

Bønnelykken A/S
Mellem Broerne 12
4100 Ringsted
Central Business Registration No
73321417

Annual report 2016

The Annual General Meeting adopted the annual report on 13.06.2017

Chairman of the General Meeting

Name: Ursula Essemann

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Entity details

Entity

Bønnelykken A/S
Mellem Broerne 12
4100 Ringsted

Central Business Registration No: 73321417
Registered in: Ringsted
Financial year: 01.01.2016 - 31.12.2016

Board of Directors

Franciscus Maria Hessing
Ursula Essemann
Wouter Harlaar

Executive Board

Ursula Essemann

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Egtved Allé 4
6000 Kolding

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Bønnelykken A/S for the financial year 01.01.2016 - 31.12.2016.

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 Entity's financial position at 31.12.2016 and of the results of its operations for the financial year 01.01.2016 - 31.12.2016.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Ringsted, 13.06.2017

Executive Board

Ursula Essemann

Board of Directors

Franciscus Maria Hessing

Ursula Essemann

Wouter Harlaar

Independent auditor's report

To the shareholders of Bønnelykken A/S

Opinion

We have audited the financial statements of Bønnelykken A/S for the financial year 01.01.2016 - 31.12.2016, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. 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 Entity's financial position at 31.12.2016 and of the results of its operations for the financial year 01.01.2016 - 31.12.2016 in accordance with the Danish Financial statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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:

Independent auditor's report

- 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 Entity's internal control.
- 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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial statements Act.

Independent auditor's report

Based on the work we have performed, we conclude that the management commentary 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 of the management commentary.

Kolding, 13.06.2017

Deloitte

Statsautoriseret Revisionspartnerselskab

Central Business Registration No: 33963556

Leo Gilling

State Authorised Public Accountant

Morten Aamand Lund

State Authorised Public Accountant

Management commentary

Primary activities

The Company's activities consist in the production and sale of sliced salads and seeds products primarily to the Danish market.

Development in activities and finances

The loss for the year amounts to DKK 3.375k against a profit last year of DKK 88k.

The Board of Directors considers the enterprise's operating for 2016 as unsatisfying.

It is Management's assessment that the company has sufficient funds to continue the operations in 2017 and refers to note 1 regarding going concern.

Further management expects the equity to be reestablished through positive results from current operations in the upcoming years.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2016

	<u>Notes</u>	<u>2016 DKK</u>	<u>2015 DKK</u>
Gross profit		15.556.925	10.470.808
Staff costs	2	(17.596.611)	(9.802.888)
Depreciation, amortisation and impairment losses	3	<u>(445.307)</u>	<u>(353.203)</u>
Operating profit/loss		(2.484.993)	314.717
Other financial income	4	14.874	0
Other financial expenses	5	<u>(24.624)</u>	<u>(205.573)</u>
Profit/loss before tax		(2.494.743)	109.144
Tax on profit/loss for the year	6	<u>(880.509)</u>	<u>(21.078)</u>
Profit/loss for the year		<u>(3.375.252)</u>	<u>88.066</u>
Proposed distribution of profit/loss			
Retained earnings		<u>(3.375.252)</u>	<u>88.066</u>
		<u>(3.375.252)</u>	<u>88.066</u>

Balance sheet at 31.12.2016

	<u>Notes</u>	<u>2016 DKK</u>	<u>2015 DKK</u>
Goodwill		0	0
Intangible assets	7	0	0
Other fixtures and fittings, tools and equipment		289.373	169.005
Leasehold improvements		1.775.604	1.646.672
Prepayments for property, plant and equipment		428.484	0
Property, plant and equipment	8	2.493.461	1.815.677
Investments in group enterprises		396.135	396.135
Fixed asset investments	9	396.135	396.135
Fixed assets		2.889.596	2.211.812
Raw materials and consumables		2.155.729	1.480.058
Manufactured goods and goods for resale		8.028	45.954
Inventories		2.163.757	1.526.012
Trade receivables		10.561.820	6.806.075
Receivables from group enterprises		190.736	272.763
Deferred tax		0	880.509
Other receivables		68.400	66.897
Prepayments		236.008	234.827
Receivables		11.056.964	8.261.071
Cash		483	105
Current assets		13.221.204	9.787.188
Assets		16.110.800	11.999.000

Balance sheet at 31.12.2016

	Notes	2016 DKK	2015 DKK
Contributed capital		2.470.000	2.470.000
Retained earnings		(4.206.806)	(831.554)
Equity		(1.736.806)	1.638.446
Payables to group enterprises		2.235.000	0
Non-current liabilities other than provisions	10	2.235.000	0
Bank loans		0	1.566.504
Trade payables		6.295.230	1.836.309
Payables to group enterprises		7.653.866	5.134.567
Other payables		1.663.510	1.823.174
Current liabilities other than provisions		15.612.606	10.360.554
Liabilities other than provisions		17.847.606	10.360.554
Equity and liabilities		16.110.800	11.999.000
Going concern	1		
Unrecognised rental and lease commitments	11		
Contingent liabilities	12		
Mortgages and securities	13		
Group relations	14		

Statement of changes in equity for 2016

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	2.470.000	(831.554)	1.638.446
Profit/loss for the year	0	(3.375.252)	(3.375.252)
Equity end of year	2.470.000	(4.206.806)	(1.736.806)

Notes

1. Going concern

The parent company Hessing B.V., the Netherlands, has declared that the Hessing Group will secure that Bønnelykken A/S has sufficient funds to pay all known liabilities as of 31 December 2016 and finance the following 12 months period.

