Fayrefield Foods A/S

Lysholt Allé 3, 2., DK-7100 Vejle

CVR no. 20 28 72 92

Annual report 2018

Approved at the Company's annual general meeting on 8 May 2019

Chairman:

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Leslie John Wright

Building a better
working world

Contents

Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Fayrefield Foods A/S for the financial year 1 January - 31 December 2018.

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

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Company at 31 December 2018 and of the results of the Group's and the Company's operations and of the consolidated cash flows for the financial year 1 January - 31 December 2018.

Further, in our opinion, the Management's review gives a fair review of the development in the Group's and the Company's operations and financial matters and the results of the Group's and the Company's operations and financial position.

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

Vejle, 8 May 2019
Executive Board:

Peter Nielsen

Jens Bruun Haugstrup

Board of Directors:

Leslie John Wright
Chairman

Peter Nielsen

Jens Bruun Haugstrup

David Neil McFarlane

Susanne Hougaard
Steffensen

Independent auditor's report

To the shareholders of Fayrefield Foods A/S

Opinion

We have audited the consolidated financial statements and the parent company financial statements of Fayrefield Foods A/S for the financial year 1 January - 31 December 2018, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for the Group and the Parent Company, and a consolidated cash flow statement. The consolidated financial statements and the parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2018, and of the results of the Group's and Parent Company's operations as well as the consolidated cash flows for the financial year 1 January - 31 December 2018 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 consolidated financial statements and the parent Company financial statements" (herinafter collectively referred to as "the financial statements") section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group 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.

Management's responsibilities for the financial statements

Management is responsible for the preparation of consolidated financial statements and parent company 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.

In preparing the financial statements, Management is responsible for assessing the Group's and the Parent 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 Group or the Parent 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 applicable in Denmark will always detect a material misstatement when it exists. 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 the 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:

Independent auditor's report

- Identify and assess the risks of material misstatement of the 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 Group's and the Parent 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 Group's and the Parent 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 Group and the Parent Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Independent auditor's report

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.

Horsens, 8 May 2019
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Morten Klarskov Larsen
State Authorised Public Accountant
mne32736

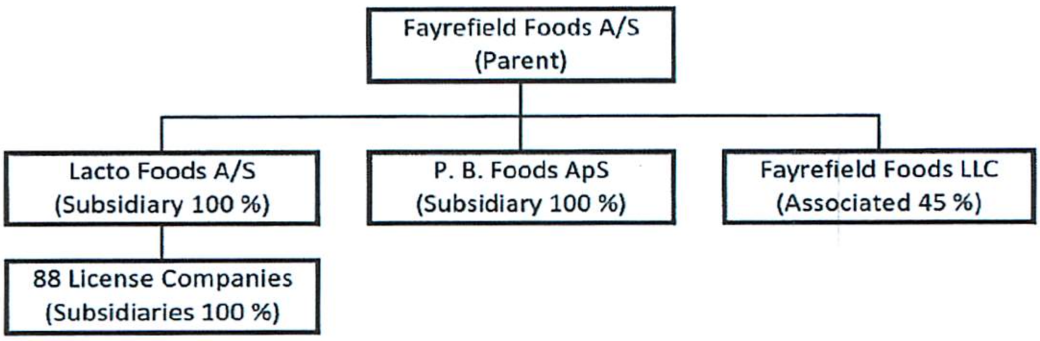
Management's review

Company details

Name	Fayrefield Foods A/S
Address, Postal code, City	Lysholt Allé 3, 2., DK-7100 Vejle
CVR no.	20 28 72 92
Established	1 August 1997
Registered office	Vejle
Financial year	1 January - 31 December
Website	www.fayrefield.dk
Telephone	+45 75 83 70 66
Board of Directors	Leslie John Wright, Chairman Peter Nielsen Jens Bruun Haugstrup David Neil McFarlane Susanne Hougaard Steffensen
Executive Board	Peter Nielsen Jens Bruun Haugstrup
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Holmboes Allé 12, 8700 Horsens, Denmark
Bankers	Sydbank A/S Kirketorvet 4, DK-7100Vejle

Management's review

Group chart



Financial highlights for the Group

DKK'000	2018	2017	2016	2015	2014
Key figures					
Revenue	1,125,957	1,060,403	548,049	391,971	581,329
Gross margin	57,209	48,922	31,932	21,329	30,465
Profit before interest, tax and amortisation of goodwill (EBITA)	25,130	25,600	15,497	8,641	16,877
Profit/loss for the year	11,827	18,170	10,044	4,909	10,482
Total assets	387,103	312,773	194,999	171,051	161,061
Equity	60,914	58,477	34,301	30,164	29,245
Cash flows from operating activities	-13,203	-54,497	21,980	-6,186	-18,474
Net cash flows from investing activities	-39,148	-5,753	-3,780	-5,079	-1,200
Cash flows from financing activities	52,604	58,366	-6,406	-5,301	-5,989
Financial ratios					
Operating margin	2.2%	2.4%	4.1%	2.9 %	3.9 %
Gross margin	5.1%	4.6%	5.8%	5.4%	5.2%
Equity ratio	15.7%	18.7%	17.6%	17.6%	18.2%
Return on equity	19.8%	39.2%	31.2%	16.5%	37.9%
Average number of employees	49	34	24	19	19

Financial ratios are calculated in accordance with the Danish Finance Society's recommendations on the calculation of financial ratios. For terms and definitions, please see the accounting policies.

