THOMSEN
FOOD LINE A/S

Thomsen Food Line A/S

P.O. Pedersens Vej 14, 8200 Aarhus N, Denmark

CVR no. 28 11 40 01

Annual report 2017

Approved at the Company's annual general meeting on 30 May 2018

Chairman:

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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 Thomsen Food Line A/S for the financial year 1 January - 31 December 2017.

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

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2017 and of the results of the Company's operations for the financial year 1 January - 31 December 2017.

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

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

Aarhus, 30 May 2018
Executive Board:

Steffen U. Petersen

Board of Directors:

Lars Brinkmann Chairman	Niels Thomsen	Jens Ole Thomsen

Steffen U. Petersen

Independent auditor's report

To the shareholders of Thomsen Food Line A/S

Opinion

We have audited the financial statements of Thomsen Food Line A/S for the financial year 1 January - 31 December 2017, which comprise 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 financial position of the Company at 31 December 2017 and of the results of the Company's operations for the financial year 1 January - 31 December 2017 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 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 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.

Management's responsibilities 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 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 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 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:

- 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

Independent auditor's report

- 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 note 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 Statement Act. We did not identify any material misstatement of the Management's review.

Aabenraa, 30 May 2018
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Jon Midtgaard
State Authorised Public Accountant
MNE no.: mne28657

Management's review

Company details

Name	Thomsen Food Line A/S
Address, Postal code, City	P.O. Pedersens Vej 14, 8200 Aarhus N, Denmark
CVR no.	28 11 40 01
Established	23 September 2004
Registered office	Aarhus
Financial year	1 January - 31 December
Telephone	+45 86 18 61 00
Board of Directors	Lars Brinkmann, Chairman Niels Thomsen Jens Ole Thomsen Steffen U. Petersen
Executive Board	Steffen U. Petersen
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Skibbroen 16, 6200 Aabenraa, Denmark
Bankers	Danske Bank Havneparken 3, 7100 Vejle

Management's review

Financial highlights

DKK'000	2017	2016	2015	2014	2013
Key figures					
Revenue	408,890	663,387	541,117	570,708	373,573
Gross margin	7,310	14,889	12,545	13,975	9,376
Operating profit/loss	-456	6,759	4,982	7,349	3,314
Net financials	-968	-951	-1,397	-1,034	-808
Profit/loss for the year	**-1,348**	**4,099**	**2,659**	**4,655**	**1,859**
Total assets	53,001	59,286	82,176	74,691	46,475
Equity	**14,684**	**15,892**	**12,440**	**12,332**	**8,938**
Financial ratios					
Gross margin	1.8%	2.2%	2.3%	2.4%	2.5%
EBITDA-margin	-0.1%	1.0%	1.0%	1.3%	0.9%
Current ratio	140.0%	134.4%	116.2%	118.6%	122.4%
Solvency ratio	27.7%	26.8%	15.1%	16.5%	19.2%
Return on equity	-8.8%	28.9%	21.5%	43.8%	22.2%
Average number of employees	**10**	**11**	**10**	**10**	**10**

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.

Management's review

Business review

In line with last year, the Company's principal activities comprise trading in foodstuffs, primarily pork, beef and poultry products. The principal activities generally comprise the following areas:

- World Wide Trading: International bulk trading of products on the world market to Asia, Europe, Russia, Africa and Middle East.
- Industrial Sales: Sale of bulk products for industrial processing on the Scandinavian market.
- Food Service Sales: Sale of manufactured products for the Scandinavian Food Service and catering market.

Unusual matters having affected the financial statements

Financial year 2017 has been influenced by special items that management believes are not part of the company's ordinary activities. In financial year 2017 Thomsen Food Line A/S entered into sales contracts with a customer in China. However, the customer was not able to fulfill its responsibilities according to the contracts and goods in transit were held back. The company has suffered cost related to demurrage and storage of the goods in question and suffered losses when selling the goods to other side at lower market prices. In total, costs due to this special item amounts to DKK 2,120 thousand.

Financial review

Revenue for the year amounted to DKK 408.9 million against DKK 498 million in budget for the year. The shortfall to the budget was caused by unexpected loss of a major and significant supplier. Profit for the year before tax amounted to DKK -1,643 thousand against DKK 5,400 thousand last year. The result is influenced significant by special items that are not expected to ocur in coming years. Management considers the loss for the year unsatisfactory.

The Company has foreign branch office in Brazil and China and a subsidiary in Singapore.

Special risks

Due to its activities, the Company is exposed to a number of risks. The Company actively strives at reducing it's risks to acceptable levels, see below.

