

Tamaco Trading A/S  
Brunagervej 1, Postboks 16  
8361 Hasselager

CVR no. 13 41 72 96

**Annual report for the period 1 October 2015 – 31 December 2016**

The annual report was presented and approved at the  
Company's annual general meeting on

23 March 2017

Bera Levente-Hugo  
chairman



## Contents

Statement by the Board of Directors and the Executive Board	2
Independent auditor's report	3
Management's review	6
Company details	6
Operating review	7
Financial statements 1 October – 31 December	
Income statement	8
Balance sheet	9
Statement of changes in equity	11
Notes	12

## Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Tamaco Trading A/S for the financial period 1 October 2015 – 31 December 2016.

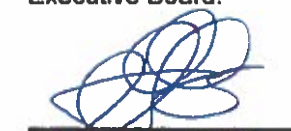
The annual report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2016 and of the results of the Company's operations for the financial period 1 October 2015 – 31 December 2016.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

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

Aarhus 23 March 2017  
Executive Board:

  
Ove Bojsen Lorenzen

Board of Directors:

  
Bara Levente-Hugo  
Chairman  
Torben Møller  
Ove Bojsen Lorenzen



## **Independent auditor's report**

### **To the shareholders of Tamaco Trading A/S**

#### **Opinion**

We have audited the financial statements of Tamaco Trading A/S for the financial period 1 October 2015 – 31 December 2016 comprising income statement, balance sheet, statement of changes in equity and notes, including 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 Company's assets, liabilities and financial position at 31 December 2016 and of the results of the Company's operations for the financial period 1 October 2015 – 31 December 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 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' 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 rules and requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **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 that 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.



## **Independent auditor's report**

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance as to 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 made 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 company 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.
- 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.



## Independent auditor's report

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's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, 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's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, 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 conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Aarhus, 23 March 2017

**KPMG**

Statsautoriseret Revisionspartnerselskab  
CVR no. 25 57 81 98

A blue ink signature of Michael Mortensen, written in a cursive style, positioned above the name and title.

Michael Mortensen  
State Authorised  
Public Accountant

Tamaco Trading A/S  
Annual report 2015/2016  
CVR no. 13 41 72 96

## **Management's review**

### **Company details**

Tamaco Trading A/S  
Brunagervej 1, Postboks 16  
8361 Hasselager

Telephone: 87 36 20 10  
Fax: 86 27 25 02

CVR no.: 13 41 72 96  
Established: 1 August 1989  
Registered office: Aarhus  
Financial period: 1 October – 31 December

### **Board of Directors**

Bara Levente-Hugo, Chairman  
Torben Møller  
Ove Bojsen Lorenzen

### **Executive Board**

Ove Bojsen Lorenzen

### **Auditor**

KPMG  
Statsautoriseret Revisionspartnerselskab  
Bredskifte Allé 13  
DK-8210 Aarhus V

### **Bank**

Nordea Bank  
Skt. Clemens Torv 2-6  
8000 Aarhus C

## **Management's review**

### **Operating review**

#### **Principal activities of the Company**

The Company sells packaging, natural and artificial casings and auxiliary products for the food industry, mainly on the Danish market.

#### **Development in activities and financial position**

From 1 October 2015, Tamaco Trading A/S was merged with the wholly-owned subsidiary Tamaco Pack ApS.

Results of DKK 1,971,695 are considered satisfactory.

#### **Events after the balance sheet date**

No events have occurred since the balance sheet date, which materially affects the Company's financial position.