The financial highlights for 2014 - 2016 only include financial highlights for parent company.

Management's review

Business review

As in previous years the main object of the Group and the parent company has been to conduct trading activities with goods and services primarily within the food industry.

Financial review

In 2018, the group's revenue amounted to DKK 1,125,957 thousand against DKK 1,060,403 thousand last year. The income statement for 2018 shows a profit of DKK 11,827 thousand against a profit of DKK 18,170 thousand last year, and the group's balance sheet at 31 December 2018 shows equity of DKK 60,914 thousand.

Management considers the Group's financial performance in the year satisfactory.

In 2017, Fayrefield Foods A/S took over the entire share capital in Lacto Foods A/S. In 2018, Fayrefield Foods A/S took over the entire share capital in P.B. Foods A/S.

Non-financial matters

Special risks

General risks

The most significant operating risks facing the group relate to its ability to be strongly positioned in the markets in which it buys and sells products.

Financial risks

Due to its operations, investments and financing, the group is exposed to changes in exchange rates and interest rates. It is the group's policy not to engage in active speculation in financial risks.Thus, the group's financial management activities are aimed only at managing risks already assumed.

Currency risks

The group's activities are affected by exchange rate fluctuations, as its revenue and cost of sales are primarily generated in foreign currency, whereas expenses, including wages and salaries are paid in DKK. The group's currency risks are primarily hedged through a distribution of income and expenses in the same currency and through financial instruments. In accordance with the policy approved by the Board of Directors, risks on recognised financial assets and liabilities are hedged by way of financial agreements. Hedging takes place using forward exchange contracts, which are to hedge minimum 80% of the risks. Loan transactions in foreign currency are hedged through interest swaps, based on an individual assessment.

Interest rate risks

The group's interest bearing debt, made up as mortgage debt and bank debt net of the group's portfolio of negotiable securities and cash balances, rose from DKK 138 million to DKK 200 million in the year. The is the group's policy to hedge interest rate risks on loans. Hedging is usually made by interest swaps under which floating rate loans are rescheduled into fixed rate counterparts.

Credit risks

The group's credit risks partly relate to financial assets and partly to derivative financial instruments with a positive fair value. Credit risks related to financial assets correspond to the value recognised in the statement of financial position.The group is not exposed to any significant risks relating to any particular customer or business partner. The group's policy in respect of credit risks implies that all major customers and other business partners are credit rated on an ongoing basis. Transactions with customers outside Denmark, except for immaterial agreements, are insured at Euler Hermes.

Management's review

Impact on the external environment

The group is environmentally conscious and constantly strives at reducing its environmental impact from its operations. The group has no formal policy for this. Although there is no formal policy we have agreed the following guidelines. Since, it is guidelines no actions to follow-up are tracked or compared.

Research and development activities

The Company does not carry on any particular R&D activities.

Statutory CSR report

Environment and Climate impact

We are planning in 2019 to continue our focus on how our core competencies can be used to make a difference for others who also work sustainably. Our ambition for our contribution to the environment and climate is to minimize resource use and optimise sustainable workflows.

In terms of negative impact on the environment and climate, we do not have significant major direct risks, as our production represents only a minor part of the total activity. However, we are aware of the lower risk of e.g. resource consumption, and therefore efforts are also made to deal with this, see below.

Less consumption

With the introduction of various digital alternatives and specific settings on our printers, we strive for less paper consumption. The effort to reduce paper consumption in 2018 has helped us to maintain the expected low consumption of paper. We are also working on energy optimization by, for example, minimizing resource use by continually replacing electronics, light bulbs, etc. to more environmentally correct alternatives.
As a result of the increased activity, the group has not realised a measurable effect of energy improvements.

Diversity policy

We are actively working to ensure that employee composition reflects the workforce in Denmark. The main areas of action to ensure diversity are recruitment and career development. Everyone, regardless of age, gender, ethnicity, nationality and sexual, political or religious orientation, is encouraged to apply for vacancies with us. We focus on inclusiveness, tolerance, respect for diversity, and do not tolerate discrimination. We want a workplace with high wellbeing and work to promote a good working environment.
There has been an employee meeting in August with a focus on well-being, etc. Follow-up to this will take place during 2019.

Bullying and harassment policy

As part of our focus on high well-being and promoting a good working environment at work, our employees can expect to be treated properly and respectfully. Harassment has been an important focus area for a long time in terms of wellbeing and working conditions.

Stress policy

Our stress policy must help to ensure knowledge of the concept of stress among all employees. We want to have dialogue and openness about stress so that the danger signals are detected and they are responded to before stress develops into a disease. In order to evaluate the impact of stress policy on an ongoing basis, it is important that stress is part of the discussion of the psychological working environment in connection with employee interviews.

Management's review

Human rights

A fundamental element of our social responsibility is the commitment to living the principles of human rights.

