietnam. Additionally taking the role as broker of specialized products at various markets.

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

The gross profit for the year totals DKK 259.256 against DKK 1.527.074 last year. Income or loss from ordinary activities after tax totals DKK -471.157 against DKK 570.856 last year.

The company was ahead of budget until the end of February 2023. Due to new import regulations from Vietnam into EU Zone March 1st, 2023, the company lost their import license for 3 and a half months.

In that period the company did not have any business activity. The import ban had huge impact on the company's gross profit.

Management considers the net profit or loss for the year unsatisfactory.

Capital requirement.

The company has lost more than 50% of the entire company capital and is therefore covered by the capital regulations in the Companies Act.

The company has sufficient liquidity for the next 12 months of operation via financing from capital owners, and the accounts have been prepared under the assumption of continued operation.

The company expects to be able to restore the capital via future earnings.

### **Events occurring after the end of the financial year**

After the balance sheet date, no significant events have occurred that are deemed to be significant influence on the assessment of the financial statements.

## Income statement 1 October - 30 September

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All amounts in DKK.

<u>Note</u>	<u>2022/23</u>	<u>2021/22</u>
<b>Gross profit</b>	<b>259.256</b>	<b>1.527.074</b>
2 Staff costs	-834.753	-836.707
<b>Operating profit</b>	<b>-575.497</b>	<b>690.367</b>
Income from investment in associate	-7.045	45.017
Other financial income from group companies	0	529
Other financial income	17.200	1.837
Other financial expenses	-12.028	-14.588
<b>Pre-tax net profit or loss</b>	<b>-577.370</b>	<b>723.162</b>
Tax on net profit or loss for the year	106.213	-152.306
<b>Net profit or loss for the year</b>	<b>-471.157</b>	<b>570.856</b>
<b>Proposed distribution of net profit:</b>		
Reserves for net revaluation according to the equity method	-7.045	19.350
Dividend for the financial year	0	250.000
Transferred to retained earnings	0	301.506
Allocated from retained earnings	-464.112	0
<b>Total allocations and transfers</b>	<b>-471.157</b>	<b>570.856</b>



## Balance sheet at 30 September

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All amounts in DKK.

<b>Assets</b>		<u>2023</u>	<u>2022</u>
<u>Note</u>			
<b>Non-current assets</b>			
3	Investments in participating interests	<u>67.305</u>	<u>74.350</u>
	Total investments	<u>67.305</u>	<u>74.350</u>
	<b>Total non-current assets</b>	<b><u>67.305</u></b>	<b><u>74.350</u></b>
<b>Current assets</b>			
	Trade receivables	3.268.797	203.428
	Receivables from participating interest	0	768
	Deferred tax assets	165.435	0
	Other receivables	7.227	0
	Prepayments	<u>0</u>	<u>667</u>
	Total receivables	<u>3.441.459</u>	<u>204.863</u>
	Cash and cash equivalents	<u>884.772</u>	<u>1.698.469</u>
	<b>Total current assets</b>	<b><u>4.326.231</u></b>	<b><u>1.903.332</u></b>
	<b>Total assets</b>	<b><u>4.393.536</u></b>	<b><u>1.977.682</u></b>

## Balance sheet at 30 September

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All amounts in DKK.

<b>Equity and liabilities</b>			
<u>Note</u>		<u>2023</u>	<u>2022</u>
<b>Equity</b>			
	Contributed capital	500.000	500.000
	Reserve for net revaluation according to the equity method	12.305	19.350
	Retained earnings	-400.466	63.646
	Proposed dividend for the financial year	0	250.000
	<b>Total equity</b>	<b><u>111.839</u></b>	<b><u>832.996</u></b>
<b>Liabilities other than provisions</b>			
4	Income tax payable	<u>59.222</u>	<u>152.306</u>
	Total long term liabilities other than provisions	<u>59.222</u>	<u>152.306</u>
	Trade payables	3.540.508	438.484
	Payables to group companies	0	123.863
	Income tax payable	152.306	187.550
	Other payables	<u>529.661</u>	<u>242.483</u>
	Total short term liabilities other than provisions	<u>4.222.475</u>	<u>992.380</u>
	<b>Total liabilities other than provisions</b>	<b><u>4.281.697</u></b>	<b><u>1.144.686</u></b>
	<b>Total equity and liabilities</b>	<b><u>4.393.536</u></b>	<b><u>1.977.682</u></b>
<b>1</b>	<b>Uncertainties relating to going concern</b>		
<b>5</b>	<b>Contingencies</b>		

## Statement of changes in equity

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All amounts in DKK.

