

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

Annual report 2017

The Annual General Meeting adopted the annual report on 09.07.2018

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 (CVR): 73321417
Registered in: Ringsted
Financial year: 01.01.2017 - 31.12.2017

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 01.01.2017 - 31.12.2017.

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 31.12.2017 and of the results of its operations for the financial year 01.01.2017 - 31.12.2017.

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, 09.07.2018

Executive Board

Ursula Essemann

Board of Directors

Franciscus Maria Hessing

Ursula Essemann

Wouter Harlaar

Independent auditor's reports

To the shareholders of Bønnelykken A/S

Report on extended review of the financial statements

We have performed an extended review of the financial statements of Bønnelykken A/S for the financial year 01.01.2017 - 31.12.2017. The financial statements, which comprise the accounting policies, income statement, balance sheet, statement of changes in equity and notes, are prepared in accordance with the Danish Financial Statements Act.

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 determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements. We conducted our extended review in accordance with the assurance engagement standard for small enterprises as issued by the Danish Business Authority and the standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act as issued by FSR - Danish Auditors.

This requires that we comply with the Danish Public Accountants Act and FSR - Danish Auditors' Code of Conduct and plan and perform procedures to obtain limited assurance about our opinion on the financial statements and that we perform specifically required supplementary procedures for purpose of obtaining additional assurance about our opinion.

An extended review consists of making inquiries, primarily of management and, if appropriate, of other entity personnel, performing analytical procedures and specifically required supplementary procedures as well as evaluating the evidence obtained.

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

Conclusion

Based on our extended review, in our opinion, the financial statements give a true and fair view of the Entity's assets, liabilities and financial position at 31.12.2017 and of the results of its operations for the financial year 01.01.2017 - 31.12.2017 in accordance with the Danish Financial Statements Act.

Report on other legal and regulatory requirements

Violation of tax legislation

In violation of the Danish tax legislation the Entity has not reported taxation of free car and loans to Management to the Danish Tax Authorities. Management can be held responsible therefore.

Violation of company law

In violation of the Danish Company Act, the Entity has granted loans to the company's management. Management can be held responsible therefore.

Independent auditor's reports

Violation of legislation on financial reporting

The Entity has submitted the Annual Report for 2017 to late according to the Danish Financial Statements Act article 138. Management can be held responsible therefore.

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 extended review 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 extended review 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.

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, 09.07.2018

Deloitte

Statsautoriseret Revisionspartnerselskab

Central Business Registration No (CVR) 33963556

Morten Aamand Lund

State Authorised Public Accountant

Identification No (MNE) mne41365

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 5.475k against a loss last year of DKK 3.375k.

The Board of Directors considers the enterprise's operating for 2017 as unsatisfying.

It is Management's assessment that the company has sufficient funds to continue the operations in 2018 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 2017

| | <u>Notes</u> | <u>2017 DKK</u> | <u>2016 DKK</u> |
|--|--------------|---------------------------|---------------------------|
| Gross profit | | 18.209.213 | 15.556.925 |
| Staff costs | 2 | (23.059.146) | (17.596.611) |
| Depreciation, amortisation and impairment losses | 3 | <u>(816.233)</u> | <u>(445.307)</u> |
| Operating profit/loss | | (5.666.166) | (2.484.993) |
| Income from investments in group enterprises | | 411.208 | 0 |
| Other financial income | 4 | 1.488 | 14.874 |
| Other financial expenses | 5 | <u>(326.419)</u> | <u>(24.624)</u> |
| Profit/loss before tax | | (5.579.889) | (2.494.743) |
| Tax on profit/loss for the year | 6 | <u>104.400</u> | <u>(880.509)</u> |
| Profit/loss for the year | | <u>(5.475.489)</u> | <u>(3.375.252)</u> |
| Proposed distribution of profit/loss | | | |
| Retained earnings | | <u>(5.475.489)</u> | <u>(3.375.252)</u> |
| | | <u>(5.475.489)</u> | <u>(3.375.252)</u> |

Balance sheet at 31.12.2017

| | <u>Notes</u> | <u>2017 DKK</u> | <u>2016 DKK</u> |
|--|--------------|---------------------|---------------------|
| Goodwill | | 0 | 0 |
| Intangible assets | 7 | 0 | 0 |
| Other fixtures and fittings, tools and equipment | | 1.388.097 | 289.373 |
| Leasehold improvements | | 1.520.915 | 1.775.604 |
| Prepayments for property, plant and equipment | | 0 | 428.484 |
| Property, plant and equipment | 8 | 2.909.012 | 2.493.461 |
| Investments in group enterprises | | 807.343 | 396.135 |
| Fixed asset investments | 9 | 807.343 | 396.135 |
| Fixed assets | | 3.716.355 | 2.889.596 |
| Raw materials and consumables | | 1.916.491 | 2.155.729 |
| Manufactured goods and goods for resale | | 0 | 8.028 |
| Inventories | | 1.916.491 | 2.163.757 |
| Trade receivables | | 3.210.082 | 10.561.820 |
| Receivables from group enterprises | | 1.420.241 | 190.736 |
| Other receivables | | 521.433 | 68.400 |
| Joint taxation contribution receivable | | 104.400 | 0 |
| Receivables from owners and management | 10 | 7.837 | 0 |
| Prepayments | | 24.342 | 236.008 |
| Receivables | | 5.288.335 | 11.056.964 |
| Cash | | 6.237.228 | 483 |
| Current assets | | 13.442.054 | 13.221.204 |
| Assets | | 17.158.409 | 16.110.800 |

