


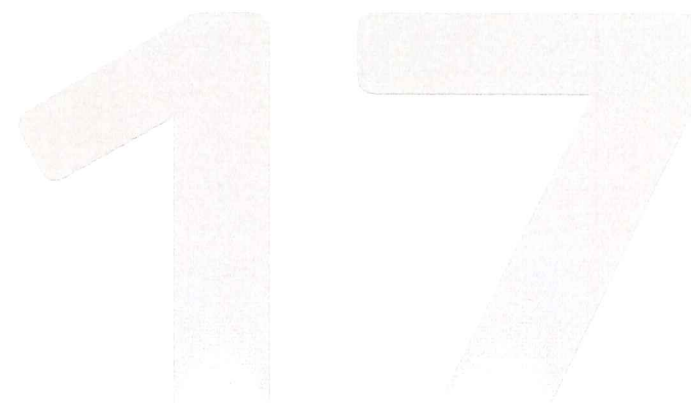
Annual Report 2017 Gerda og Victor B. Strand Holding A/S

The Annual Report is adopted at
the Annual General Meeting on
22 March 2018



Marianne Philip
Chairman

Registration no.: 35 04 30 55
Toms Allé 1, 2750 Ballerup
Denmark



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Company Details

Gerda og Victor B. Strand Holding A/S
Toms Allé 1
2750 Ballerup, Denmark

Telephone: +45 44 89 10 00
Fax: +45 44 89 10 99
E-mail: info@toms.dk
Website: www.tomsgroup.com
Registered office: Ballerup
Registration no.: 35 04 30 55
Established: 1 February 2013
Financial year: 1 January - 31 December



Ownership

Gerda og Victor B. Strand Holding A/S is a fully owned subsidiary of Gerda og Victor B. Strands Fond

Group Companies

Please refer to page 52 for complete list of subsidiaries

Toms Gruppen A/S

Toms Allé 1
2750 Ballerup
Danmark
(100 per cent owned by Gerda og Victor B. Strand Holding A/S)

Toms Sverige AB

Hamngatan 17
302 43 Halmstad
Sweden
(100 per cent owned by Toms Gruppen A/S)

Toms Polska Sp. z o.o.

Ul. Okrezna 27
64-100 Leszno
Poland
(100 per cent owned by Toms Gruppen A/S)

Hanseatische Chocolate GmbH

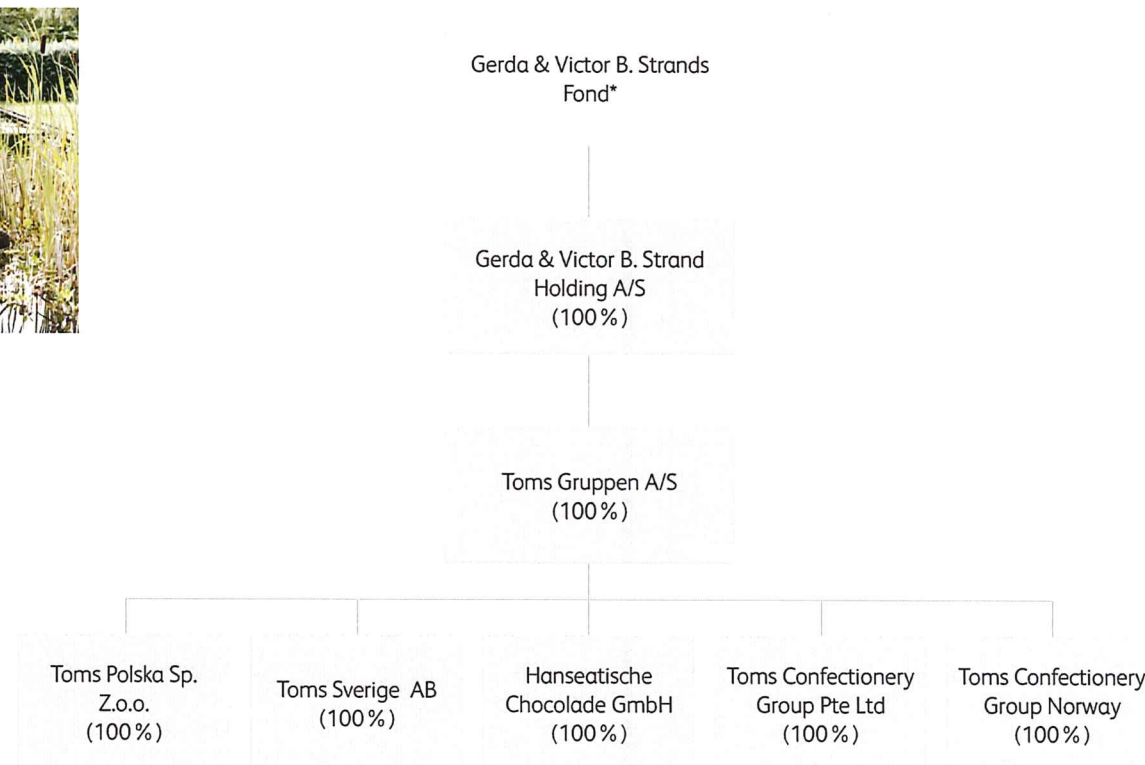
Westerstrasse 32
28199 Bremen
Germany
(100 per cent owned by Toms Gruppen A/S)