Our ambition is to support and respect the protection of internationally proclaimed human rights and to ensure that we do not contribute to the violation of human rights, including the right to privacy. Our ambition for our contribution to society is to take social responsibility through education and knowledge sharing and use core competencies to make a difference.
With our geographical location and business model, we do not consider that there are any particular risks regarding human rights, in addition to the protection of the circumstances of our own employees as described above and the right to privacy, which is addressed by our GDPR policy.
In 2018, a GPDR procedure was designed. No breaches of the group's GDPR policies were observed during the year.

Anti-corruption and bribery

Our Code of ethics expresses our expectations of our and our employees' ethical behavior and establishes the framework for our dialogue with business relations and other stakeholders. The aim is to ensure the highest possible integrity. The group is aware of its exposure to corruption and bribery as some of the group's clients and partners operates in areas with a risk of corruption and bribery. As a consequence, we have a zero-tolerance policy against bribery and corruption, and we conduct business honestly and ethically. Our clients and partners must always be able to rely on us to act fairly and ethically. Ethical conduct is essential to our success.
All new employees in 2018 were introduced and trained in the group's anti-corruption policies.
No breaches of the group's anti-corruption policy were observed during the year.

Account of the gender composition of Management

The group is owner managed and therefore the Board of Directors is composed of owner representatives. The Board of Directors in the Company has set a target figure of 15% for the underrepresented gender on the Board of Directors. For the time being, the underrepresented gender makes up 20% of the members of the Board of Directors elected at the general meeting.

The Board of Directors currently consists of 5 members of mixed gender.

Since the group employs less than 50 people, no policies for increasing the level of the underrepresented gender in managerial positions have been developed.

Events after the balance sheet date

No events materially affecting the Group's and the Company's financial position have occurred subsequent to the financial year-end.

Outlook

It is the opinion of the management that the positive development within the group's main activity may be retained for the coming year. Thus, the management foresees that the level of activities and income in the coming year will be at the same level as in the current year.

Cash generated from operations in 2019 is expected to be positive as a result of the expected profit growth. However, total cash generated from operations is expected to be neutral, since significant investments in new productive capacity are planned to be made in 2019.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Income statement

		Group		Parent company	
Note	DKK'000	2018	2017	2018	2017
2	Revenue	1,125,957	1,060,403	940,362	797,280
	Raw materials and consumables	-1,059,505	-1,004,782	-890,514	-753,718
	Other external expenses	-9,243	-6,699	-6,889	-4,382
	Gross margin	57,209	48,922	42,959	39,180
3	Staff costs	-28,056	-21,514	-22,176	-20,113
	Amortisation/ depreciation and impairment of intangible assets and property, plant and equipment	-4,023	-1,809	-1,780	-1,477
	Other operating expenses	0	-25	0	-25
	Profit before net financials	25,130	25,574	19,003	17,565
	Income from investments in group enterprises	0	0	3,947	5,638
	Income from investments in associates	44	0	44	0
	Financial income	46	2,679	34	2,679
	Financial expenses	-9,615	-4,879	-8,926	-4,148
	Profit before tax	15,605	23,374	14,102	21,734
4	Tax for the year	-3,778	-5,204	-2,275	-3,564
	Profit for the year	11,827	18,170	11,827	18,170

Consolidated financial statements and parent company financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	Group 2018	Group 2017	Parent company 2018	Parent company 2017
	ASSETS				
	Fixed assets				
5	Intangible assets				
	Goodwill	12,152	1,350	0	0
		12,152	1,350	0	0
6	Property, plant and equipment				
	Land and buildings	31,208	14,952	14,919	14,952
	Fixtures and fittings, other plant and equipment	8,572	7,110	7,439	7,110
	Property, plant and equipment under construction	4,988	0	0	0
		44,768	22,062	22,358	22,062
7	Investments				
	Investments in group enterprises	0	0	58,299	26,312
	Investments in associates	1,511	0	1,511	0
	Other receivables	261	218	261	218
		1,772	218	60,071	26,530
	Total fixed assets	58,692	23,630	82,429	48,592
	Non-fixed assets				
	Inventories				
	Raw materials and consumables	109,350	117,362	109,350	117,362
	Finished goods and goods for resale	31,031	29,932	0	0
	Prepayments for goods	5,480	0	5,480	0
		145,861	147,294	114,830	117,362
	Receivables				
	Trade receivables	178,606	137,566	164,361	126,741
	Receivables from group enterprises	0	0	0	2,690
	Receivables from associates	631	0	631	0
	Other receivables	2,777	3,217	2,706	1,021
	Prepayments	224	1,007	7	435
		182,238	141,790	167,705	130,887
	Securities and investments	31	50	31	50
	Cash	281	9	6	0
	Total non-fixed assets	328,411	289,143	282,572	248,299
	TOTAL ASSETS	387,103	312,773	365,001	296,891

Consolidated financial statements and parent company financial statements 1 January - 31 December