Balance sheet at 31.12.2017

| | <u>Notes</u> | <u>2017 DKK</u> | <u>2016 DKK</u> |
|--|--------------|---------------------------|---------------------------|
| Contributed capital | | 2.470.000 | 2.470.000 |
| Retained earnings | | <u>(9.682.295)</u> | <u>(4.206.806)</u> |
| Equity | | <u>(7.212.295)</u> | <u>(1.736.806)</u> |
| Payables to group enterprises | | <u>2.235.000</u> | <u>2.235.000</u> |
| Non-current liabilities other than provisions | 11 | <u>2.235.000</u> | <u>2.235.000</u> |
| Trade payables | | 4.299.607 | 6.295.230 |
| Payables to group enterprises | | 16.575.221 | 7.653.866 |
| Other payables | | 1.256.943 | 1.663.510 |
| Deferred income | | <u>3.933</u> | <u>0</u> |
| Current liabilities other than provisions | | <u>22.135.704</u> | <u>15.612.606</u> |
| Liabilities other than provisions | | <u>24.370.704</u> | <u>17.847.606</u> |
| Equity and liabilities | | <u>17.158.409</u> | <u>16.110.800</u> |
| Going concern | 1 | | |
| Unrecognised rental and lease commitments | 12 | | |
| Contingent liabilities | 13 | | |
| Group relations | 14 | | |

Statement of changes in equity for 2017

| | Contributed capital DKK | Retained earnings DKK | Total DKK |
|---------------------------|--|--------------------------------------|----------------------|
| Equity beginning of year | 2.470.000 | (4.206.806) | (1.736.806) |
| Profit/loss for the year | 0 | (5.475.489) | (5.475.489) |
| Equity end of year | 2.470.000 | (9.682.295) | (7.212.295) |

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 2017 and finance the following 12 months period.

On this basis, Management finds that the company has sufficient funds to continue its operations in 2018 and presents the annual report on the basis of going concern.

| | 2017 | 2016 |
|-----------------------------|-------------------|-------------------|
| | DKK | DKK |
| 2. Staff costs | | |
| Wages and salaries | 21.021.815 | 16.148.849 |
| Pension costs | 1.311.668 | 930.927 |
| Other social security costs | 252.028 | 271.178 |
| Other staff costs | 473.635 | 245.657 |
| | 23.059.146 | 17.596.611 |

| | | |
|-----------------------------|-----------|-----------|
| Average number of employees | 18 | 19 |
|-----------------------------|-----------|-----------|

| | 2017 | 2016 |
|--|----------------|----------------|
| | DKK | DKK |
| 3. Depreciation, amortisation and impairment losses | | |
| Depreciation of property, plant and equipment | 816.233 | 453.103 |
| Profit/loss from sale of intangible assets and property, plant and equipment | 0 | (7.796) |
| | 816.233 | 445.307 |

| | 2017 | 2016 |
|----------------------------------|--------------|---------------|
| | DKK | DKK |
| 4. Other financial income | | |
| Other interest income | 0 | 537 |
| Exchange rate adjustments | 0 | 14.337 |
| Other financial income | 1.488 | 0 |
| | 1.488 | 14.874 |

Notes

| | 2017 | 2016 |
|---|----------------|---------------|
| | DKK | DKK |
| 5. Other financial expenses | | |
| Financial expenses from group enterprises | 193.734 | 0 |
| Other interest expenses | 132.685 | 24.624 |
| | 326.419 | 24.624 |

| | 2017 | 2016 |
|---|------------------|----------------|
| | DKK | DKK |
| 6. Tax on profit/loss for the year | | |
| Change in deferred tax | 0 | 880.509 |
| Refund in joint taxation arrangement | (104.400) | 0 |
| | (104.400) | 880.509 |

| | 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 | 5.635.935 | 5.275.072 | 428.484 |
| Transfers | 428.484 | 0 | (428.484) |
| Additions | 969.241 | 262.543 | 0 |
| Cost end of year | 7.033.660 | 5.537.615 | 0 |
| Depreciation and impairment losses beginning of year | (5.346.562) | (3.499.468) | 0 |
| Depreciation for the year | (299.001) | (517.232) | 0 |
| Depreciation and impairment losses end of year | (5.645.563) | (4.016.700) | 0 |
| Carrying amount end of year | 1.388.097 | 1.520.915 | 0 |
| | | | Invest- ments 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) |
| Share of profit/loss for the year | | | 411.208 |
| Impairment losses end of year | | | (868.907) |
| Carrying amount end of year | | | 807.343 |

10. Receivables from owners and management

Receivables from Management constitute 8 k.DKK as of 31 December 2017. Interest has been calculated according to the Danish Company Act.

11. Liabilities other than provisions

Payables to group enterprises of DKK 2.235k matures in less than 5 years from 31.12.2017.

Notes

| | 2017 | 2016 |
|--|----------------|----------------|
| | DKK | DKK |
| 12. Unrecognised rental and lease commitments | | |
| Liabilities under rental or lease agreements until maturity in total | 261.800 | 159.000 |

13. 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.

14. Group relations

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:

Hessing BV, Netherland, Chamber of Commerce: 39099739.

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.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities, including rental income and gains from the sale of intangible assets and property, plant and equipment.

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.

Accounting policies

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.

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.

Income from investments in group enterprises

Income from investments in group enterprises comprises dividend etc received from the individual group enterprises in the financial year.

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).

Accounting policies

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.

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.

Accounting policies

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.

Receivables

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

Joint taxation contributions receivable or payable

Current joint taxation contributions payable or joint taxation contributions receivable are recognised in the balance sheet, calculated as tax computed on the taxable income for the year, which has been adjusted for prepaid tax.

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.

Deferred income

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.