Price risks:

The Company's utilisation of foodstuffs, such as goods for resale, means that the Company is affected by price fluctuations on inventories and proprietary trading. The Company is only to a limited extent stock-keeping and primarily in relation to activities with regular cooperators. With regard to trading, it is company policy not to speculate in open purchase and sales transactions, however short term open purchase transactions cannot be avoided in today's trading market.

Credit risks:

Based on a specific credit rating, the Company grants credit to selected customers. It is company policy to credit insure customers to whom credit is granted. Customers that cannot be credit insured are required to place partial prepayment before trading commences.

Foreign currency risks:

Prompted by activities abroad, profit, cash flows and equity are affected by the foreign exchange development for a number of currencies. It is company policy to hedge commercial currency risks. Hedging is primarily made via currency forward contracts to hedge sales and purchases as from the date of order. Speculative currency forward contracts are not made.

Interest rate risks:

Moderate changes in the interest rate level will not have any significant, direct effect on earnings. Thus, interest rate positions to hedge interest rate risks are not taken.

Events after the balance sheet date

No significant events have occurred after the balance sheet date which materially affect the Company's financial position.

Management's review

Outlook

The Company expects increased activities for 2018 and a positive result for the year.

Financial statements 1 January - 31 December

Income statement

Note	DKK'000	2017	2016
	Revenue	408,890	663,387
	Cost of sales	-395,527	-642,905
	Other operating income	0	19
	Other external expenses	-6,053	-5,612
	Gross margin	7,310	14,889
3	Staff costs	-7,597	-7,939
	Depreciation and impairment of intangible assets and property, plant and equipment	-169	-191
	Profit/loss before net financials	-456	6,759
	Income from investments in group entities	-219	-408
4	Financial income	786	217
5	Financial expenses	-1,754	-1,168
	Profit/loss before tax	-1,643	5,400
6	Tax for the year	295	-1,301
	Profit/loss for the year	-1,348	4,099

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	2017	2016
	ASSETS		
	Fixed assets		
7	**Intangible assets**		
	Acquired intangible assets	133	113
		133	113
8	**Property, plant and equipment**		
	Other fixtures and fittings, tools and equipment	269	204
		269	204
9	**Investments**		
	Investments in group entities, net asset value	67	72
	Other investments	537	555
		604	627
	Total fixed assets	1,006	944
	Non-fixed assets		
	Inventories		
	Finished goods and goods for resale	3,314	5,750
	Prepayments for goods	935	1,012
		4,249	6,762
	Receivables		
	Trade receivables	40,181	37,657
	Receivables from group entities	3,844	5,337
12	Deferred tax assets	16	19
	Other receivables	1,626	668
10	Prepayments	217	102
		45,884	43,783
	Cash	1,862	7,797
	Total non-fixed assets	51,995	58,342
	TOTAL ASSETS	53,001	59,286

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	2017	2016
	EQUITY AND LIABILITIES		
	Equity		
11	Share capital	1,000	1,000
	Retained earnings	13,684	13,892
	Dividend proposed for the year	0	1,000
	Total equity	14,684	15,892
	Provisions		
13	Other provisions	1,166	0
	Total provisions	1,166	0
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Bank debt	9,213	4,127
	Trade payables	26,389	33,974
	Payables to group entities	0	432
	Other payables	1,549	4,861
		37,151	43,394
	Total liabilities other than provisions	37,151	43,394
	TOTAL EQUITY AND LIABILITIES	53,001	59,286

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Financial statements 1 January - 31 December

Statement of changes in equity

	DKK'000	Share capital	Retained earnings	Dividend proposed for the year	Total
	Equity at 1 January 2017	1,000	13,892	1,000	15,892
18	Transfer, see "Appropriation of profit/loss"	0	-1,348	0	-1,348
	Exchange adjustment	0	-42	0	-42
	Other value adjustments of equity	0	1,182	0	1,182
	Dividend distributed	0	0	-1,000	-1,000
	Equity at 31 December 2017	1,000	13,684	0	14,684

Other value adjustments of equity comprise fair value adjustments of currency forward contracts, related to future sales and purchase transactions.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Thomsen Food Line A/S for 2017 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to medium-sized reporting class C entities.

In accordance with section 112(1) of the Danish Financial Statements Act, the Company has not prepared consolidated financial statements.

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

Omission of a cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared. The entity's cash flows are part of the consolidated cash flow statement for the parent company, Baltic Food A/S.

Reporting currency

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

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.

