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 2016

Approved at the annual general meeting of shareholders on 16 May 2017

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 2016.

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 2016 and of the results of the Company's operations for the financial year 1 January - 31 December 2016.

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, 16 May 2017
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 2016, which comprise an 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 2016 and of the results of the Company's operations for the financial year 1 January - 31 December 2016 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's 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 about 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 skepticism 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 conclusion is 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 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 our procedures, 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, 16 May 2017
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Jon Midtgaard
State Authorised Public Accountant

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	2016	2015	2014	2013	2012
Key figures					
Revenue	663,387	541,117	570,708	373,573	298,160
Gross margin	14,888	12,545	13,975	9,376	9,105
Operating profit/loss	6,758	4,982	7,349	3,314	3,409
Net financials	-950	-1,397	-1,034	-808	-747
Profit/loss for the year	**4,099**	**2,659**	**4,655**	**1,859**	**1,810**
Total assets	59,288	82,176	74,691	46,475	33,281
Equity	**15,893**	**12,440**	**12,332**	**8,938**	**7,832**
Financial ratios					
Gross margin	2.2%	2.3%	2.4%	2.5%	3.1%
EBITDA-margin	1.0%	1.0%	1.3%	0.9%	1.1%
Current ratio	134.4%	116.2%	118.6%	122.4%	129.7%
Solvency ratio	26.8%	15.1%	16.5%	19.2%	23.5%
Return on equity	28.9%	21.5%	43.8%	22.2%	23.1%
Average number of employees	11	10	10	10	9

Financial ratios are calculated in accordance with the Danish Finance Society's recommendations on the calculation of financial ratios "Recommendations and Financial Ratios 2015". For terms and definitions, please see the accounting policies.

Management's review

Management commentary

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.

Financial review

Revenue for the year amounted to DKK 663,4 million against DKK 541,1 million last year. Profit for the year before tax amounted to DKK 5,400 thousand against DKK 3,454 thousand last year. In the light of the market situation, Management considers the profit for the year satisfactory.

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

In 2016 the Company has established a foreign branch office in China.

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.

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.

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.

Outlook

The Company expects activities and profits for 2017 at same or increased level than 2016.

Financial statements for the period 1 January - 31 December

Income statement

Note	DKK'000	2016	2015
	Revenue	663,387	541,117
	Cost of sales	-642,905	-523,994
2	Other operating income	19	0
	Other external expenses	-5,612	-4,578
	Gross margin	14,889	12,545
3	Staff costs	-7,939	-7,310
	Depreciation and impairment of intangible assets and property, plant and equipment	-191	-251
	Other operating expenses	0	-2
	Profit before net financials	6,759	4,982
	Income from investments in group entities	-408	-199
	Income from investments in associates	0	68
4	Financial income	217	164
5	Financial expenses	-1,168	-1,561
	Profit before tax	5,400	3,454
6	Tax for the year	-1,301	-795
	Profit for the year	4,099	2,659

Financial statements for the period 1 January - 31 December

Balance sheet

Note	DKK'000	2016	2015
	ASSETS		
	Fixed assets		
7	**Intangible assets**		
	Acquired intangible assets	113	45
		113	45
8	**Property, plant and equipment**		
	Other fixtures and fittings, tools and equipment	206	514
		206	514
9	**Investments**		
	Investments in group entities, net asset value	72	75
	Other investments	555	531
		627	606
	Total fixed assets	946	1,165
	Non-fixed assets		
	Inventories		
	Finished goods and goods for resale	5,750	7,325
		5,750	7,325
	Receivables		
	Trade receivables	38,669	61,195
	Receivables from group entities	5,337	4,599
12	Deferred tax assets	19	26
	Other receivables	668	3,362
10	Prepayments	102	116
		44,795	69,298
	Cash	7,797	4,388
	Total non-fixed assets	58,342	81,011
	TOTAL ASSETS	59,288	82,176

Financial statements for the period 1 January - 31 December

Balance sheet

Note	DKK'000	2016	2015
	EQUITY AND LIABILITIES		
	Equity		
11	Share capital	1,000	1,000
	Retained earnings	13,893	10,440
	Dividend proposed for the year	1,000	1,000
	Total equity	15,893	12,440
	Liabilities		
	Current liabilities		
	Bank debt	4,127	4,919
	Trade payables	33,975	56,247
	Payables to group entities	432	0
	Other payables	4,861	8,552
	Deferred income	0	18
		43,395	69,736
	Total liabilities other than provisions	43,395	69,736
	TOTAL EQUITY AND LIABILITIES	59,288	82,176

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Financial statements for the period 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 2016	1,000	10,440	1,000	12,440
17	Transfer, see "Appropriation of profit"	0	3,099	1,000	4,099
	Exchange adjustment	0	5	0	5
	Other value adjustments of equity	0	349	0	349
	Dividend distributed	0	0	-1,000	-1,000
	Equity at 31 December 2016	1,000	13,893	1,000	15,893

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

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Thomsen Food Line A/S for 2016 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.