Balance sheet

		Group		Parent company	
Note	DKK'000	2018	2017	2018	2017
	EQUITY AND LIABILITIES				
	Equity				
8	Share capital	5,000	5,000	5,000	5,000
	Retained earnings	55,914	53,477	55,914	53,477
	Total equity	60,914	58,477	60,914	58,477
	Provisions				
9	Deferred tax	4,500	1,134	1,091	1,035
	Total provisions	4,500	1,134	1,091	1,035
	Liabilities other than provisions				
10	Non-current liabilities other than provisions				
	Mortgage debt	125	207	125	207
	Lease liabilities	762	1,166	762	1,166
		887	1,373	887	1,373
	Current liabilities other than provisions				
10	Short-term part of long-term liabilities other than provisions	482	469	482	469
	Bank debt	198,459	136,297	191,802	122,898
	Trade payables	104,874	106,879	91,553	102,757
	Payables to group enterprises	0	0	13,315	4,439
	Payables to associates	761	0	761	0
	Corporation tax payable	2,558	3,771	866	2,121
	Other payables	13,668	4,373	3,330	3,322
		320,802	251,789	302,109	236,006
	Total liabilities other than provisions	321,689	253,162	302,996	237,379
	TOTAL EQUITY AND LIABILITIES	387,103	312,773	365,001	296,891

1 Accounting policies
11 Contractual obligations and contingencies, etc.
12 Collateral
13 Related parties
14 Fee to the auditors appointed by the Company in general meeting

Consolidated financial statements and parent company financial statements 1 January - 31 December

Statement of changes in equity

Note	DKK'000	Group Share capital	Group Retained earnings	Group Total
	Equity at 1 January 2017	5,000	29,300	34,300
	Transfer through appropriation of profit	0	18,170	18,170
	Adjustment of hedging instruments at fair value	0	808	808
	Sale of treasury shares	0	5,798	5,798
	Proposed extraordinary dividend recognised under equity	0	-599	-599
	Equity at 1 January 2018	5,000	53,477	58,477
	Transfer through appropriation of profit	0	11,827	11,827
	Other value adjustments of equity	0	90	90
	Adjustment of hedging instruments at fair value	0	-395	-395
	Proposed extraordinary dividend recognised under equity	0	-9,085	-9,085
	Equity at 31 December 2018	5,000	55,914	60,914

Note	DKK'000	Parent company Share capital	Parent company Retained earnings	Parent company Total
	Equity at 1 January 2017	5,000	29,300	34,300
15	Transfer, see "Appropriation of profit"	0	18,170	18,170
	Adjustment of hedging instruments at fair value	0	633	633
	Profit/loss in subsidiaries	0	175	175
	Sale of treasury shares	0	5,798	5,798
	Proposed extraordinary dividend recognised under equity	0	-599	-599
	Equity at 1 January 2018	5,000	53,477	58,477
15	Transfer, see "Appropriation of profit"	0	11,827	11,827
	Other value adjustments of equity	0	90	90
	Adjustment of hedging instruments at fair value	0	-395	-395
	Proposed extraordinary dividend recognised under equity	0	-9,085	-9,085
	Equity at 31 December 2018	5,000	55,914	60,914

Consolidated financial statements and parent company financial statements 1 January - 31 December

Cash flow statement

		Group		Parent company	
Note	DKK'000	2018	2017	2018	2017
	Profit for the year	11,827	18,170	11,827	18,170
16	Adjustments	17,326	9,213	8,956	872
	Cash generated from operations (operating activities)	29,153	27,383	20,783	19,042
17	Changes in working capital	-28,119	-76,659	-37,119	-36,491
	Cash generated from operations (operating activities)	1,034	-49,276	-16,336	-17,449
	Interest received, etc.	46	2,679	34	2,679
	Interest paid, etc.	-8,847	-4,879	-8,158	-4,148
	Taxes paid	-5,436	-3,021	-3,364	-2,762
	Other cash flows from operating activities	0	0	0	19
	Cash flows from operating activities	-13,203	-54,497	-27,824	-21,661
	Additions of property, plant and equipment	-7,564	-4,834	-2,076	-4,834
	Sales of property, plant and equipment	0	581	0	135
	Purchase of financial assets	-31,584	-1,500	-29,460	-20,500
	Cash flows to investing activities	-39,148	-5,753	-31,536	-25,199
	Dividends paid	-9,085	-599	-9,085	-599
	Proceeds of bank debt, net	62,162	53,630	68,904	40,231
	Repayments, long-term liabilities	-473	-463	-472	-463
	Sale of treasury shares	0	5,798	0	5,798
	Cash flows from financing activities	52,604	58,366	59,347	44,967
	Net cash flow	253	-1,884	-13	-1,893
	Cash and cash equivalents at 1 January	59	1,943	50	1,943
18	Cash and cash equivalents at 31 December	312	59	37	50

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Fayrefield Foods A/S for 2018 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to large reporting class C entities.

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

Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

Consolidated financial statements

Control

The consolidated financial statements comprise the Parent Company and subsidiaries controlled by the Parent Company.

Control means a parent company's power to direct a subsidiary's financial and operating policy decisions. Besides the above power, the parent company should also be able to yield a return from its investment.

In assessing if the parent company controls an entity, de facto control is taken into consideration as well.

The existence of potential voting rights which may currently be exercised or converted into additional voting rights is considered when assessing if an entity can become empowered to direct another entity's financial and operating decisions.

Significant influence

Entities over whose financial and operating policy decisions the group exercises significant influence are classified as associates. Significant influence is assumed to exist if the Parent Company directly or indirectly holds or controls 20% or more of the voting power of the investee, but does not control the investee.

The existence of potential voting rights which may presently be exercised or be converted into additional voting rights in considered when assessing if significant influence exists.