Foreign group entities

Foreign subsidiaries and associates are considered separate entities. Items in such entities' income statements are translated at an average exchange rate for the month, and balance sheet items are translated at closing rates. Foreign exchange differences arising on translation of the opening equity of foreign subsidiaries to closing rates and on translation of the income statements from average exchange rates to closing rates are taken directly to equity.

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.

Fair value adjustments of derivative financial instruments designated as and qualifying for recognition as a hedge of the fair value of a recognised asset or liability are recognised in the income statement along with changes in the fair value of the hedged asset or liability.

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.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Income statement

Revenue

Income from the sale of goods is recognised in revenue at the time of delivery and when the risk passes to the buyer, provided that the income can be made up 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 and rebates granted are recognised in revenue.

Other operating income

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

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

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.

Amortisation/depreciation

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

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

Acquired intangible assets	5 years
Other fixtures and fittings, tools and equipment	3-5 years

Income from investments in subsidiaries

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 are presented as separate line items in the income statement. Full elimination of intra-group gains/losses is made for equity investments in subsidiaries.

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.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The entity is jointly taxed with other subsidiaries. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

Balance sheet

Intangible assets

Acquired intangible assets include software.

Acquired intangible assets are measured at cost less accumulated amortisation and impairment losses.

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

Equity investments in subsidiaries and associates are measured according to the equity method.

Newly acquired and sold investments are recognised in the financial statements from the time of acquistion or until the time of sale, respectively.

The purchase method of accounting is applied to corporate takeovers.

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.

Dividend received is deduced from the carrying amount.

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

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).

Financial statements 1 January - 31 December

Notes to the financial statements

1 **Accounting policies (continued)**

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.

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

Goods for resale are measured at cost, which comprises the cost of acquisition plus delivery costs as well as other expenses directly attributable to the acquisition.

Receivables

Receivables are measured at amortised cost.

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 with no objective indication of individual impairment are tested for objective indication of impairment on a portfolio basis.

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.

Cash

Cash comprise cash and short term securities which are readily convertible into cash and subject only to minor risks of changes in value.

Equity

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Provisions

Provisions comprise anticipated expenses relating to warranty commitments, onerous contracts, restructurings, etc. Provisions are recognised when the Company has a legal or constructive obligation at the balance sheet date as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Provisions are measured at net realisable value or at fair value if the obligation is expected to be settled far into the future.

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.

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. In subsequent periods, the 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.

Other liabilities are measured at net realisable value.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Financial ratios

Financial ratios are calculated in accordance with the Danish Finance Society's guidelines on the calculation of financial ratios.

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

Gross margin ratio	$\frac{\text{Gross margin x 100}}{\text{Revenue}}$
EBITDA-margin	$\frac{\text{EBITDA}}{\text{Revenue x 100}}$
Current ratio	$\frac{\text{Current assets x 100}}{\text{Current liabilities}}$
Equity ratio	$\frac{\text{Equity, year-end x 100}}{\text{Total equity and liabilities, year-end}}$
Return on equity	$\frac{\text{Profit/loss for the year after tax x 100}}{\text{Average equity}}$

2 Special items

As discussed in Management's review loss for the year is influenced by special items that management believes are not part of the company's ordinary activities.

In financial year 2017 Thomsen Food Line A/S entered into sales contracts with a customer in China. However, the customer was not able to fulfill its responsibilities according to the contracts and goods in transit were held back. The company has suffered cost related to demurrage and storage of the goods in question and suffered losses when selling the goods to other side at lower market prices. In total, costs due to this special item amounts to DKK 2,120 thousand.

Special items for the year has affected the income statements as follows:
Revenue DKK -291 thousand
Cost of sales DKK -1,829 thousand
Total effect before tax DKK -2,120 thousand

Financial statements 1 January - 31 December

Notes to the financial statements

	DKK'000	2017	2016
3	**Staff costs**		
	Wages/salaries	6,526	6,956
	Pensions	828	816
	Other social security costs	63	68
	Other staff costs	180	99
		7,597	7,939
	Average number of full-time employees	10	11

By reference to section 98b(3), (ii), of the Danish Financial Statements Act, remuneration to Management is not disclosed.