Toms Confectionery Group Pte. Ltd.

(Incorporated in Singapore)
103 Defu Lane 10, #06-01
FNA Group Building
Singapore 539223
(100 per cent owned by Toms Gruppen A/S)

Toms Confectionery Group Norway

Delitoppen 7
1540 Vestby
Norway
(100 per cent owned by Toms Gruppen A/S)



Financial Highlights

Mill DKK

	2017	2016	2015	2014	2013
Revenue	1.763,1	1.729,8	1.755,7	1.748,9	1.817,4
Gross profit	603,2	612,5	586,0	565,6	592,4
Operating profit before special items **)	61,3	102,3	96,6	51,5	42,3
Operating profit	54,4	88,7	70,5	-32,6	28,3
Net financials	0,7	-7,0	8,3	-3,9	-1,0
Profit before tax	55,1	81,7	78,8	-36,5	27,2
Profit for the year	41,1	58,4	49,1	-44,2	18,3
Non-current assets	395,3	335,1	341,9	368,9	463,7
Current assets	744,8	682,2	688,5	574,6	600,8
Total assets	1.140,1	1.017,3	1.030,4	943,5	1.064,5
Share capital	10,0	10,0	10,0	10,0	10,0
Equity	748,2	707,7	649,4	616,1	643,7
Provisions	58,1	57,9	81,1	61,5	79,4
Long-term liabilities	0,0	0,0	0,0	5,9	7,1
Short-term liabilities	333,8	251,7	299,9	260,0	334,3
Total liabilities and equity	1.140,1	1.017,3	1.030,4	943,5	1.064,5
Cash flow from operating activities	156,8	155,2	126,9	119,2	28,7
Cash flow from investment activities	-116,7	-55,1	-36,0	-40,4	-46,0
<i>Of this investments in property, plant and equipment</i>	<i>-115,6</i>	<i>-55,1</i>	<i>-36,0</i>	<i>-40,4</i>	<i>-46,0</i>
Cash flow from financial activities	0,0	0,0	-5,9	-1,2	-1,2
Total increase/decrease in cash and cash equivalents	40,1	100,1	85,0	77,6	-18,4