	Contributed capital	Reserve for net revalua-tion according to the eq-uity method	Retained earnings	Proposed dividend for the financial year	Total
Equity 1					
October 2021	500.000	0	-237.860	0	262.140
Share of results	0	0	301.506	250.000	551.506
	<u>0</u>	<u>19.350</u>	<u>0</u>	<u>0</u>	<u>19.350</u>
Equity 1					
October 2021	500.000	19.350	63.646	250.000	832.996
Distributed dividend	0	0	0	-250.000	-250.000
Share of results	0	0	-464.112	0	-464.112
	<u>0</u>	<u>-7.045</u>	<u>0</u>	<u>0</u>	<u>-7.045</u>
	<b><u>500.000</u></b>	<b><u>12.305</u></b>	<b><u>-400.466</u></b>	<b><u>0</u></b>	<b><u>111.839</u></b>

## Notes

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All amounts in DKK.

### 1. Uncertainties relating to going concern

#### Capital requirement.

The company has lost more than 50% of the entire company capital and is therefore covered by the capital regulations in the Companies Act.

The company has sufficient liquidity for the next 12 months of operation via financing from capital owners, and the accounts have been prepared under the assumption of continued operation.

The company expects to be able to restore the capital via future earnings.

	<u>2022/23</u>	<u>2021/22</u>
<b>2. Staff costs</b>		
Salaries and wages	759.272	757.000
Pension costs	73.200	73.200
Other costs for social security	<u>2.281</u>	<u>6.507</u>
	<b><u>834.753</u></b>	<b><u>836.707</u></b>
Average number of employees	<u>1</u>	<u>1</u>

## Notes

All amounts in DKK.

	<u>30/9 2023</u>	<u>30/9 2022</u>
<b>3. Investments in participating interests</b>		
Cost 1 October 2022	55.000	55.000
<b>Cost 30 September 2023</b>	<b>55.000</b>	<b>55.000</b>
Revaluations, opening balance 1 October 2022	19.350	-25.667
Net profit or loss for the year before amortisation of goodwill	-7.045	45.017
<b>Revaluations 30 September 2023</b>	<b>12.305</b>	<b>19.350</b>
<b>Carrying amount, 30 September 2023</b>	<b>67.305</b>	<b>74.350</b>

### Financial highlights for the enterprises according to the latest approved annual reports

	Equity interest	Equity	Results for the year	Carrying amount, Hasfarm Europe A/S
Q-iRose Breeding ApS (under frivillig likvidation), Sabro	50 %	134.610	-14.091	67.305
		<b>134.610</b>	<b>-14.091</b>	<b>67.305</b>

## Notes

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All amounts in DKK.

	<u>30/9 2023</u>	<u>30/9 2022</u>
<b>4. Income tax payable</b>		
Long-term part of corporate tax	<u>59.222</u>	<u>152.306</u>
	59.222	152.306
Share of amount due within 1 year	<u>0</u>	<u>0</u>
	<b><u>59.222</u></b>	<b><u>152.306</u></b>
Share of liabilities due after 5 years	<u>0</u>	<u>0</u>

## 5. Contingencies

### Contingent liabilities

The company has withdrawn from the joint taxation with the former management company Graff Holding ApS, company reg. no 32155243 as of 8/3 2023 and is liable for any tax claims against the other jointly taxed companies until the time of withdrawal from the joint taxation

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

## Accounting policies

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The annual report for Hasfarm Europe A/S has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises.

The annual report is presented in DKK. The annual report comprises the first financial year and hence comparative figures are not available.

### Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

### Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

## Income statement

### Gross profit

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

## Accounting policies

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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. Revenue is measured at the fair value of the consideration promised exclusive of VAT and taxes and less any discounts relating directly to sales.

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Other external costs comprise costs incurred for distribution, sales, advertising, administration, and premises.

### Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members.

### 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 etc.

### Results from participating interest

After full elimination of intercompany profit or loss less amortised of consolidated goodwill, the investment in the individual participating interests are recognised in the income statement as a proportional share of the participating interest' 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.

## Statement of financial position

### Investments

#### Participating interest

Participating interest are recognised and measured by applying the equity method. The equity method is used as a method of consolidation.



## Accounting policies

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Participating interest 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 accounting policies of the owner company 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.

Participating interest with a negative equity value are 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 owner company 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 participating interest transferred to the reserve under equity for net revaluation according to the equity method. The reserve is adjusted by other equity movements in participating interest.

### 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.

### Prepayments and accrued income

Prepayments and accrued income recognised under assets comprise incurred costs concerning the following financial year.

### 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.

### Dividend

Dividend expected to be distributed for the year is recognised as a separate item under equity.

## Accounting policies

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### **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.

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**

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