

Møllegaard ApS

Ravnholtgyden 5
6600 Vejen

CVR No. 40880852

Annual Report 2021

3. 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 Møllegaard 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, 30 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 Møllegaard ApS

Opinion

We have audited the financial statements of Møllegaard 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, 30 March 2022

ENGELSTED PETERSEN
Statsaut. revisionsanpartsselskab
CVR-no. 20658231

Lars Engelsted Petersen
State Authorised Public Accountant
mne11683

Company details

Company

Møllegaard ApS
Ravnholtgyden 5
6600 Vejen

CVR No.

40880852

Date of formation

23 October 2019

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 Møllegaard ApS for 2021 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B with adoption of individual rules from class C.

The accounting policies applied remain unchanged from last year.

Reporting currency

The Annual Report is presented in EUR.

General information

Basis of recognition and measurement

The financial statement have been prepared under the historical cost principle.

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

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

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

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

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

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

Accounting Policies

Income statement

Gross profit/loss

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

Gross profit is a combination of the items of revenue, other operating income and other external expenses.

Revenue

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.

Fair value adjustment of investment assets and debts

Adjustments of investment assets and debts measured at fair value are recognised as a separate item in the income statement.

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).

Accounting Policies

Balance sheet

Intangible assets

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

Property, plant and equipment

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

Receivables

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

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

Cash and cash equivalents

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

Equity

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

Provisions

Deferred tax

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

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

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

Current tax liabilities

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

Accounting Policies

Liabilities

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

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

Other liabilities are measured at net realisable value.

Contingent assets and liabilities

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

Income Statement

	Note	2021 EUR	2020 EUR
Gross profit		150.545	70.894
Employee expenses	1	0	0
Other operating expenses		0	-19.503
Gains from current value adjustments of investment assets		157.807	52.407
Profit from ordinary operating activities		308.352	103.798
Finance income		833	476
Finance expenses		-23.830	-17.563
Profit from ordinary activities before tax		285.355	86.711
Tax expense on ordinary activities		-62.006	-18.974
Profit		223.349	67.737
Proposed distribution of results			
Retained earnings		223.349	67.737
Distribution of profit		223.349	67.737

Balance Sheet as of 31 December

	Note	2021 EUR	2020 EUR
Assets			
Payment entitlements	2	16.748	16.748
Intangible assets		16.748	16.748
Land and buildings	3	3.047.220	2.549.105
Fixtures, fittings, tools and equipment	4	228.318	26.611
Property, plant and equipment in progress	5	0	357.695
Property, plant and equipment		3.275.538	2.933.411
Other long-term investments	6	34	34
Investments		34	34
Fixed assets		3.292.320	2.950.193
Short-term trade receivables		81.526	56.644
Other receivables		740	77.877
Short-term tax receivables from group enterprises		1.183	1.096
Deferred income assets		13.092	9.621
Receivables		96.541	145.238
Cash and cash equivalents		7.332	210.369
Current assets		103.873	355.607
Assets		3.396.193	3.305.800

Balance Sheet as of 31 December

	Note	2021 EUR	2020 EUR
Liabilities and equity			
Contributed capital		6.694	6.694
Retained earnings		518.106	294.757
Equity		524.800	301.451
Provisions for deferred tax		143.896	84.102
Provisions		143.896	84.102
Mortgage debt		1.546.275	849.932
Payables to group enterprises		1.096.170	2.058.989
Deposits, liabilities other than provisions		14.826	0
Long-term liabilities other than provisions	7	2.657.271	2.908.921
Short-term part of long-term liabilities other than provisions		16.560	0
Trade payables		51.367	9.041
Tax payables		2.299	0
Deferred income, liabilities		0	2.285
Short-term liabilities other than provisions		70.226	11.326
Liabilities other than provisions within the business		2.727.497	2.920.247
Liabilities and equity		3.396.193	3.305.800
Contingent liabilities	8		
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Statement of changes in Equity

	Contributed capital	Retained earnings	Total
Equity 1 January 2021	6.694	294.757	301.451
Profit (loss)	0	223.349	223.349
Equity 31 December 2021	6.694	518.106	524.800

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

Notes

	2021 EUR	2020 EUR
1. Employee expenses		
Average number of employees	<u>0</u>	<u>0</u>
2. Payment entitlements		
Cost at the beginning of the year	27.882	24.386
Addition during the year, incl. improvements	<u>0</u>	<u>3.496</u>
Cost at the end of the year	<u>27.882</u>	<u>27.882</u>
Fair value adjustments at the beginning of the year	-11.134	-10.998
Adjustments for the year	<u>0</u>	<u>-136</u>
Fair value adjustments at the end of the year	<u>-11.134</u>	<u>-11.134</u>
Carrying amount at the end of the year	<u>16.748</u>	<u>16.748</u>
3. Land and buildings		
Cost at the beginning of the year	2.156.353	1.718.108
Addition during the year, incl. improvements	538.199	587.985
Disposal during the year	<u>-196.162</u>	<u>-149.740</u>
Cost at the end of the year	<u>2.498.390</u>	<u>2.156.353</u>
Fair value adjustments at the beginning of the year	392.752	303.393
Adjustments for the year	<u>156.078</u>	<u>89.359</u>
Fair value adjustments at the end of the year	<u>548.830</u>	<u>392.752</u>
Carrying amount at the end of the year	<u>3.047.220</u>	<u>2.549.105</u>
4. Fixtures, fittings, tools and equipment		
Cost at the beginning of the year	63.427	66.937
Addition during the year, incl. improvements	204.008	13.512
Disposal during the year	<u>-4.599</u>	<u>-17.022</u>
Cost at the end of the year	<u>262.836</u>	<u>63.427</u>
Fair value adjustments at the beginning of the year	-36.816	0
Adjustments for the year	<u>2.298</u>	<u>-36.816</u>
Fair value adjustments at the end of the year	<u>-34.518</u>	<u>-36.816</u>
Carrying amount at the end of the year	<u>228.318</u>	<u>26.611</u>

Notes

	2021	2020	
	EUR	EUR	
5. Property, plant and equipment in progress			
Cost at the beginning of the year	357.695	0	
Addition during the year, incl. improvements	0	357.695	
Transfers during the year to other items	-357.695	0	
Cost at the end of the year	0	357.695	
Carrying amount at the end of the year	0	357.695	
6. Other long-term investments			
Cost at the beginning of the year	34	0	
Addition during the year, incl. improvements	0	34	
Cost at the end of the year	34	34	
Carrying amount at the end of the year	34	34	
7. Long-term liabilities			
	Due	Due	Due
	after 1 year	within 1 year	after 5 years
	EUR	EUR	EUR
Mortgage debt	1.546.275	16.560	1.541.077
Payables to group enterprises	1.096.170	0	1.096.170
Deposits	14.826	0	14.826
	2.657.271	16.560	2.652.073

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 and debt to banks the company has granted a pledge on land and buildings on EUR 1.625.496.