



**FOODIES A/S**  
**Central Business Registration No 32667023**  
**Kolding Aapark 2, 3.**  
**6000 Kolding**

**Annual report 2018**

The Annual General Meeting adopted the annual report on 12.03.2019

**Chairman of the General Meeting**

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Name: Jørgen Meyer



# Contents

	<b><u>Page</u></b>
Entity details	1
Statement by Management on the annual report	2
Independent auditor's extended review report	3
Management commentary	5
Income statement for 2018	6
Balance sheet at 31.12.2018	7
Statement of changes in equity for 2018	9
Notes	10
Accounting policies	12

## Entity details

### Entity

FOODIES A/S

Kolding Åpark 2, 3.

6000 Kolding

Central Business Registration No (CVR): 32667023

Registered in: Kolding

Financial year: 01.01.2018 - 31.12.2018

Phone: +4570220200

Fax: +4570220400

Website: WWW.EQF.DK

E-mail: DK@EQF.DK

### Board of Directors

Jørgen Meyer

Morten Koed Refshauge

Ole Koed-Madsen

### Executive Board

Morten Koed Refshauge

### Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Egtved Allé 4

6000 Kolding

## Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of FOODIES A/S for the financial year 01.01.2018 - 31.12.2018.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2018 and of the results of its operations for the financial year 01.01.2018 - 31.12.2018.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Kolding, 12.03.2019

### Executive Board

Morten Koed Refshauge

### Board of Directors

Jørgen Meyer

Morten Koed Refshauge

Ole Koed-Madsen

# Independent auditor's extended review report

## To the shareholders of FOODIES A/S

### Conclusion

We have performed an extended review of the financial statements of FOODIES A/S for the financial year 01.01.2018 - 31.12.2018, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Based on our extended review, in our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2018 and of the results of its operations for the financial year 01.01.2018 - 31.12.2018 in accordance with the Danish Financial Statements Act.

### Basis for conclusion

We conducted our extended review in accordance with the assurance engagement standard for small enterprises as issued by the Danish Business Authority and the standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act as issued by FSR - Danish Auditors. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review of the financial statements". We are independent of the Entity 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 requirements. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

### 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 Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

### Auditor's responsibilities for the extended review of the financial statements

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures to obtain limited assurance about our conclusion on the financial statements and that we also perform specifically required supplementary procedures for the purpose of obtaining additional assurance about our conclusion.

An extended review consists of making inquiries, primarily of management and, if appropriate, of other entity personnel, performing analytical and the specifically required supplementary procedures as well as evaluating the evidence obtained.

## Independent auditor's extended review report

The procedures performed in an extended review are less in scope than in an audit, and accordingly we do not express an audit opinion on the financial statements.

### Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our extended review of the financial statements our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the extended review or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with 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 commentary.

Kolding, 12.03.2019

### Deloitte

Statsautoriseret Revisionspartnerselskab

Central Business Registration No (CVR) 33963556

Lars Bjerregaard Nielsen

State Authorised Public Accountant

Identification No (MNE) mne29393

## Management commentary

### Primary activities

FOODIES AS having a long experience and know how in the market is promoting, selling and delivering meat raw materials to the meat processing industry and HoReCa segment.

In order to offer our customers the best price, quality and specification at any time, we are continuously developing our network of selected cutting plants and slaughter houses working across most of the continents:

**EU > EU**

**EU > South America**

**EU > Asia**

**Oceania > Asia**

**South America > Asia**

**North America > South America**

We aim to be the preferred supplier of meat by being market oriented, dynamic and innovative. With the highest credit rating "AAA" (Triple-A) we are a reliable partner but we also believe that good chemistry, flexibility, being service minded, loyal and acting responsible with a high level of business ethic brings the strongest foundation for a long term partnership.

### Development in activities and finances

#### The year in outline

Activities has been stable throughout the year, however, with the spread of African Swine Fever in the EU as well as China, changes in trading patterns have started during the second half.

FOODIES AS remains self-financing with a strong cash flow throughout the year.

In 2018, the company has achieved a profit before tax of TDKK 836 which is considered satisfactory.

#### Commercial, financial and other risks

Debtors constitute the greatest asset, which means that giving credit is a very vital element. The risk is reduced through effective management, when credit is authorized as well as during the continued trade. The company's debtors are insured against loss based on an individual evaluation of each debtor.

