
Møllegaard ApS

Ravnholtgyden 5, DK-6600 Vejen

Annual Report for 2023

CVR No. 40 88 08 52

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 6/5 2024

Jens Ohnemus
Chairman of the
general meeting



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Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Møllegaard ApS for the financial year 1 January - 31 December 2023.

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 financial position at 31 December 2023 of the Company and of the results of the Company operations for 2023.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Vejen, 6 May 2024

Executive Board

Hans Thorvald Jensen

Board of Directors

Jens Ohnemus
Chairman

Hans Thorvald Jensen

Maria Carlsson

The Annual General Meeting has decided that the Financial Statements for next year are not to be subject to any audit.

Independent Auditor's report

To the shareholder of Møllegaard ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Møllegaard ApS for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities 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 (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 audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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.

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 that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement 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 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.

Independent Auditor's report

- 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 use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to 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 the disclosures, and whether the Financial Statements represent 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 that we identify during our audit.

Esbjerg, 6 May 2024

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Stefan Dracea

State Authorised Public Accountant

mne42827

Company information

The Company	Møllegaard ApS Ravnholtgyden 5 DK-6600 Vejen CVR No: 40 88 08 52 Financial period: 1 January - 31 December Municipality of reg. office: Vejen
Board of Directors	Jens Ohnemus, chairman Hans Thorvald Jensen Maria Carlsson
Executive Board	Hans Thorvald Jensen
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Esbjerg Brygge 28, 2. DK-6700 Esbjerg

Income statement 1 January - 31 December

	Note	2023	2022
		EUR	EUR
Gross profit before value adjustments		244,725	115,038
Value adjustments of assets held for investment		166,345	269,363
Gross profit after value adjustments		411,070	384,401
Amortisation and impairment losses of intangible assets		0	-16,748
Other operating expenses		0	-57,599
Profit/loss before financial income and expenses		411,070	310,054
Financial income	3	2	253,400
Financial expenses		-57,873	-74,068
Profit/loss before tax		353,199	489,386
Tax on profit/loss for the year	4	-62,147	-121,119
Net profit/loss for the year		291,052	368,267
 Distribution of profit			
		2023	2022
		EUR	EUR
Proposed distribution of profit			
Retained earnings		291,052	368,267
		291,052	368,267

Balance sheet 31 December

Assets

	Note	2023	2022
		EUR	EUR
Investment properties		3,667,075	3,722,650
Property, plant and equipment	5	3,667,075	3,722,650
Other investments		34	34
Fixed asset investments		34	34
Fixed assets		3,667,109	3,722,684
Trade receivables		5,917	11
Receivables from group enterprises		3	0
Other receivables		4,438	8,312
Prepayments		11,744	12,302
Receivables		22,102	20,625
Cash at bank and in hand		7,082	7,202
Current assets		29,184	27,827
Assets		3,696,293	3,750,511

Balance sheet 31 December

Liabilities and equity

	Note	2023	2022
		EUR	EUR
Share capital		6,694	6,694
Retained earnings		1,177,426	886,373
Equity		1,184,120	893,067
Provision for deferred tax		239,648	221,684
Provisions		239,648	221,684
Mortgage loans		1,320,554	1,332,142
Payables to group enterprises		823,203	1,220,908
Deposits		21,435	21,482
Long-term debt	6	2,165,192	2,574,532
Mortgage loans	6	10,229	11,355
Trade payables		34,332	5,373
Payables to group enterprises	6	0	1,116
Payables to group enterprises relating to corporation tax		43,989	43,379
Other payables		17,978	5
Deferred income	7	805	0
Short-term debt		107,333	61,228
Debt		2,272,525	2,635,760
Liabilities and equity		3,696,293	3,750,511
Key activities	1		
Staff	2		
Contingent assets, liabilities and other financial obligations	8		
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Statement of changes in equity

	Share capital	Retained earnings	Total
	EUR	EUR	EUR
Equity at 1 January	6,694	886,374	893,068
Net profit/loss for the year	0	291,052	291,052
Equity at 31 December	6,694	1,177,426	1,184,120

Notes to the Financial Statements

1. Key activities

The company's activities comprise in operation of farms and farmland.

2. Staff

Average number of employees

2023	2022
0	0

3. Financial income

Income from securities, which are fixed assets

Other financial income

2023	2022
EUR	EUR
2	11
0	253,389
<u>2</u>	<u>253,400</u>

4. Income tax expense

Current tax for the year

Deferred tax for the year

2023	2022
EUR	EUR
43,989	43,330
18,158	77,789
<u>62,147</u>	<u>121,119</u>

Notes to the Financial Statements

5. Assets measured at fair value

	Investment properties
	EUR
Cost at 1 January	2,938,823
Additions for the year	46,431
Disposals for the year	-87,475
Cost at 31 December	<u>2,897,779</u>
Value adjustments at 1 January	783,827
Revaluations for the year	166,345
Reversal of revaluations of sold assets	-180,876
Value adjustments at 31 December	<u>769,296</u>
Carrying amount at 31 December	<u>3,667,075</u>

Assumptions underlying the determination of fair value of investment properties

Investment properties are measured at fair value. The fair value is calculated by using generally accepted valuation methods.