Preparation of consolidated financial statements

The consolidated financial statements are prepared as a consolidation of the parent company's and the individual subsidiaries' financial statements, which are prepared according to the group's accounting policies. On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends, and realised and unrealised gains on intra-group transactions are eliminated. Unrealised gains on transactions with associates are eliminated in proportion to the group's interest in the entity. Unrealised losses are eliminated in the same way as unrealised gains if they do not reflect impairment.

In the consolidated financial statements, the accounting items of subsidiaries are recognised in full. Non-controlling interests' share of the profit/loss for the year and of the equity of subsidiaries which are not wholly-owned are included in the group's profit/loss and equity, respectively, but are disclosed separately.

Acquisitions and disposals of non-controlling interests which are still controlled are recognised directly in equity as a transaction between shareholders.

Investments in associates are recognised in the consolidated financial statements using the equity method.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

External business combinations

Recently acquired entities are recognised in the consolidated financial statements from the date of acquisition. Comparative figures are not restated to reflect newly acquired entities.

The date of acquisition is the date when the group actually obtains control of the acquiree.

The acquisition method is applied to the acquisition of new entities of which the group obtains control. The acquirees' identifiable assets, liabilities and contingent liabilities are measured at fair value at the date of acquisition. Identifiable intangible assets are recognised if they are separable or arise from a contractual right. Deferred tax related to the revaluations is recognised.

Positive differences (goodwill) between, on the one hand, the consideration for the acquiree, the value of non-controlling interests in the acquired entity and the fair value of any previously acquired equity investments and, on the other hand, the fair value of the assets, liabilities and contingent liabilities acquired are recognised as goodwill under "Intangible assets". Goodwill is amortised on a straight-line basis in the income statement based on an individual assessment of the economic life of the asset.

Upon acquisition, goodwill is allocated to the cash-generating units, which subsequently form the basis for impairment testing.

The consideration paid for an entity consists of the fair value of the agreed consideration in the form of assets transferred, liabilities assumed and equity instruments issued. Subsequent adjustments of contingent considerations are recognised in the income statement.

Expenses incurred to acquire entities are recognised in the income statement in the year in which they are incurred.

Where, at the date of acquisition, the identification or measurement of acquired assets, liabilities or contingent liabilities or the determination of the consideration is associated with uncertainty, initial recognition will take place on the basis of provisional amounts. If it turns out subsequently that the identification or measurement of the consideration transferred, acquired assets, liabilities or contingent liabilities was incorrect on initial recognition, the statement will be adjusted retrospectively, including goodwill, until 12 months after the acquisition, and comparative figures will be restated. Hereafter, any adjustments are recognised as misstatements.

Gains or losses from disposal of subsidiaries which result in loss of control are calculated as the difference between, on the one hand, the fair value of the selling price less selling expenses and, on the other hand, the carrying amount of net assets.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate 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 and payables and other monetary items denominated in foreign currencies are translated at the exchange rate 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 most recent financial statements is recognised in the income statement as financial income or financial expenses.

Derivative financial instruments

On initial recognition, derivative financial instruments are recognised at cost in the balance sheet and are subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are included in "Other receivables" and "Other payables", respectively.

Notes to the financial statements

1 Accounting policies (continued)

Fair value adjustments of derivative financial instruments designated as and qualifying for hedging of future assets or liabilities are recognised in other receivables or other payables, respectively, and in equity. If the hedged forecast transaction results in the recognition of assets or liabilities, amounts previously recognised in equity are transferred to the cost of the asset or liability, respectively. If the hedged forecast transaction results in income or expenses, amounts previously deferred in equity are transferred to the income statement in the period in which the hedged item affects the profit/loss for the year.

Leases

The Company has chosen IAS 17 as interpretation for classification and recognition of leases.

On initial recognition, leases for assets that transfer substantially all the risks and rewards incident to the ownership to the Company (finance leases) are measured in the balance sheet at the lower of fair value and the present value of the future lease payments. In calculating the net present value, the interest rate implicit in the lease or the incremental borrowing rate is used as the discount factor. Assets held under finance leases are subsequently accounted for in the same way as the Company's other assets.

The capitalised residual lease liability is recognised in the balance sheet as a liability, and the interest element of the lease payment is recognised in the income statement over the term of the lease.

Leases that do not transfer substantially all the risks and rewards incident to the ownership to the Company are classified as operating leases. Payments relating to operating leases and any other rent agreements are recognised in the income statement over the term of the lease. The Company's aggregate liabilities relating to operating leases and other rent agreements are disclosed under "Contingent liabilities".

Income statement

Revenue

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Income from the sale of goods for resale and finished goods, including cheese and other products, is recognised in revenue when the most significant rewards and risks have been transferred to the buyer and provided the income can be measured reliably and payment is expected to be received.

Other operating expenses

Other operating expenses comprise items of a secondary nature relative to the Company's core activities, including losses on the sale of fixed assets.

Raw materials and consumables, etc.

Raw materials and consumables include expenses relating to raw materials and consumables used in generating the year's revenue.

Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Amortisation/depreciation and impairment

The item comprises amortisation/depreciation and impairment of intangible assets and property, plant and equipment.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Land and buildings	30-40 years
Fixtures and fittings, other plant and equipment	3-10 years

The residual value is determined at the time of acquisition and are reassessed every year. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised. In case of changes in the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Profit from investments in subsidiaries and associates

A proportionate share of the underlying entities' profit/loss after tax is recognised in the income statement according to the equity method. Shares of profit/loss after tax in subsidiaries and associates are presented as separate line items in the income statement. Full elimination of intra-group gains/losses is made for equity investments in subsidiaries. Only proportionate elimination of intra-group gains/losses is made for equity investments in associates.

The proportionate share of the individual subsidiaries' profit/loss after tax after full elimination of internal gains/losses are recognised in the parent company's income statement.

The item includes dividend received from subsidiaries and associates.

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Tax

The parent company is covered by the Danish rules on mandatory joint taxation of the Group's Danish subsidiaries. Subsidiaries are included in the joint taxation arrangement from the date at which they are included in the consolidated financial statements and up to the date when they are no longer consolidated.

The parent company acts as management company for the joint taxation arrangement and consequently settles all corporate income tax payments with the tax authorities.

On payment of joint taxation contributions, the Danish corporate income tax charge is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use the tax losses to reduce their own taxable income.

Tax for the year, which comprises the current income tax charge, joint taxation contributions and deferred tax adjustments, including adjustments arising from changes in tax rates, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Balance sheet

Intangible assets

Goodwill is amortised over the expected economic life of the asset, measured by reference to Management's experience in the individual business segments. Goodwill is amortised on a straight-line basis over the amortisation period, which is 10 years. The goodwill is related to the acquisition of Lacto Foods A/S and P.B. Foods ApS. Taking into consideration Lacto Foods A/S' and P.B. Foods ApS' market positions, Management has assessed that goodwill should be amortised over 10 years.

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses.

Investments in subsidiaries and associates

Equity investments in subsidiaries and associates are measured according to the equity method. Equity investments in joint ventures are also measured according to the equity method in the consolidated financial statements.

On initial recognition, equity investments in subsidiaries and associates are measured at cost, i.e. plus transaction costs. The cost is allocated in accordance with the acquisition method; see the accounting policies regarding business combinations.

The cost is adjusted by shares of profit/loss after tax calculated in accordance with the Group's accounting policies less or plus unrealised intra-group gains/losses.

Identified increases in value and goodwill, if any, compared to the underlying entity's net asset value are amortised in accordance with the accounting policies for the assets and liabilities to which they can be attributed. Negative goodwill is recognised in the income statement.

Goodwill is amortised on a straight line basis of 10 years.

Dividend received is deduced from the carrying amount.

Equity investments in subsidiaries and associates measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

Other securities and investments

Securities which the Company intends to hold to maturity are measured at amortised cost, using the effective interest rate method at the date of acquisition. Value adjustments are recognised in the income statement under "Net financials".

Securities and investments consisting of listed shares and bonds are measured at fair value (market price) at the balance sheet date. Investments not admitted to trading on an active market are measured at cost.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments in subsidiaries and associates is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

Receivables

Receivables are measured at amortised cost.

The Company has chosen IAS 39 as interpretation for impairment of financial receivables.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected 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.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Securities and investments

Securities and investments consisting in listed shares and bonds are measured at fair value (market price) at the balance sheet date. Investments not admitted to trading on an active market are measured at cost.

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Notes to the financial statements

1 Accounting policies (continued)

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to 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. Deferred tax assets are recognised at the expected value of their utilisation; 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. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

Lease liabilities

Lease liabilities are measured at the net present value of the remaining lease payments including any guaranteed residual value based on the interest rate implicit in the lease.

Cash flow statement

The cash flow statement shows the Company's net cash flows broken down according to operating, investing and financing activities, the year's changes in cash and cash equivalents as well as the cash and cash equivalents at the beginning and the end of the year.

Cash flows from operating activities are calculated as the profit/loss for the year adjusted for non cash operating items, changes in working capital and paid corporate income tax.

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of entities and activities and of intangible assets, property, plant and equipment and investments.

Cash flows from financing activities comprise changes in the size or composition of the Company's share capital and related expenses as well as raising of loans, repayment of interest bearing debt and payment of dividends to shareholders.

Cash and cash equivalents comprise cash, short term bank loans and short term securities which are readily convertible into cash and which are subject only to insignificant risks of changes in value.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Financial ratios

The financial ratios stated under "Financial highlights" have been calculated as follows:

Operating margin	$\frac{\text{Operating profit (EBIT) x 100}}{\text{Revenue}}$
Gross margin ratio	$\frac{\text{Gross margin x 100}}{\text{Revenue}}$
Equity ratio	$\frac{\text{Equity, year-end x 100}}{\text{Total equity and liabilities, year-end}}$
Return on equity	$\frac{\text{Profit/loss for the year after tax x 100}}{\text{Average equity}}$

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

		Group		Parent company	
	DKK'000	2018	2017	2018	2017
2	Segment information				
	Breakdown of revenue by business segment:				
	Cheese	444,197	234,745	257,287	106,815
	Powder	287,694	304,366	287,694	304,366
	Export	394,066	521,292	395,381	386,099
		1,125,957	1,060,403	940,362	797,280
	Breakdown of revenue by geographical segment:				
	Scandinavia	361,380	283,820	264,869	283,820
	Europe - outside Scandinavia	339,917	408,073	267,596	144,801
	Other	424,660	368,510	407,897	368,659
		1,125,957	1,060,403	940,362	797,280

		Group		Parent company	
	DKK'000	2018	2017	2018	2017
3	Staff costs				
	Wages/salaries	24,339	19,307	19,552	18,252
	Pensions	2,641	1,427	1,842	1,168
	Other social security costs	509	229	249	210
	Other staff costs	567	551	533	483
		28,056	21,514	22,176	20,113

Total remuneration to Management : DKK 5,599 thousand (2017: DKK 5,193 thousand).