The significant financial risk that the company is faced with is related to changes in exchange rates, as purchasing as well as sale take place in foreign currency. In order to counteract this risk, according to the company policy, the company is using derivative financial instruments on all significant commercial transactions. No speculation is made.

#### Events after the end of the financial year

No conditions that disturb the assessment of the annual report have occurred.

#### The expected development

The budget for the current year shows a satisfactory result.

## Income statement for 2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK</u>
<b>Gross profit</b>		<b>3,043,873</b>	<b>2,277,942</b>
Distribution costs	2	(488,260)	(358,448)
Administrative expenses		(1,618,055)	(1,416,225)
Other operating expenses		<u>(98,172)</u>	<u>(274,159)</u>
<b>Operating profit/loss</b>		<b>839,386</b>	<b>229,110</b>
Other financial income	3	367	0
Other financial expenses	4	<u>(3,527)</u>	<u>(25,667)</u>
<b>Profit/loss before tax</b>		<b>836,226</b>	<b>203,443</b>
Tax on profit/loss for the year	5	<u>(191,630)</u>	<u>(59,035)</u>
<b>Profit/loss for the year</b>		<b><u>644,596</u></b>	<b><u>144,408</u></b>
<b>Proposed distribution of profit/loss</b>			
Ordinary dividend for the financial year		500,000	0
Retained earnings		<u>144,596</u>	<u>144,408</u>
		<b><u>644,596</u></b>	<b><u>144,408</u></b>



## Balance sheet at 31.12.2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK</u>
Land and buildings		3,375,436	3,404,372
Other fixtures and fittings, tools and equipment		779,415	138,493
<b>Property, plant and equipment</b>	6	<b>4,154,851</b>	<b>3,542,865</b>
Deposits		23,426	23,426
<b>Fixed asset investments</b>		<b>23,426</b>	<b>23,426</b>
<b>Fixed assets</b>		<b>4,178,277</b>	<b>3,566,291</b>
Trade receivables		2,882,978	3,881,247
Receivables from group enterprises		302,650	0
Other receivables		64,085	148,033
Prepayments		371,500	9,839
<b>Receivables</b>		<b>3,621,213</b>	<b>4,039,119</b>
<b>Cash</b>		<b>2,056,316</b>	<b>2,590,735</b>
<b>Current assets</b>		<b>5,677,529</b>	<b>6,629,854</b>
<b>Assets</b>		<b>9,855,806</b>	<b>10,196,145</b>

## Balance sheet at 31.12.2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK</u>
Contributed capital		1,000,000	1,000,000
Retained earnings		5,122,283	4,977,687
Proposed dividend		500,000	0
<b>Equity</b>		<b><u>6,622,283</u></b>	<b><u>5,977,687</u></b>
Deferred tax		5,513	1,225
<b>Provisions</b>		<b><u>5,513</u></b>	<b><u>1,225</u></b>
Trade payables		2,738,091	3,301,122
Payables to group enterprises		0	603,015
Joint taxation contribution payable		187,342	54,179
Other payables		302,577	258,917
<b>Current liabilities other than provisions</b>		<b><u>3,228,010</u></b>	<b><u>4,217,233</u></b>
<b>Liabilities other than provisions</b>		<b><u>3,228,010</u></b>	<b><u>4,217,233</u></b>
<b>Equity and liabilities</b>		<b><u>9,855,806</u></b>	<b><u>10,196,145</u></b>
Unrecognised rental and lease commitments	7		
Contingent liabilities	8		

## Statement of changes in equity for 2018

	<b>Contributed capital DKK</b>	<b>Retained earnings DKK</b>	<b>Proposed dividend DKK</b>	<b>Total DKK</b>
Equity beginning of year	1,000,000	4,977,687	0	5,977,687
Profit/loss for the year	0	144,596	500,000	644,596
<b>Equity end of year</b>	<b>1,000,000</b>	<b>5,122,283</b>	<b>500,000</b>	<b>6,622,283</b>

