

ASB- Grünland A/S

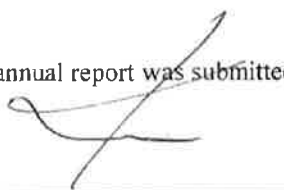
Stockholmsgade 45, 2100 København Ø

Company reg. no. 73 59 79 19

Annual report

1 September 2019 - 31 August 2020

The annual report was submitted and approved by the general meeting on the



12/1-21

Thomas Kramer
Chairman of the meeting

Notes to users of the English version of this document:

- This document is a translation of a Danish version of the document. In the event of any dispute regarding the interpretation of any part of the document, the Danish version of the document shall prevail.
- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points remain unchanged from Danish version of the document. This means that DKK 146,940 corresponds to the English amount of DKK 146,940, and that 23,5 % corresponds to 23,5 %.

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Management's report

The board of directors and the managing director have today presented the annual report of ASB-Grünland A/S for the financial year 1 September 2019 to 31 August 2020.

The annual report has been presented in accordance with the Danish Financial Statements Act.


We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position at 31 August 2020 and of the company's results of its activities in the financial year 1 September 2019 to 31 August 2020.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

We recommend that the annual report be approved by the general meeting.

København, 12 January 2021

Managing Director



Michaela Aurenz Maldonado

Board of directors



Thomas Kramer



Daniel Aurenz Helmut



Michaela Aurenz Maldonado

Independent auditor's report

To the shareholders of ASB- Grünland A/S

Opinion

We have audited the annual accounts of ASB- Grünland A/S for the financial year 1 September 2019 to 31 August 2020, which comprise accounting policies, profit and loss account, balance sheet and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 August 2020 and of the results of the company's operations for the financial year 1 September 2019 to 31 August 2020 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the below section "Auditor's responsibilities for the audit of the annual accounts". We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

The management's responsibilities for the annual accounts

The management is responsible for the preparation of annual accounts that give a true and fair view in accordance with the Danish Financial Statements Act. The management is also responsible for such internal control as the management determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the management is responsible for evaluating the company's ability to continue as a going concern, and, when relevant, disclosing matters related to going concern and using the going concern basis of accounting when preparing the annual accounts, unless the management either intends to liquidate the company or to cease operations, or if it has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements may arise due to fraud or error and may be considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions made by users on the basis of the annual accounts.

As part of an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark, we exercise professional evaluations and maintain professional scepticism throughout the audit. We also:

Independent auditor's report

- Identify and assess the risks of material misstatement in the annual accounts, whether due to fraud or error, design and perform audit procedures in response 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 the risk of not detecting a misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the 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 the appropriateness of accounting policies used by the management and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's preparation of the annual accounts being based on the going concern principle and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may raise significant doubt about 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 annual accounts 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 annual accounts, including the disclosures in the notes, and whether the annual accounts 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 the internal control that we identify during our audit.

Statement on the management's review

The management is responsible for the management's review.

Our opinion on the annual accounts does not cover the management's review, and we do not express any kind of assurance opinion on the management's review.

In connection with our audit of the annual accounts, our responsibility is to read the management's review and in that connection consider whether the management's review is materially inconsistent with the annual accounts or our knowledge obtained during the audit, or whether it otherwise appears to contain material misstatement.

Independent auditor's report

Furthermore, 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 believe that the management's review is in accordance with the annual accounts and that it has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not find any material misstatement in the management's review.

Copenhagen, 12 January 2021

Grant Thornton

State Authorised Public Accountants
Company reg. no. 34 20 99 36



Per Lundahl

State Authorised Public Accountant
mne27832

Company information

The company

ASB- Grünland A/S
Stockholmsgade 45
2100 København Ø

Company reg. no. 73 59 79 19
Established: 30 March 1984
Domicile: Copenhagen
Financial year: 1 September - 31 August

Board of directors

Thomas Kramer
Daniel Aurenz Helmut
Michaela Aurenz Maldonado

Managing Director

Michaela Aurenz Maldonado

Auditors

Grant Thornton, Statsautoriseret Revisionspartnerselskab
Stockholmsgade 45
2100 København Ø

Parent company

Greenworld BV, Netherlands

Management commentary

The principal activities of the company

Like previous years, the principal activities are sales of potting soil and fertilizer in Denmark, Sweden and Norway. The products are bought from the sister company in Estonia (peat and potting soil) and from the parent company in Germany (fertilizer).

Unusual matters

In the financial year there has been no unusual matters.

Uncertainties as to recognition or measurement

In the financial year there has been no uncertainties as to recognition or measurement.

Development in activities and financial matters

The results from ordinary activities after tax are DKK 947.119. The management consider the results satisfactory.

Accounting policies

The annual report for ASB- Grünland A/S has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

Certain fixed asset investments and liabilities are measured at amortised cost, by which method a fixed, effective interest is recognised during the useful life of the asset or the liability. Amortised cost is recognised as the original cost with deduction of any payments and additions/deductions of the accrued amortisation of the difference between cost and nominal amount. In this way capital losses and capital profits are spread over the useful life.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

Translation of foreign currency

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.

Debtors, creditors, and other monetary items in foreign currency are translated by using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or the recognition in the latest annual accounts of the amount owed or the liability is recognised in the profit and loss account under financial income and expenses.