## Financial statements 1 October – 31 December

### Income statement

DKK	Note	01/10/15 – 31/12/16	01/10/14 – 30/09/15
<b>Gross profit</b>		9,036,897	5,055,999
Staff costs	2	-6,359,921	-3,925,436
Depreciation, amortisation and impairment losses		-331,232	-237,478
<b>Ordinary operating profit</b>		2,345,744	893,085
Other operating costs		-30,332	0
<b>Operating profit</b>		2,315,412	893,085
Income from equity investments in group entities, net of tax		0	135,488
Financial income		277,643	241,343
Financial expenses		-86,286	-32,785
<b>Profit before tax</b>		2,506,769	1,237,131
Tax on profit/loss for the year		-535,074	-248,353
<b>Profit for the year</b>		1,971,695	988,778

### Proposed profit appropriation

Proposed dividend for the financial period	0	793,644
Net revaluation reserve according to the equity method	0	135,488
Retained earnings	1,971,695	59,646
	1,971,695	988,778

## Financial statements 1 October – 31 December

### Balance sheet

DKK	Note	2016	2015
<b>ASSETS</b>			
<b>Fixed assets</b>			
<b>Intangible assets</b>	3		
Agency agreements		0	92,000
Software		78,000	0
		<u>78,000</u>	<u>92,000</u>
<b>Property, plant and equipment</b>	4		
Fixtures and fittings, tools and equipment		297,383	302,173
		<u>297,383</u>	<u>302,173</u>
<b>Investments</b>	5		
Equity investments in group entities		0	1,916,906
Deposits		104,440	0
		<u>104,440</u>	<u>1,916,906</u>
<b>Total fixed assets</b>		<u>479,823</u>	<u>2,311,079</u>
<b>Current assets</b>			
<b>Inventories</b>			
Raw materials and consumables		7,925,009	4,311,030
		<u>7,925,009</u>	<u>4,311,030</u>
<b>Receivables</b>			
Trade receivables		8,237,520	7,815,396
Receivables from group entities		2,986,160	1,156,936
Deferred tax asset		300,695	382,304
Prepayments		93,218	0
		<u>11,617,593</u>	<u>9,354,636</u>
<b>Cash at bank and in hand</b>		<u>4,028,749</u>	<u>0</u>
<b>Total current assets</b>		<u>23,571,351</u>	<u>13,665,666</u>
<b>TOTAL ASSETS</b>		<u><u>24,051,174</u></u>	<u><u>15,976,745</u></u>

## Financial statements 1 October – 31 December

### Balance sheet

DKK	Note	01/10/15 – 31/12/16	01/10/14 – 30/09/15
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>	6		
Share capital		668,000	668,000
Net revaluation reserve according to the equity method		0	1,273,110
Retained earnings		12,442,742	9,197,937
<b>Total equity</b>		<u>13,110,742</u>	<u>11,139,047</u>
<b>Liabilities other than provisions</b>			
<b>Current liabilities other than provisions</b>			
Trade payables		7,097,606	2,277,858
Payables to group entities		0	5,099
Corporation tax		378,438	0
Other payables		3,464,388	2,554,741
		<u>10,940,432</u>	<u>4,837,698</u>
<b>Total liabilities other than provisions</b>		<u>10,940,432</u>	<u>4,837,698</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>24,051,174</u></u>	<u><u>15,976,745</u></u>

## Financial statements 1 October – 31 December

### Statement of changes in equity

DKK	Share capital	Net revaluation reserve according to the equity method	Retained earnings	Total
Equity at 1 October 2015	668,000	1,273,110	9,197,937	11,139,047
Regulation due to merger	0	-1,273,110	1,273,110	0
Transferred over the profit appropriation	0	0	1,971,695	1,971,695
Equity at 31 December 2016	668,000	0	12,442,742	13,110,742

## Financial statements 1 October – 31 December

### Notes

#### 1 Accounting policies

The annual report of Tamaco Trading A/S for 2015/16 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act.

As from 1 October 2015, the Company has implemented Act no. 738 of 1 June 2015. This has entailed the following changes to recognition and measurement:

- Going forward, the residual value of intangible assets and property, plant and equipment must be reassessed on an ongoing basis. Pursuant to the transition provisions of the Act, any adjustments to residual values must be made prospectively as an accounting estimate without restatement of comparative figures and without effect on equity.
- The uniting-of-interests method is applied to business combinations such as the acquisition and disposal of equity investments, mergers, demergers, contribution of assets, share exchanges, etc., between entities controlled by the Parent Company. The uniting of interests is considered to have been completed at the date of the acquisition without restatement of comparative figures. Previously, the uniting of interests was considered to have taken place at the beginning of the financial year with restatement of comparative figures.