	DKK'000	2017	2016
4	**Financial income**		
	Interest income, group entities	90	92
	Other financial income	696	125
		786	217
5	**Financial expenses**		
	Interest expenses, group entities	16	0
	Interest expenses, banks	392	337
	Other financial expenses	1,346	831
		1,754	1,168
6	**Tax for the year**		
	Estimated tax charge for the year	-298	1,295
	Deferred tax adjustments in the year	3	6
		-295	1,301

7 **Intangible assets**

DKK'000	Acquired intangible assets
Cost at 1 January 2017	630
Additions in the year	54
Cost at 31 December 2017	684
Impairment losses and amortisation at 1 January 2017	517
Amortisation/depreciation in the year	34
Impairment losses and amortisation at 31 December 2017	551
Carrying amount at 31 December 2017	133

Financial statements 1 January - 31 December

Notes to the financial statements

8 Property, plant and equipment

DKK'000	Other fixtures and fittings, tools and equipment
Cost at 1 January 2017	1,184
Additions in the year	201
Disposals in the year	-78
Cost at 31 December 2017	1,307
Impairment losses and depreciation at 1 January 2017	980
Depreciation in the year	136
Reversal of depreciation and impairment of disposals	-78
Impairment losses and depreciation at 31 December 2017	1,038
Carrying amount at 31 December 2017	269

9 Investments

DKK'000	Investments in group entities, net asset value	Other investments	Total
Cost at 1 January 2017	80	555	635
Disposals in the year	0	-18	-18
Cost at 31 December 2017	80	537	617
Value adjustments at 1 January 2017	-8	0	-8
Exchange adjustment	-42	0	-42
Share of the loss for the year	-219	0	-219
Investment with a negative net asset value	256	0	256
Value adjustments at 31 December 2017	-13	0	-13
Carrying amount at 31 December 2017	67	537	604

Name	Domicile	Interest	Equity DKK'000	Profit/loss DKK'000
Subsidiaries				
Thomsen Food Line International ApS	Aarhus	100.00%	67	-5
Thomsen Food Line Singapore Ltd.	Singapore	95.00%	-894	-225

Negative equity in Thomsen Food Line Singapore Ltd. has been set off against amount owed by the subsidiary.

Financial statements 1 January - 31 December

Notes to the financial statements

10 **Prepayments**

Prepayments include accrual of expenses relating to subsequent financial years.

DKK'000	2017	2016
11 **Share capital**		
Analysis of the share capital:		
1,000 shares of DKK 1,000.00 nominal value each	1,000	1,000
	1,000	1,000

The Company's share capital has remained DKK 1,000 thousand over the past 5 years.

DKK'000	2017	2016
12 **Deferred tax**		
Deferred tax at 1 January	-19	-25
Adjustment of the deferred tax charge for the year	3	6
Deferred tax at 31 December	-16	-19
13 **Other provisions**		
The provisions are expected to be payable in:		
0-1 year	1,166	0
	1,166	0

Other provisions comprise commitments related to the Company's loss-giving contracts caused by special items - see note 2.

14 **Contractual obligations and contingencies, etc.**

Other contingent liabilities

The company is jointly taxed with its parent, Baltic Food A/S, which acts as management company, and has limited and alternative liability together with other jointly taxed group entities for payment of income taxes for the income year as well as withholding taxes on interest, royalties and dividends.

Other financial obligations

The Company has an office rent agreement with an annual rent of DKK 285 thousand. The rent is interminable until 30 June 2018.

Lease obligations (operating leases) falling due within 4 years total DKK 693 thousand (2016: DKK 785 thousand).

15 **Collateral**

The Company has provided a company charge of DKK 5,500 thousand secured on receivables, as security for banks loans.

Financial statements 1 January - 31 December

Notes to the financial statements

16 Currency risks

Forecast transactions

The Company uses forward exchange contracts to hedge expected currency risks relation to sale of goods in the current and coming year.

The fair value at 31 December 2017 amount to DKK 294 thousand (2016: DKK -1,221 thousand).

17 Related parties

Thomsen Food Line A/S' related parties comprise the following:

Parties exercising control

Related party	Domicile	Basis for control
Baltic Food A/S	P.O. Pedersens Vej 14, 8200 Aarhus N	Ultimate parent of the Group
Baltic Food Holding ApS	P.O. Pedersens Vej 14, 8200 Aarhus N	Parent company

Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
Baltic Food A/S	Aarhus	P.O. Pedersens Vej 14, 8200 Aarhus N

Ownership

The following shareholders are registered in the Company's register of shareholders as holding minimum 5% of the votes or minimum 5% of the share capital:

Name	Domicile
Baltic Food Holding ApS	P.O. Pedersens Vej 14, 8200 Aarhus N
Steffen Petersen Holding ApS	Saralystvej 35, 8270 Højberg
Jens Ole Thomsen	Lillerupvej 64, 8410 Rønde

DKK'000	2017	2016
18 **Appropriation of profit/loss**		
Recommended appropriation of profit/loss		
Proposed dividend recognised under equity	0	1,000
Retained earnings/accumulated loss	-1,348	3,099
	-1,348	4,099