

**Menace B.V.**  
**Rilland**

Annual report and accounts  
for the period ended 30 June 2019

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## Balance sheet as at 30 June 2019

(Before the proposed appropriation of the result and expressed in Euro)

|  | Notes | 30-Jun-2019      | 30-Jun-2018    |
|--|-------|------------------|----------------|
| <b>Fixed assets</b>                              |       |                  |                |
| Financial  | 1     | 59,623           | 59,623         |
| <i>Total fixed assets</i>                        |       | <u>59,623</u>    | <u>59,623</u>  |
| <b>Current assets</b>                            |       |                  |                |
| Trade receivables                                |       |                  | 782            |
| VAT receivable                                   |       | 333,982          | 161,455        |
| Other receivables                                |       | 50,388           | 10,961         |
| Cash at banks                                    | 2     | 4,084,260        | 665,933        |
| <i>Total current assets</i>                      |       | <u>4,468,630</u> | <u>839,131</u> |
| <b>Current liabilities (due within one year)</b> |       |                  |                |
| Accounts payable to group companies              |       | 4,375,504        | 624,566        |
| Amounts due to third parties                     | 3     | 24,982           | 152,821        |
| Taxation   | 4     | 1,950            | 2,596          |
| Accrued expenses                                 | 5     | 9,375            | 9,000          |
| <i>Total current liabilities</i>                 |       | <u>4,411,812</u> | <u>788,983</u> |
| <b>Current assets less current liabilities</b>   |       | 56,818           | 50,148         |
| <b>Total assets less current liabilities</b>     |       | 116,440          | 109,771        |
| <b>Net asset value</b>                           |       | <u>116,440</u>   | <u>109,771</u> |
| <b>Capital and reserves</b>                      |       |                  |                |
| Paid up and called up share capital              | 6     | 45,000           | 45,000         |
| Other reserves                                   |       | 64,772           | 56,907         |
| Unappropriated results                           |       | 6,668            | 7,864          |
| <i>Total capital and reserves</i>                |       | <u>116,440</u>   | <u>109,771</u> |

The accompanying notes form an integral part of these financial statements.

## Profit and loss account for the period from 1 July 2018 until 30 June 2019

|   | Notes | 01-Jul-2018<br>30-Jun-2019 | 01-Jul-2017<br>30-Jun-2018 |
|---|-------|----------------------------|----------------------------|
| (Expressed in Euro)                       |       |                            |                            |
| <b>Operational income</b>                 |       |                            |                            |
| Service fee and recharges                 | 7     | 104,888                    | 121,540                    |
| <i>Total operational income</i>           |       | <u>104,888</u>             | <u>121,540</u>             |
| <b>Operating expenses</b>                 |       |                            |                            |
| General and administrative expenses       | 8     | (96,521)                   | (111,709)                  |
| <i>Total income and expenses</i>          |       | <u>(96,521)</u>            | <u>-111,709</u>            |
| <b>Result before corporate income tax</b> |       | <u>8,367</u>               | <u>9,830</u>               |
| Corporate income tax                      | 9     | (1,699)                    | (1,966)                    |
| <b>Result after corporate income tax</b>  |       | <u><u>6,668</u></u>        | <u><u>7,864</u></u>        |

The accompanying notes form an integral part of these financial statements.

**Notes to the annual accounts**

**General**

The Company was incorporated under the Laws of The Netherlands on 17 May 2001. The principle objects of the Company are importing, exporting and production of agricultural seeds and all other related activities, and its place of business is at Van der Haveweg 2, 4411 RB Rilland, Menaco B.V, is registered at the chamber of commerce under number 34156243.

**Going concern**

The accounting principles applied in this annual report are based on the assumption that Menaco B.V. will be able to continue as a going concern.

**Group structure**

The Company is owned for 100% by Vilmorin Nederland Holding B.V..

**Consolidation**

Exemption from consolidation

Pursuant to article 2:407 paragraph 2 consolidated financial statements have not been prepared

**Basis of presentation**

The financial statements have been prepared in accordance with the statutory provisions of Part 9, Book 2, of the Netherlands Civil Code and the firm pronouncements in the Dutch Accounting Standards for Annual Reporting in the Netherlands as issued by the Dutch Accounting Standards Board.

In general, assets and liabilities are stated at the amounts at which they were acquired or incurred, or current value. If not specifically stated otherwise, they are recognised at the amounts at which they were acquired or incurred. The balance sheet and profit and loss account include references to the notes.

**Prior-year comparison**

The accounting policies have been consistently applied to all the years presented.