The changes have no monetary effect on the income statement or the balance sheet for 2016 or for the comparative figures.

Pursuant to Section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross profit.

The Company has chosen to apply with requirements applying to a higher reporting class.

#### Business combinations

The uniting-of-interests method is applied to business combinations such as the acquisition and disposal of equity investments, mergers, demergers, contribution of assets, share exchanges, etc., between entities controlled by the Parent Company. The uniting of interests is considered to have been completed at the date of the acquisition without restatement of comparative figures. Differences between the agreed consideration and the carrying amount of the acquired entity is recognised in equity.

Gains or losses on the divestment of subsidiaries and associates are calculated as the difference between the sales amount and the carrying amount of net assets at the date of disposal, including non-amortised goodwill and projected costs of divestment or winding-up.

## Financial statements 1 October – 31 December

### Notes

#### 1 Accounting policies (continued)

##### Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

##### Income statement

###### Gross profit

Gross profit includes revenue, cost of sales, other external costs and other operating income.

###### Revenue

Income from the sale of goods is recognised in revenue when delivery and transfer of risk to the buyer have taken place, and the income may be measured reliably and is expected to be received. The date of transfer of the most significant benefits and risks is determined using standard Incoterms ® 2010.

###### Cost of sales

Cost of sales comprises costs incurred to generate revenue for the year. This item also comprises direct costs for goods for resale and changes to inventory of goods for resale.

###### Staff costs

Staff costs comprise wages and salaries, including holiday allowance, pension and other social security costs, etc., to the Company's employees, excluding reimbursements from public authorities.

###### Other external costs

Other external costs comprise costs for distribution and sales costs, costs for advertising, administrative expenses, costs of premises, bad debts, operating leases, etc.

## Financial statements 1 October – 31 December

### Notes

#### 1 Accounting policies (continued)

##### Other operating income

Other operating income comprises items secondary to the activities of the entity, including gains on the disposal of intangible assets and property, plant and equipment.

##### Other operating costs

Other operating costs comprise items secondary to the activities of the entity, including losses on the disposal of intangible assets and property, plant and equipment.

##### Income from equity investments in group entities and associates

The proportionate share of the individual subsidiaries' profit/loss after tax is recognised in the Parent Company's income statement after full elimination of intra-group gains/losses and amortisation of goodwill.

The proportionate share of the individual associates' profit/loss after tax is recognised in the Parent Company's income statement after elimination of a proportionate share of intra-group gains/losses and amortisation of goodwill.

##### Financial income and expenses

Financial income and expenses comprise interest income and expense, financial costs regarding finance leases, gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

##### Tax on profit/loss for the year

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

### Balance sheet

#### Intangible assets

Agency agreements and software are measured at cost less accumulated amortisation and impairment losses. Agency agreements and software are amortised on a straight-line basis over the contract period.

## Financial statements 1 October – 31 December

### Notes

#### 1 Accounting policies (continued)

##### Property, plant and equipment

Fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Gains and losses on the disposal of fixtures and fittings, tools and equipment are stated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

The depreciable amount, which is calculated as cost less any projected residual values after the end of the useful life, is depreciated on a straight-line basis over the estimated useful life. The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively. The estimated useful lives are as follows:

Fixtures and fittings, tools and equipment	3-5 years
--	-----------

##### Impairment of fixed assets

The carrying amount of intangible assets and property, plant and equipment is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

##### Investments

Equity investments in subsidiaries and associates are measured at the proportionate share of the entities' net asset value calculated in accordance with the Parent Company's accounting policies plus or minus unrealised intra-group gains or losses and plus or minus the residual value of positive and negative goodwill calculated in accordance with the acquisition method.