	Group		Parent company	
	2018	2017	2018	2017
Average number of full-time employees	49	34	36	30

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

DKK'000	Group 2018	Group 2017	Parent company 2018	Parent company 2017
4 Tax for the year				
Estimated tax charge for the year	3,912	4,960	2,220	3,359
Deferred tax adjustments in the year	-134	244	55	205
	3,778	5,204	2,275	3,564

5 Intangible assets

DKK'000	Group Goodwill
Cost at 1 January 2018	1,500
Additions through business combinations	12,169
Cost at 31 December 2018	13,669
Impairment losses and amortisation at 1 January 2018	150
Amortisation for the year	1,367
Impairment losses and amortisation at 31 December 2018	1,517
Carrying amount at 31 December 2018	12,152

6 Property, plant and equipment

DKK'000	Group: Land and buildings	Group: Fixtures and fittings, other plant and equipment	Group: Property, plant and equipment under construction	Total
Cost at 1 January 2018	18,914	15,163	0	34,077
Additions on corporate acquisition	17,000	797	0	17,797
Additions	520	2,056	4,988	7,564
Cost at 31 December 2018	36,434	18,016	4,988	59,438
Impairment losses and depreciation at 1 January 2018	3,962	8,053	0	12,015
Depreciation	1,264	1,391	0	2,655
Impairment losses and depreciation at 31 December 2018	5,226	9,444	0	14,670
Carrying amount at 31 December 2018	31,208	8,572	4,988	44,768
Property, plant and equipment include finance leases with a carrying amount totalling	0	1,814	0	1,814

Note 12 provides more details on security for loans, etc. as regards property, plant and equipment.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

	Parent company		
DKK'000	Land and buildings	Fixtures and fittings, other plant and equipment	Total
Cost at 1 January 2018	18,914	14,287	33,201
Additions	520	1,556	2,076
Cost at 31 December 2018	19,434	15,843	35,277
Impairment losses and depreciation at 1 January 2018	3,962	7,177	11,139
Depreciation	553	1,227	1,780
Impairment losses and depreciation at 31 December 2018	4,515	8,404	12,919
Carrying amount at 31 December 2018	14,919	7,439	22,358
Property, plant and equipment include finance leases with a carrying amount totalling	0	1,814	1,814

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

7 Investments

DKK'000	Group		
	Investments in associates	Other receivables	Total
Cost at 1 January 2018	0	218	218
Additions	1,377	43	1,420
Cost at 31 December 2018	1,377	261	1,638
Foreign exchange adjustments	90	0	90
Profit/loss for the year	44	0	44
Value adjustments at 31 December 2018	134	0	134
Carrying amount at 31 December 2018	1,511	261	1,772

DKK'000	Parent company			
	Investments in group enterprises	Investments in associates	Other receivables	Total
Cost at 1 January 2018	20,500	0	218	20,718
Additions	34,002	1,377	43	35,422
Cost at 31 December 2018	54,502	1,377	261	56,140
Value adjustments at 1 January 2018	5,812	0	0	5,812
Foreign exchange adjustments	0	90	0	90
Dividend received	-5,962	0	0	-5,962
Profit/loss for the year	3,947	44	0	3,991
Value adjustments at 31 December 2018	3,797	134	0	3,931
Carrying amount at 31 December 2018	58,299	1,511	261	60,071

Group goodwill totals DKK 12,152 thousand.

Parent company

Name	Domicile	Interest	Equity DKK'000	Profit/loss DKK'000
Subsidiaries				
Lacto Foods A/S	Vejle	100.00%	19,063	63
P.B. Foods ApS	Assens	100.00%	15,566	7,196
Associates				
Fayrefield Foods LLC	Chapel Hill, USA	45.00%	3,358	98

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Notes to the financial statements

8 Share capital

Analysis of changes in the share capital over the past 5 years:

DKK'000	2018	2017	2016	2015	2014
Opening balance	5,000	5,000	5,000	5,000	5,000
	5,000	5,000	5,000	5,000	5,000

9 Deferred tax

	Group		Parent company	
DKK'000	2018	2017	2018	2017
Deferred tax at 1 January	1,134	0	1,035	0
Additions on acquisition	3,500	0	0	0
Other deferred tax	-134	1,134	56	1,035
Deferred tax at 31 December	4,500	1,134	1,091	1,035

The provision for deferred tax primarily relates to timing differences in respect of intangible assets and property, plant and equipment.