**Financial fixed assets**

Participating interests over whose financial and operating policies the group exercises significant influence are initially valued at cost. The cost comprises the acquisition cost plus any costs directly attributable to the acquisition of the participating interest. Despite the fact that significant influence can be exercised in the participating interest, after initial measurement these participating interests are not valued base on the equity method. The interests are valued at cost, if applicable net of impairment. This is because the company is part of an international group.

**Foreign currencies**

**Transactions, receivables and debts**

Foreign currency transactions in the reporting period are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the rate of exchange prevailing at the balance sheet date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates are recognised in the profit and loss account.

The exchange rates used in the annual accounts are:

|     |                 | <u>30.06.2019</u> | <u>30.06.2018</u> |
|-----|-----------------|-------------------|-------------------|
| USD | US Dollar / EUR | 0.87883           | 0.85778           |

**Receivables**

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost. The risk of impairment of trade receivables is covered by the parent company.

**Cash and cash equivalents**

Cash and cash equivalents include cash in hand, bank balances and deposits held at call with maturities of less than 12 months. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet. Cash and cash equivalents are stated at face value.

**Liabilities**

On initial recognition current liabilities are recognised at fair value. After initial recognition current liabilities are recognised at the amortised cost price, being the amount received taking into account premiums or discounts and minus transaction costs. This is usually the nominal value.

**Revenue recognition**

**Service fee and recharges and royalty income**

Service fee and recharges and royalty income are recognised on an accrual basis in accordance with the substance of the relevant agreements.

**Operational income**

Operational income comprises the fair value of the consideration received or receivable for the services provided by the Company in the ordinary course of the Company's activities. Operational income is shown net of value-added tax.

**Operating expenses**

Operating expenses comprise costs chargeable to the year.

**Income tax expense**

Income tax is calculated on the profit/loss before tax in the profit and loss account, taking into account any losses carried forward from previous financial years and tax-exempt items, and non-deductible expenses.

## Notes to the Annual accounts (continued)

|  | 30-Jun-2019 | 30-Jun-2018 |
|--|-------------|-------------|
|--|-------------|-------------|

(Expressed in Euro)

Balance sheet**1 Financial assets**

|  |               |               |
|--|---------------|---------------|
| Huizer for Agricultural Services LLC, Amman (Jordan) | 59,623        | 59,623        |
|  | <u>59,623</u> | <u>59,623</u> |

Menaco has a 100% share in the issued capital of Huizer for Agricultural Services LLC, Amman (Jordan).

**2 Cash at banks**

|                     |            |                  |                |
|---------------------|------------|------------------|----------------|
| Current account EUR |            | 4,073,554        | 346,093        |
| Current account USD | USD 12,184 | 10,707           | 295,610        |
| Current account DKK | DKK        | <u>4,084,260</u> | <u>665,933</u> |

**3 Amounts due to third parties**

|           |               |                |
|-----------|---------------|----------------|
| Creditors | <u>24,982</u> | <u>152,817</u> |
|           | <u>24,982</u> | <u>152,817</u> |

**4 Taxation**

|                                |              |              |
|--------------------------------|--------------|--------------|
| Corporate income tax 2016/2017 | -            | 1,487        |
| Corporate income tax 2015/2016 | 2            | -            |
| Corporate income tax 2017/2018 | 1,109        | 1,109        |
| Corporate income tax 2018/2019 | 839          |              |
|                                | <u>1,950</u> | <u>2,596</u> |

Final corporate income tax assessments have been received for the financial years through 2016/2017.

**5 Accrued expenses**

|                   |              |              |
|-------------------|--------------|--------------|
| Audit fee payable | 9,375        | 9,000        |
|                   | <u>9,375</u> | <u>9,000</u> |

## Notes to the Annual accounts (continued)

|  | 30-Jun-2019            | 30-Jun-2018           |
|--|------------------------|-----------------------|
| (Expressed in Euro)  |                        |                       |
| <b>6 Capital and reserves</b>  |                        |                       |
| The authorised share capital of the Company amounts to EUR 225,000 divided into 225,000 shares of EUR 1 each. Issued and paid up are 45,000 shares.                    |                        |                       |
| In the annual general meeting of shareholders held on 17 July 2019 it was decided to add the balance of the unappropriated result for 2017/2018 to the other reserves. |                        |                       |
|  | <u>Share capital</u>   | <u>Other reserves</u> |
|  | <u>Unappr. results</u> | <u>Total</u>          |
| Balance as per 01.07.2017  | 45,000                 | 47,730                |
|  |                        | 9,177                 |
| Transfer   | -                      | (9,177)               |
|  |                        | 0                     |
| Result for the period  | -                      | -                     |
|  |                        | 7,864                 |
| Balance as per 01.07.2018  | 45,000                 | 56,908                |
|  |                        | 7,864                 |
| Transfer   | -                      | (7,864)               |
|  |                        | -                     |
| Result for the period  | -                      | -                     |
|  |                        | 6,668                 |
| Balance as per 30.06.2019  | <u>45,000</u>          | <u>64,772</u>         |
|  |                        | <u>6,668</u>          |
|  |                        | <u>116,440</u>        |