Equity investments in subsidiaries and associates with negative net asset values are measured at DKK 0, and any receivables from these entities are written down to the extent that the receivables are deemed irrecoverable. To the extent that the Parent Company has a legal or constructive obligation to cover a negative balance exceeding the receivable, the residual amount is recognised as provisions.

## Financial statements 1 October – 31 December

### Notes

#### 1 Accounting policies (continued)

##### Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value.

Goods for resale and raw materials and consumables are measured at cost, comprising purchase price plus delivery costs.

The net realisable value of inventories is calculated as the sales amount less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and development in expected selling price.

##### Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable or a portfolio of receivables has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

##### Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability. However, deferred tax is not recognised on temporary differences relating to goodwill non-deductible for tax purposes and on office premises and other items where the temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise

## Financial statements 1 October – 31 December

### Notes

#### 1 Accounting policies (continued)

as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

##### Liabilities other than provisions

Financial liabilities are recognised at cost at the date of borrowing, corresponding to the proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost using the effective interest method. Accordingly, the difference between cost and the nominal value is recognised in the income statement over the term of the loan together with interest expenses.

Other liabilities are measured at net realisable value.

##### Prepayments and deferred income

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

##### Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term marketable securities with a term of three months or less which are easily convertible into cash and which are subject to only an insignificant risk of changes in value.

#### 2 Staff costs

DKK	01/10/15 – 31/12/16	01/10/14 – 30/09/15
Wages and salaries	5,332,591	3,346,616
Pensions	990,497	554,957
Other social security costs	36,833	23,863
	<u>6,359,921</u>	<u>3,925,436</u>
Average number of full-time employees	<u>8</u>	<u>6</u>

## Financial statements 1 October – 31 December

### Notes

#### 3 Intangible assets

	Agency agreements	Software
DKK		
Cost at 1 October	690,000	0
Additions	0	93,600
Cost at 31 December 2016	690,000	93,600
Amortisation and impairment losses at 1 October 2015	-598,000	0
Amortisation	-92,000	-15,600
Amortisation and impairment losses at 31 December 2016	-690,000	-15,600
Carrying amount at 31 December 2016	0	78,000

#### 4 Property, plant and equipment

	Fixtures and fittings, tools and equipment
DKK	
Cost at 1 October 2015	1,575,546
Additions	323,521
Adjustment due to merger	31,768
Disposals	-372,371
Cost at 31 December 2016	1,558,464
Depreciation and impairment losses at 1 October 2015	-1,273,373
Depreciation	-223,632
Adjustment due to merger	-6,115
Reversal of impairment and depreciation of sold assets	242,039
Depreciation and impairment losses at 31 December 2016	-1,261,081
Carrying amount at 31 December 2016	297,383

#### 5 Investments

	Equity investments in group entities
DKK	
Cost at 1 October 2015	643,796
Adjustment due to merger	-643,796
Cost at 31 December 2016	0
Value adjustments at 1 October 2015	1,273,110
Adjustment due to merger	-1,273,110
Value adjustments at 31 December 2016	0
Carrying amount at 31 December 2016	0

## Financial statements 1 October – 31 December

### Notes

#### 6 Equity

The share capital consists of 668 shares of a nominal value of DKK 1,000 each.

All shares rank equally.

#### 7 Contractual obligations, contingencies, etc.

Lease obligations:

DKK	01/10/15 – 31/12/16	01/10/14 – 30/09/15
Before 1 year	859,157	128,160
Between 1-5 years	634,789	170,880

#### 8 Mortgages and collateral

A floating charge of DKK 10 million on receivables (book value DKK 11 million) and inventories (book value DKK 8 million) has been granted to the bank. At 31 December 2016 no debt exists.

#### 9 Related party disclosures

##### Consolidated financial statements

Tamaco Trading A/S is part of the consolidated financial statements of SC Supremia Grup SRL, Str. Calea Ciugudului, Nr. 7, 510382 - Alba Julia România, Romania, which is the smallest group in which the Company is included as a subsidiary.

The consolidated financial statements of Supremia Grup SRL can be obtained by contacting the Company.