Accounting policies

The profit and loss account

Gross profit

Gross profit comprises the revenue, other operating income, and external costs.

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. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Other operating income comprise accounting items of secondary nature in proportion to the principal activities of the enterprise.

Other external costs comprise costs for sales, and administration.

Net financials

Net financials comprise interest. Financial income and expenses are recognised in the profit and loss account with the amounts that concerns the financial year.

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The balance sheet

Tangible fixed assets

Tangible fixed assets are measured at cost with deduction of accrued depreciation and writedown.

Depreciation takes place on a straight line basis and based on an evaluation of the expected useful life:

	<i>Useful life</i>
<i>Other plants, operating assets, fixtures and furniture</i>	<i>3-5 years</i>

Minor assets with a recognised costs under DKK 14.100 are recognised as costs in the profit and loss account in the year of acquisition.

Profit or loss deriving from the sales of tangible fixed assets is measured as the difference between the sales price reduced by the selling costs and the book value at the time of the sale. Profit or loss is recognised in the profit and loss account under depreciation.

Accounting policies

Receivables

Receivables are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, they are written down for impairment to the net realisable value.

Available funds

Available funds comprise cash at bank and.

Equity

Dividend

Dividend expected to be distributed for the year is recognised as a separate item under equity. Proposed dividend is recognised as a liability at the time of approval by the annual general meeting (time of declaration).

Corporate tax and deferred tax

Current tax receivable and tax liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

Deferred tax assets, including the tax value of tax losses eligible for carry-over, 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.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax.

Liabilities

Financial liabilities related to borrowings are recognised at the received proceeds with the deduction of transaction costs incurred. In following periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value by use of the effective interest. The difference between the proceeds and the nominal value is recognised in the profit and loss account during the term of the loan.

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

Income statement 1 September - 31 August

Amounts concerning 2019/20: DKK.

Amounts concerning 2018/19: DKK thousand.

<u>Note</u>	<u>2019/20</u>	<u>2018/19</u>
Gross profit	1.297.730	131
Other financial income from group enterprises	38.997	35
Other financial income	0	13
1 Other financial costs	-121.450	-7
Pre-tax net profit or loss	1.215.277	172
2 Tax on ordinary results	-268.158	-39
Net profit or loss for the year	947.119	133
Proposed appropriation of net profit:		
Extraordinary dividend adopted during the financial year	1.800.000	0
Transferred to retained earnings	0	133
Allocated from retained earnings	-852.881	0
Total allocations and transfers	947.119	133

Statement of financial position at 31 August

Amounts concerning 2020: DKK.

Amounts concerning 2019: DKK thousand.

Assets		
<u>Note</u>	<u>2020</u>	<u>2019</u>
Current assets		
Trade debtors	589.827	312
Amounts owed by group enterprises	1.821.211	1.834
Other receivables	2.533.316	0
Total receivables	<u>4.944.354</u>	<u>2.146</u>
Available funds	<u>1.495.417</u>	<u>1.647</u>
Total current assets	<u>6.439.771</u>	<u>3.793</u>
Total assets	<u>6.439.771</u>	<u>3.793</u>

Statement of financial position at 31 August

Amounts concerning 2020: DKK.

Amounts concerning 2019: DKK thousand.

<u>Note</u>	<u>2020</u>	<u>2019</u>
Equity and liabilities		
Equity		
3 Contributed capital	500.000	500
4 Results brought forward	1.460.359	2.313
Total equity	1.960.359	2.813
Liabilities other than provisions		
Corporate tax	268.158	39
Total long term liabilities other than provisions	268.158	39
Trade creditors	415	1
Debt to group enterprises	3.832.315	449
Corporate tax	38.874	23
Other debts	339.650	468
Total short term liabilities other than provisions	4.211.254	941
Total liabilities other than provisions	4.479.412	980
Total equity and liabilities	6.439.771	3.793

5 Related parties

Notes

Amounts concerning 2019/20: DKK.

Amounts concerning 2018/19: DKK thousand.

	<u>2019/20</u>	<u>2018/19</u>
1. Other financial costs		
Other financial costs	121.450	7
	<u>121.450</u>	<u>7</u>
2. Tax on ordinary results		
Tax of the results for the year, parent company	268.158	39
	<u>268.158</u>	<u>39</u>
3. Contributed capital		
Contributed capital 1 September 2019	500.000	500
	<u>500.000</u>	<u>500</u>
The share capital consists of 500 shares, each with a nominal value of DKK 1.000.		
4. Results brought forward		
Results brought forward 1 September 2019	2.313.240	680
Profit or loss for the year brought forward	-852.881	133
Extraordinary dividend adopted during the financial year	1.800.000	0
Distributed extraordinary dividend adopted during the financial year.	-1.800.000	0
Conversion of debt	0	1.500
	<u>1.460.359</u>	<u>2.313</u>
5. Related parties		

According to the company's list of shareholders, the following shareholders own a minimum 5 % of the voting right or a minimum of 5 % of the share capital:

Greenworld BV, Willem Alexanderlaan 45, 4532 DB Teruzen, Netherland.

The annual report forms part of the Group Accounts ASB-Grünland Helmut Aurenz GmbH, Germany.