Income statement

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

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 and operating expenses

Other operating income and operating expenses comprise items of a secondary nature relative to the Company's core activities, including gains or losses on the sale of non-current 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, which is calculated as cost less any residual value, is amortised 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 group entities and associates

The item includes the Company's proportionate share of the profit/loss for the year in subsidiaries and associates after elimination of intra-group income or losses and net of amortisation and impairment of goodwill and other excess values at the time of acquisition.

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 for the period 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

On initial recognition, investments in subsidiaries are measured at cost and subsequently at the proportionate share of the entities' net asset values calculated in accordance with the parent company's accounting policies minus or plus any residual value of positive or negative goodwill calculated in accordance with the purchase method of accounting. Subsidiaries with a negative net asset value are measured at DKK 0 (nil), and any amounts owed by such entities are written down by the parent company's share of the net asset value if the amount owed is deemed irrecoverable. If the negative net asset value exceeds the amounts owed, the remaining amount is recognised under provisions if the parent company has a legal or a constructive obligation to cover the entity's deficit. Net revaluations of investments in subsidiaries are transferred to the net revaluation reserve according to the equity method where the carrying amount exceeds the acquisition cost.

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.

Impairment of non-current 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.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

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.

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.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

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".

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.

Deferred income

Deferred income recognised as a liability comprises payments received concerning income in subsequent financial reporting years.

Financial statements for the period 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 "Recommendations and Financial Ratios 2015".

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	$\frac{\text{Current assets x 100}}{\text{Current liabilities}}$
Solvency ratio	$\frac{\text{Equity at year end x 100}}{\text{Total equity and liabilities at year end}}$
Return on equity	$\frac{\text{Profit/loss for the year after tax x 100}}{\text{Average equity}}$

Financial statements for the period 1 January - 31 December

Notes to the financial statements

2 **Other operating income**

Other operating income includes gains on the sale of property, plant and equipment, totalling DKK 19 thousand.

	DKK'000	2016	2015
3	**Staff costs**		
	Wages/salaries	6,956	6,463
	Pensions	816	660
	Other social security costs	68	71
	Other staff costs	99	116
		7,939	7,310
	Average number of full-time employees	11	10

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

		2016	2015
4	**Financial income**		
	Interest income, group entities	92	41
	Other financial income	125	123
		217	164
5	**Financial expenses**		
	Interest expenses, banks	337	421
	Other financial expenses	831	1,140
		1,168	1,561
6	**Tax for the year**		
	Estimated tax charge for the year	1,295	794
	Deferred tax adjustments in the year	6	1
		1,301	795

7 **Intangible assets**

DKK'000	Acquired intangible assets
Cost at 1 January 2016	539
Additions in the year	91
Cost at 31 December 2016	630
Impairment losses and amortisation at 1 January 2016	494
Amortisation/depreciation in the year	23
Impairment losses and amortisation at 31 December 2016	517
Carrying amount at 31 December 2016	113

Financial statements for the period 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 2016	1,594
Additions in the year	33
Disposals in the year	-442
Cost at 31 December 2016	1,185
Impairment losses and depreciation at 1 January 2016	1,080
Depreciation in the year	168
Reversal of depreciation and impairment of disposals	-269
Impairment losses and depreciation at 31 December 2016	979
Carrying amount at 31 December 2016	206

9 **Investments**

DKK'000	Investments in group entities, net asset value	Other investments	Total
Cost at 1 January 2016	80	531	611
Additions in the year	0	24	24
Cost at 31 December 2016	80	555	635
Value adjustments at 1 January 2016	-5	0	-5
Exchange adjustment	5	0	5
Share of the loss for the year	-408	0	-408
Investment with a negative net asset value	400	0	400
Value adjustments at 31 December 2016	-8	0	-8
Carrying amount at 31 December 2016	72	555	627

Name	Domicile	Interest	Equity DKK'000	Profit/loss DKK'000
Subsidiaries				
Thomsen Food Line International ApS	Aarhus	100.00 %	72	-3
Thomsen Food Line Singapore Ltd.	Singapore	95.00 %	-624	-426

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

Financial statements for the period 1 January - 31 December

Notes to the financial statements

10 Prepayments

Prepayments include accrual of expenses relating to subsequent financial years.

DKK'000	2016	2015
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.

12 Deferred tax

	2016	2015
Deferred tax at 1 January	-26	-27
Adjustment of the deferred tax charge for the year	14	1
Other deferred tax	-7	0
Deferred tax at 31 December	-19	-26
Deferred tax relates to:		
Property, plant and equipment	-19	-26
	-19	-26

13 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 275 thousand. The rent is interminable until 31 December 2017.

Lease obligations (operating leases) falling due within 4 years total DKK 785 thousand (2015: DKK 408 thousand).

14 Collateral

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

Financial statements for the period 1 January - 31 December

Notes to the financial statements

15 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 2016 amount to DKK -1,910 thousand. Losses recognised in equity and expected to be realised after the balance sheet date amounts to DKK -1,221 thousand. Losses recognised in income statement amounts to DKK 689 thousand.

16 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	2016	2015
17	**Appropriation of profit/loss**		
	Recommended appropriation of profit		
	Proposed dividend recognised under equity	1,000	1,000
	Retained earnings	3,099	1,659
		4,099	2,659