On this basis, Management finds that the company has sufficient funds to continue its operations in 2017 and presents the annual report on the basis of going concern.

	2016	2015
	DKK	DKK
2. Staff costs		
Wages and salaries	16.148.849	8.776.242
Pension costs	930.927	703.054
Other social security costs	271.178	145.667
Other staff costs	245.657	177.925
	17.596.611	9.802.888

Average number of employees	19	18
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	2016	2015
	DKK	DKK
3. Depreciation, amortisation and impairment losses		
Depreciation of property, plant and equipment	453.103	353.203
Profit/loss from sale of intangible assets and property, plant and equipment	(7.796)	0
	445.307	353.203

	2016	2015
	DKK	DKK
4. Other financial income		
Interest income	537	0
Exchange rate adjustments	14.337	0
	14.874	0

Notes

	2016	2015
	DKK	DKK
5. Other financial expenses		
Interest expenses	24.624	120.622
Exchange rate adjustments	0	84.951
	24.624	205.573
	2016	2015
	DKK	DKK
6. Tax on profit/loss for the year		
Change in deferred tax for the year	880.509	21.078
	880.509	21.078
		Goodwill
		DKK
7. Intangible assets		
Cost beginning of year		3.050.000
Cost end of year		3.050.000
Amortisation and impairment losses beginning of year		(3.050.000)
Amortisation and impairment losses end of year		(3.050.000)
Carrying amount end of year		0

Notes

	Other fixtures and fittings, tools and equipment DKK	Leasehold improve- ments DKK	Prepay- ments for property, plant and equipment DKK
8. Property, plant and equipment			
Cost beginning of year	5.468.638	4.748.946	0
Additions	242.125	526.126	428.484
Disposals	(74.828)	0	0
Cost end of year	5.635.935	5.275.072	428.484
Depreciation and impairment losses beginning of the year	(5.299.633)	(3.102.274)	0
Depreciation for the year	(55.909)	(397.194)	0
Reversal regarding disposals	8.980	0	0
Depreciation and impairment losses end of the year	(5.346.562)	(3.499.468)	0
Carrying amount end of year	289.373	1.775.604	428.484
			Investments in group enterprises DKK
9. Fixed asset investments			
Cost beginning of year			1.676.250
Cost end of year			1.676.250
Impairment losses beginning of year			(1.280.115)
Impairment losses end of year			(1.280.115)
Carrying amount end of year			396.135
	Registered in	Corpo- rate form	Equity inte- rest %
Investments in group enterprises comprise:			
Grønne Mølle A/S	Ringsted	A/S	100,0

Notes

10. Liabilities other than provisions

Payables to group enterprises of DKK 2.235k matures in less than 5 years from 31.12.2016.

	2016	2015
	DKK	DKK
11. Unrecognised rental and lease commitments		
Hereof liabilities under rental or lease agreements until maturity in total	159.000	222.600

12. Contingent liabilities

The Entity serves as an administration company in a Danish joint taxation arrangement. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable from the financial year 2013 for income taxes etc for the jointly taxed entities, and from 1 July 2012 also for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for these entities.

13. Mortgages and securities

Collateral security provided for subsidiaries and other group enterprises

The Entity has guaranteed for the subsidiary Grønne Mølle A/S' debt to lender. At 31.12.2016 the subsidiary's bank debt amounts to a deposit of DKK 45k.

14. Group relations

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:
Hessing BV, Netherland, Chamber of Commerce: 39 09 97 39

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, changes in inventories of finished goods and work in progress, own work capitalised, other operating income, cost of raw materials and consumables and external expenses.

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Costs of raw materials and consumables

Costs of raw materials and consumables comprise the consumption of raw materials and consumables for the financial year after adjustment for changes in inventories of these goods from the beginning to the end of the year. This item includes shrinkage, if any, and ordinary writedowns of the relevant inventories.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Accounting policies

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Amortisation, depreciation and impairment losses relating to intangible assets and plant and equipment comprise amortisation, depreciation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets as well as plant and equipment.

Other financial income

Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, net capital gains on securities, payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with all Danish subsidiaries. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Goodwill

Goodwill is the positive difference between cost and value in use of assets and liabilities taken over as part of the acquisition. Goodwill is amortised straight-line over its estimated useful life which is fixed based on the experience gained by Management for each business area. Useful life is determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long-term earnings profile and whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets. If it is not possible to estimate the useful life reliably, it is set at 10 years. Useful lives are reassessed on an annual basis. The amortisation periods used are 10 years.

Goodwill is written down to the lower of recoverable amount and carrying amount.

Accounting policies

Property, plant and equipment

Plant and machinery as well as other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	3-8 years
Leasehold improvements	5 years

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

Items of plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises

Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus or minus unamortised goodwill and plus or minus unrealised intra-group profits or losses.

Group enterprises with negative equity value are measured at DKK 0. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation is imminent, a provision is recognised that is measured at present value of the costs deemed necessary to incur to settle the obligation.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to Reserve for net revaluation according to the equity method under equity.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs. Cost of manufactured goods and work in progress consists of costs of raw materials, consumables, direct labour costs and indirect production costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Accounting policies

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Operating leases

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.