

# Cargill A/S

Vandtårnsvej 62 B  
2860 Søborg  
Denmark

CVR no. 20 05 10 94

## **Annual report 2018/19**

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

13 November 2019

Ralf Møller Larsen  
chairman

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**Cargill A/S**  
Annual report 2018/19  
CVR no. 20 05 10 94

## **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 Cargill A/S for the financial year 1 June 2018 – 31 May 2019.

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 May 2019 and of the results of the Company's operations for the financial year 1 June 2018 – 31 May 2019.

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.

Søborg, 13 November 2019  
Executive Board:

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Vagn Nielsen Lind

Board of Directors:

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Ralf Møller Larsen  
Chairman

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Ludger Georg Te Laak

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Vagn Nielsen Lind

## Independent auditor's report

### To the shareholder of Cargill A/S

#### Opinion

We have audited the financial statements of Cargill A/S for the financial year 1 June 2018 – 31 May 2019 comprising income statement, balance sheet 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 May 2019 and of the results of the Company's operations for the financial year 1 June 2018 – 31 May 2019 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.

#### 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.

## Independent auditor's report

- 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.

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 Statements Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 13 November 2019

**KPMG**

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

Martin Eiler  
State Authorised  
Public Accountant  
mne32271

**Cargill A/S**  
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## Management's review

### Company details

Cargill A/S  
Vandtårnsvej 62 B  
2860 Søborg  
Denmark

CVR no.: 20 05 10 94  
Registered office: Søborg  
Financial year: 1 June – 31 May

### Board of Directors

Ralf Møller Larsen, Chairman  
Ludger Georg Te Laak  
Vagn Nielsen Lind

### Executive Board

Vagn Nielsen Lind

### Auditor

KPMG  
Statsautoriseret Revisionspartnerselskab  
Dampfaergevej 28  
DK-2100 Copenhagen  
Denmark

## **Management's review**

### **Operating review**

#### **Principal activities**

The objective of the Company is to carry out commercial fieldwork as well as commercial arrangements to the food industries. The Company has not had any activity in recent years, but acquired in 2018/19 activities from a sister company. These activities have also been sold in 2018/19.

#### **Profit/loss for the year**

The Company reported a loss for the year of EUR 522 thousand compared to a loss of EUR 6 thousand in 2018/19.

The result is considered to be in line with expectations.

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

After the balance sheet date, no events have occurred that could materially affect the presentation of these financial statements.

## Financial statements 1 June – 31 May

### Income statement

EUR'000	Note	2018/19	2017/18
<b>Gross profit/loss</b>		457	-3
Staff costs	2	<u>-1,053</u>	<u>0</u>
<b>Operating loss</b>		-596	-3
Financial expenses	3	<u>-23</u>	<u>-14</u>
<b>Loss before tax</b>		-619	-17
Tax on profit/loss for the year		<u>102</u>	<u>11</u>
<b>Loss for the year</b>		<u>-517</u>	<u>-6</u>
<b>Proposed distribution of loss</b>			
Retained earnings		<u>-517</u>	<u>-6</u>
		<u>-517</u>	<u>-6</u>



## Financial statements 1 June – 31 May

### Balance sheet

EUR'000	Note	<u>31/5 2019</u>	<u>31/5 2018</u>
<b>ASSETS</b>			
<b>Current assets</b>			
<b>Inventories</b>			
Raw materials and consumables		14	0
Finished goods and goods for resale		<u>22</u>	<u>0</u>
		<u>36</u>	<u>0</u>
<b>Receivables</b>			
Trade receivables		628	0
Receivables from group entities		387	865
Other receivables		0	1
Joint taxation receivables		99	3
Prepayments		<u>4</u>	<u>0</u>
		<u>1,118</u>	<u>869</u>
<b>Cash at bank and in hand</b>		<u>16</u>	<u>0</u>
<b>Total current assets</b>		<u>1,170</u>	<u>869</u>
<b>TOTAL ASSETS</b>		<u><u>1,170</u></u>	<u><u>869</u></u>

## Financial statements 1 June – 31 May

### Balance sheet

EUR'000	Note	<u>31/5 2019</u>	<u>31/5 2018</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Contributed capital	4	269	269
Retained earnings		<u>80</u>	<u>597</u>
<b>Total equity</b>		<u>349</u>	<u>866</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade payables		317	0
Payables to group entities		102	0
Other payables		<u>402</u>	<u>3</u>
		<u>821</u>	<u>3</u>
<b>Total liabilities</b>		<u>821</u>	<u>3</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>1,170</u></u>	<u><u>869</u></u>

## Financial statements 1 June – 31 May

### Notes

#### 1 Accounting policies

The annual report of Cargill A/S for 2018/19 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

#### 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

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

#### 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.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts granted are recognised in revenue.

#### 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.

#### Other external costs

Other external costs comprise administrative expenses.

#### 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.

## Financial statements 1 June – 31 May

### Notes

#### 1 Accounting policies (continued)

##### Financial income and expenses

Financial income and expenses comprise interest income/expense, value adjustments and fees.

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

Tax for the year comprises current 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 at the amount attributable to the profit/loss for the year and directly in equity at the amount attributable to entries directly in equity.

The Company is jointly taxed with the Danish entities of the Cargill Group. The current Danish corporation tax is allocated between the jointly taxed Danish companies in proportion to their taxable income (full absorption with refunds for tax losses). This means that companies with tax losses receive refunds from the other jointly taxed companies.

##### 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.

Finished goods and work in progress are measured at cost, comprising the cost of raw materials, consumables, direct wages and salaries and indirect production overheads. Indirect production overheads comprise indirect materials and wages and salaries as well as the maintenance of depreciation of production machinery, buildings and equipment as well as factory administration and management. Borrowing costs are not included in cost.

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.

## Financial statements 1 June – 31 May

### Notes

#### 1 Accounting policies (continued)

##### Receivables

Receivables are measured at amortised cost.

##### Prepayments

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

##### Cash at bank and in hand

Cash comprises bank deposits.

##### Equity

###### *Dividends*

The expected dividends payment for the year is disclosed as a separate item under equity.

##### 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 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

Liabilities are measured at net realisable value.

## Financial statements 1 June – 31 May

### Notes

EUR'000	<u>2018/19</u>	<u>2017/18</u>
<b>2 Staff costs</b>		
Wages and salaries	901	0
Pensions	76	0
Other social security costs	10	0
Other staff costs	<u>66</u>	<u>0</u>
	<u>1,053</u>	<u>0</u>
Average number of full-time employees	<u>4</u>	<u>0</u>
<b>3 Financial expenses</b>		
Interest expense to group entities	18	14
Exchange losses	<u>5</u>	<u>0</u>
	<u>23</u>	<u>14</u>

### 4 Equity

The share capital consists of 2,001 shares of a nominal value of DKK 1,000 each, equivalent to EUR 269 thousand.

All shares rank equally.

### 5 Contractual obligations, contingencies, etc.

#### Contingent assets

The Company has a non-capitalised deferred tax asset of approx. EUR 712 thousand.

#### Contingent liabilities

The Company is jointly taxed with the Danish entities of the Cargill Group with Cargill Nordic A/S as the administrative company. The Company has unlimited joint and several liability for Danish corporation taxes and withholding taxes on dividends, interest and royalties under the joint taxation scheme.

### 6 Related party disclosures

#### Consolidated financial statements

Cargill A/S is part of the consolidated financial statements of Cargill Incorporated, Minneapolis, MN-55400, Minnesota, USA.