10 Non-current liabilities other than provisions

	Group			
DKK'000	Total debt at 31/12 2018	Repayment, next year	Long-term portion	Outstanding debt after 5 years
Mortgage debt	203	78	125	0
Lease liabilities	1,166	404	762	0
	1,369	482	887	0

	Parent company			
DKK'000	Total debt at 31/12 2018	Repayment, next year	Long-term portion	Outstanding debt after 5 years
Mortgage debt	203	78	125	0
Lease liabilities	1,166	404	762	0
	1,369	482	887	0

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

11 Contractual obligations and contingencies, etc.

Other contingent liabilities

	Group		Parent company	
DKK'000	2018	2017	2018	2017
Other contingent liabilities	307,280	11,087	0	0
	307,280	11,087	0	0

Parent company

As management company, the Company is jointly taxed with other Danish group entities. Together with other jointly taxed group entities, the Company has jointly and several liability for the payment of income taxes in the income year 2017 and withholding taxes falling due for payment on or after 1 January 2017 in the group of jointly taxed entities.

12 Collateral

Group

As security for debt to mortgage bankcredit institutions, the group has provided security or other collateral in its assets for a total amount of t.DKK 100,000. The total carrying amount of these assets is t.DKK 290,254. Breakdown of the security/collateral and the carrying amount:

Trade receivables at a carrying amount of t.DKK 175,589 at 31 December 2018, inventory at a carrying amount of t.DKK 109,040 and operating equipment at a carrying amount of t.DKK 5,625 at 31 December 2018 have been put up as security for debt to mortgage credit institutions, totalling t.DKK 198,460.

A company charge on the assets at a carrying amount of t.DKK 100,000 at 31 December 2018 has been put up as security for debt to mortgage credit institutions, totalling t.DKK 198,460.

Other:

Land and buildings at a carrying amount of t.DKK 14,919 at 31 December 2018 have been put up as security for debt to mortgage credit institutions, totalling t.DKK 203.

In security of engagement with bank the group has pledged a mortgage deed registered to the mortgage of t.DKK 2,200 with security in land register num 7 f Rostrup By, Rostrup, Rostrup Byvej 3, DK-9510 Arden.

Parent company

As security for the debt to mortgage bankcredit institutions, the company has provided security or other collateral in its assets for a total amount of t.DKK 100,000. The total carrying amount of these assets is t.DKK 279,026. Breakdown of the security/collateral and the carrying amount:

Trade receivables at a carrying amount of t.DKK 164,361 at 31 December 2018, inventory at a carrying amount of t.DKK 109,350 and operating equipment at a carrying amount of t.DKK 5,625 at 31 December 2018 have been put up as security for debt to mortgage credit institutions, totalling t.DKK 191,802.

A company charge on the Company's assets at a carrying amount of t.DKK 100,000 at 31 December 2018 has been put up as security for debt to mortgage credit institutions, totalling t.DKK 191,802.

Other:

Land and buildings at a carrying amount of t.DKK 14,919 at 31 December 2018 have been put up as security for debt to mortgage credit institutions, totalling t.DKK 203.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

In security of engagement with bank the Company has pledged a mortgage deed registered to the mortgage of t.DKK 2,200 with security in land register num 7 f Rostrup By, Rostrup, Rostrup Byvej 3, DK-9510 Arden.

13 Related parties

Group

Fayrefield Foods A/S' related parties comprise the following:

Parties exercising control

Related party	Domicile	Basis for control
Fayrefield Foods Ltd., UK		Shareholder
Nielsen & Steffensen Invest ApS		Shareholder
Jens Haugstrup Holding ApS		Shareholder
Leslie John Wright		Member of the supervisory board
Jens Bruun Haugstrup		Board member and managing director
Peter Nielsen		Board member and managing director
David Neil McFarlane		Member of the supervisory board
Susanne Hougaard Steffensen		Member of the supervisory board

Related party transactions

The Company solely discloses related party transactions that have not been carried out on an arm's length basis, cf. section 98c(7) of the Danish Financial Statements Act.

All transactions have been carried out on an arm's length basis.

	Group	
DKK'000	2018	2017
14 Fee to the auditors appointed by the Company in general meeting		
Total fees to EY	219	153
Statutory audit	150	124
Other assistance	69	29
	219	153

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Notes to the financial statements

	DKK'000	Parent company 2018	Parent company 2017
15	Appropriation of profit		
	Recommended appropriation of profit		
	Extraordinary dividend distributed in the year	9,085	599
	Retained earnings	2,742	17,571
		11,827	18,170

	DKK'000	Group 2018	Group 2017	Parent company 2018	Parent company 2017
16	Adjustments				
	Amortisation/depreciation and impairment losses	4,023	1,659	1,780	1,477
	Income from investments in group entities/associates	-44	150	-3,991	-5,638
	Financial income	-46	-2,679	-34	-2,679
	Financial expenses	9,615	4,879	8,926	4,148
	Tax for the year	3,778	5,204	2,275	3,564
		17,326	9,213	8,956	872
17	Changes in working capital				
	Change in inventories	3,738	-64,355	2,532	-34,423
	Change in receivables	-35,785	-50,752	-44,040	-39,849
	Change in trade and other payables	3,928	38,448	4,389	37,781
		-28,119	-76,659	-37,119	-36,491
18	Cash and cash equivalents at year-end				
	Cash according to the balance sheet	281	9	6	0
	Securities included as cash and cash equivalents	31	50	31	50
		312	59	37	50