## Notes

	<u>2018</u>	<u>2017</u>
<b>1. Staff costs</b>		
Average number of employees	<u>1</u>	<u>1</u>
	<u>2018</u>	<u>2017</u>
	<u>DKK</u>	<u>DKK</u>
<b>2. Depreciation, amortisation and impairment losses</b>		
Depreciation on property, plant and equipment	<u>213,958</u>	<u>55,322</u>
	<u><b>213,958</b></u>	<u><b>55,322</b></u>
	<u>2018</u>	<u>2017</u>
	<u>DKK</u>	<u>DKK</u>
<b>3. Other financial income</b>		
Financial income arising from group enterprises	<u>367</u>	<u>0</u>
	<u><b>367</b></u>	<u><b>0</b></u>
	<u>2018</u>	<u>2017</u>
	<u>DKK</u>	<u>DKK</u>
<b>4. Other financial expenses</b>		
Financial expenses from group enterprises	0	20,842
Other interest expenses	<u>3,527</u>	<u>4,825</u>
	<u><b>3,527</b></u>	<u><b>25,667</b></u>
	<u>2018</u>	<u>2017</u>
	<u>DKK</u>	<u>DKK</u>
<b>5. Tax on profit/loss for the year</b>		
Current tax	187,342	54,179
Change in deferred tax	<u>4,288</u>	<u>4,856</u>
	<u><b>191,630</b></u>	<u><b>59,035</b></u>

## Notes

	<b>Land and buildings DKK</b>	<b>Other fixtures and fittings, tools and equipment DKK</b>
<b>6. Property, plant and equipment</b>		
Cost beginning of year	3,466,388	329,973
Additions	0	962,880
Disposals	0	(160,000)
<b>Cost end of year</b>	<b><u>3,466,388</u></b>	<b><u>1,132,853</u></b>
Depreciation and impairment losses beginning of year	(62,016)	(191,480)
Depreciation for the year	(28,936)	(213,958)
Reversal regarding disposals	0	52,000
<b>Depreciation and impairment losses end of year</b>	<b><u>(90,952)</u></b>	<b><u>(353,438)</u></b>
<b>Carrying amount end of year</b>	<b><u>3,375,436</u></b>	<b><u>779,415</u></b>
	<b><u>2018</u></b>	<b><u>2017</u></b>
	<b><u>DKK</u></b>	<b><u>DKK</u></b>
<b>7. Unrecognised rental and lease commitments</b>		
Liabilities under rental or lease agreements until maturity in total	<b><u>65,488</u></b>	<b><u>54,051</u></b>

### 8. Contingent liabilities

The Company participates in a Danish joint taxation arrangement in which M PLUS M HOLDING APS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable for income taxes etc for the jointly taxed companies and also for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed companies.

## Accounting policies

### Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied for these financial statements are consistent with those applied last year.

### Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

### Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date, or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

### Income statement

#### Gross profit or loss

Gross profit or loss comprises revenue and production costs.

#### Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer.

## Accounting policies

### Production costs

Production costs comprise direct and indirect costs incurred to earn revenue for the financial year. Production costs includes consumption of goods as well as freight and customs charges as well as amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment.

### Distribution costs

Distribution costs comprise costs incurred for sale and distribution of the Entity's products, including wages and salaries for sales staff, advertising costs, travelling and entertainment expenses, etc.

### Administrative costs

Administrative expenses comprise expenses incurred for the Entity's administrative functions, including wages and salaries for administrative staff and Management, stationary and office supplies.

### Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

### Other operating expenses

Other operating expenses comprise expenses of a secondary nature as viewed in relation to the Entity's primary activities.

### Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises, net capital gains on securities, as well as tax relief under the Danish Tax Prepayment Scheme etc.

### Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

### Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with the Parent company and all the Parent companys Danish subsidiaries. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

## Accounting policies

### Balance sheet

#### Property, plant and equipment

Land and buildings as well as other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Buildings	50 years
Other fixtures and fittings, tools and equipment	5-7 years

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

#### Receivables

Receivables are measured at amortised cost, usually equalling nominal value less write-downs for bad and doubtful debts.

#### Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

#### Cash

Cash comprises cash in hand and bank deposits.

#### Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. The proposed dividend for the financial year is disclosed as a separate item in equity.

#### Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.



## Accounting policies

### Operating leases

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

### Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

### Joint taxation contributions payable or receivable

Current joint taxation contributions receivable or joint taxation contributions payable are recognised in the balance sheet, calculated as tax computed on the taxable income of the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.