## Notes to the Annual accounts (continued)

|  | 01-Jul-2018<br>30-Jun-2019 | 01-Jul-2017<br>30-Jun-2018 |
|--|----------------------------|----------------------------|
| (Expressed in Euro)                          |                            |                            |
| <b>Profit and loss account</b>               |                            |                            |
| <b>7 Service fee and recharges</b>           |                            |                            |
| Service fee                                  | 104,888                    | 121,540                    |
|  | <u>104,888</u>             | <u>121,540</u>             |
| <b>8 General and administrative expenses</b> |                            |                            |
| Advisory and management                      | 35,455                     | 48,048                     |
| Bank charges                                 | 46,160                     | 57,442                     |
| Telephone                                    | 187                        | 8                          |
| General expenses                             | 14,719                     | 6,212                      |
|  | <u>96,521</u>              | <u>111,709</u>             |
| <b>9 Corporate income tax</b>                |                            |                            |
| Provision for C.I.T. 2018/2019(2017/2018)    | 1,699                      | 1,966                      |
|  | <u>1,699</u>               | <u>1,966</u>               |

**Staff numbers and employment costs**

The Company has no employees and hence incurred no wages, salaries or related social security charges during the reporting period, nor during the previous period.

**Directors**

The Company has two (previous year: one) managing directors, who receive no remuneration. The Company has no supervisory directors.

**Appropriation of results**

Unappropriated results are in accordance with the Company's articles of association at the disposal of the general meeting of shareholders. Furthermore Book 2 of the Dutch Civil Code prescribes that any profit distribution may only be made to the extent that the shareholders' equity exceeds the amount of the paid and called up part of the share capital and the reserves to be maintained by the law and the articles of association of the Company.

The management proposes to the shareholders to add the result for the year to the other reserves.

**Subsequent events**

No events have occurred since balance sheet date, which would change the financial position of the Company and which would require adjustment of or disclosure in the Annual accounts now presented.

Rilland, 24-01-2020

P.F. Moerdijk

J.A. Metzelaar

For identification purpose only  
 DRV Accountants & Adviseurs  
 Date: 2019-11-20 KB

## INDEPENDENT AUDITOR'S REPORT

To: The shareholders and board of directors of Menaco B.V. based in Rilland

### A. Report on the audit of the financial statements 2018/2019 included in the annual report

#### Our opinion

We have audited the financial statements for the year ended 30 June 2019 of Menaco B.V. based in Rilland.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Menaco B.V. as at for the year ended 30 June 2019 and of its result for 2018/2019 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

1. the balance sheet as at 30 June 2019;
2. the profit and loss account for 2018/2019; and
3. the notes comprising of a summary of the accounting policies and other explanatory information.

#### Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Menaco B.V. in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### B. Description of responsibilities regarding the financial statements

#### Responsibilities of the board for the financial statements

The board is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the board is responsible for such internal control as the board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the board is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, the board should prepare the financial statements using the going concern basis of accounting, unless the board either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The board should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

#### Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

For identification purpose only

DRV Accountants & Adviseurs

Date: 2019-11-28 /sp

 MOORE

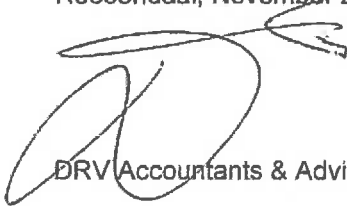
Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining 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;
- obtaining 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;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board;
- concluding on the appropriateness of management's use of the going concern basis of accounting, 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 a company to cease to continue as a going concern.
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 findings in internal control that we identify during our audit.

Rosendaal, November 28, 2019

A handwritten signature in black ink, appearing to be 'A.L.R. van der Vliet', written over a horizontal line.

DRV Accountants & Adviseurs

A.L.R. van der Vliet RA

For identification purpose only  
DRV Accountants & Adviseurs  
Date: 2019-11-28 AB