	2023	2022
	EUR	EUR
The fair value of investment properties amounts to	3,667,075	3,722,650
Value adjustment, income statement	166,345	269,363

The fair value of investment properties at 31 December 2023 has been assessed by an independent assessor.

The estimates applied are based on information and assumptions considered reasonable by Management but which are inherently uncertain and unpredictable. Actual events or circumstances will probably differ from the assumptions made in the calculations as often assumed events do not occur as expected. Such difference may be material.

Notes to the Financial Statements

	<u>2023</u>	<u>2022</u>
	EUR	EUR
6. Long-term debt		
Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.		
The debt falls due for payment as specified below:		
Mortgage loans		
After 5 years	1,275,366	1,283,250
Between 1 and 5 years	45,188	48,892
Long-term part	<u>1,320,554</u>	<u>1,332,142</u>
Within 1 year	10,229	11,355
	<u>1,330,783</u>	<u>1,343,497</u>
Payables to group enterprises		
After 5 years	0	0
Between 1 and 5 years	823,203	1,220,908
Long-term part	<u>823,203</u>	<u>1,220,908</u>
Other short-term debt to group enterprises	0	1,116
	<u>823,203</u>	<u>1,222,024</u>
Deposits		
After 5 years	0	0
Between 1 and 5 years	21,435	21,482
Long-term part	<u>21,435</u>	<u>21,482</u>
Within 1 year	0	0
	<u>21,435</u>	<u>21,482</u>

7. Deferred income

Deferred income consists of payments received in respect of income in subsequent years.

Notes to the Financial Statements

	<u>2023</u>	<u>2022</u>
	EUR	EUR
8. Contingent assets, liabilities and other financial obligations		
Charges and security		
The following assets have been placed as security with mortgage credit institutes:		
Investment properties	3,667,075	3,722,650

Other contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of Harvest Group ApS, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

9. Related parties and disclosure of consolidated financial statements

Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company of the largest and smallest group:

<u>Name</u>	<u>Place of registered office</u>
Farm Company A/S	Ravnholtgyden 5, 6600 Vejen, Denmark

Notes to the Financial Statements

10. Accounting policies

The Annual Report of Møllegaard ApS for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

EUR is used as the presentation currency. All other currencies are regarded as foreign currencies.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, 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 flow 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 will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Income statement

Rental income

Revenue from rental income is recognised in the income statement at amounts relating to the financial year when revenue can be measured reliably and it is probable that the economic benefits will flow to the Company.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Direct expenses

Direct expenses primarily include operating expenses for the year.

Other external expenses

Other external expenses comprise expenses for premises, sales as well as office expenses, etc.

Gross profit

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of rental income, other operating income, direct expenses and other external expenses.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation and impairment of intangible assets.

Notes to the Financial Statements

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company, including gains and losses on the sale of intangible assets.

Financial income and expenses

Financial income and expenses comprise interest, financial expenses in respect of finance leases, realised and unrealised exchange adjustments, price adjustment of securities, amortisation of mortgage loans as well as extra payments and repayment under the on-account taxation scheme.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with Danish Group enterprises. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Balance sheet

Property, plant and equipment

Investment properties constitute land and buildings held to earn a return on the invested capital by way of current operating income and/or capital appreciation on sale.

On acquisition investment properties are measured at cost comprising the acquisition price and costs of acquisition. Cost comprises the acquisition price and expenses directly related to the acquisition up until the time when the asset is ready for use.

Interest expenses on loans are not recognised in cost during construction and reconstruction periods.

After the initial recognition investment properties are measured at fair value. Value adjustments of investment properties are recognised in the income statement.

In Management's opinion the classification of the properties as investment properties did not cause any difficulties.

Fair value is the amount for which the property could be exchanged between knowledgeable, willing parties in an arm's length transaction on the balance sheet date. The determination of fair value involves material accounting estimates.

The fair value of investment properties has been assessed by the independent assessor firm Nybolig Landbrug at 31 December 2023

The estimates applied are based on information and assumptions considered reasonable by Management but which are inherently uncertain and unpredictable. Actual events or circumstances will probably differ from the assumptions made in the calculations as often assumed events do not occur as expected. Such difference may be material. The assumptions applied are disclosed in the notes.

In Management's opinion the determination of fair value of properties for the year was enabled through comparable market transactions and, consequently, valuation is based on the expected selling price of investment properties

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

Notes to the Financial Statements

If so, the asset is written down to its lower recoverable amount.

Fixed asset investments

Investments which are not traded in an active market are measured at the lower of cost and recoverable amount.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial liabilities

Mortgage loans are measured at amortised cost, which for cash loans corresponds to the remaining loan. Amortised cost of debenture loans corresponds to the remaining loan calculated as the underlying cash value of the loan at the date of raising the loan adjusted for depreciation of the price adjustment of the loan made over the term of the loan at the date of raising the loan.

Other debts are measured at amortised cost, substantially corresponding to nominal value.

Deferred income

Deferred income comprises payments received in respect of income in subsequent years.