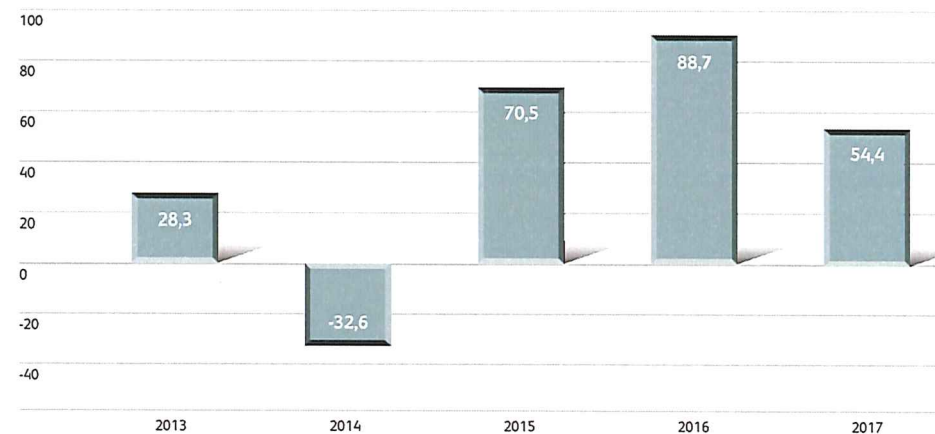
Average number of employees	1.010	1.090	1.258	1.277	1.201
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Financial ratios*):					
Growth in operating margin	-38,7%	25,8%	N/A	N/A	-58,9%
Operating margin	3,1%	5,1%	4,0%	-1,9%	1,6%
Return on invested capital	9,6%	14,9%	10,9%	-4,4%	3,6%
Gross margin	34,2%	35,4%	33,4%	32,3%	32,6%
Current ratio	223,2%	271,0%	229,6%	221,0%	179,7%
Solvency ratio	65,6%	69,6%	63,0%	65,3%	60,5%
Return on equity	5,6%	8,6%	7,6%	-7,0%	2,9%

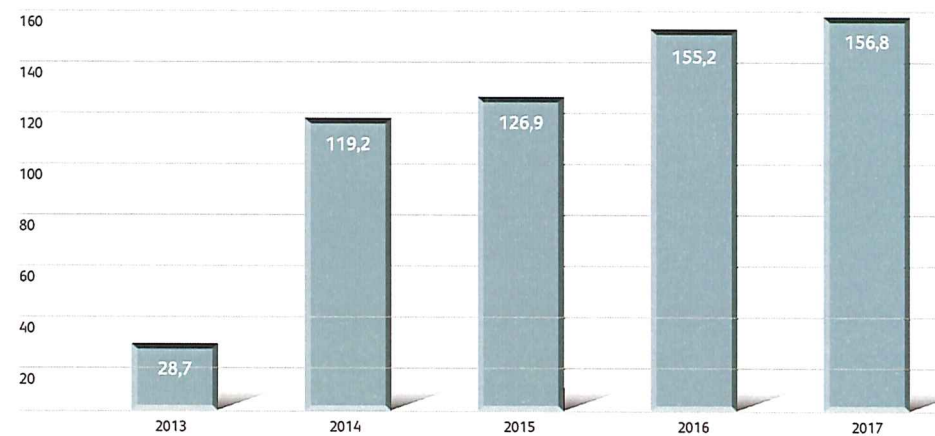
*) Refer to page 51 for definitions of financial ratios, etc.

**) Special items are disclosed in note 1 to the financial statement

Operating profit



Cash from operating activities



MANAGEMENT'S REVIEW

Management's Review

Financial highlights

Principal activities of the Company

Gerda og Victor B. Strand Holding A/S is a holding company. In 2013 the shares in Toms Gruppen A/S were transferred from Gerda og Victor B. Strands Fond to Gerda og Victor B. Strand Holding A/S. The transfer was accounted for using the pooling of interests method, and therefore the comparative figures have been restated to also include the period before the transfer.

Toms Gruppen A/S manufactures, markets and sells confectionery.

Denmark is the largest market, including sales to Danish/German border shops. Mainly branded products are sold in Denmark, and Toms Gruppen A/S is a market leader across the confectionery category as a total.

In Germany, sales mainly consist of premium chocolate under the brands of Hachez and Feodora.

In Sweden, sales consist of Pick-and-Mix sweets as well as branded products like Anthon Berg and Toms.

The international business unit primarily exports to the main markets in Norway, North America, the Netherlands, Australia and the Far and Middle East. In several markets, sale is handled through distributors. The business unit is also responsible for sales to the travel retail market.

The Group's production takes place at the Group's own four factories in Denmark (2), Germany (1), and Poland (1). The facility in Poland only handles packaging tasks.

Development in activities and financial position

Profit for the year

The Group's revenue for 2017 amounted to DKK 1.763,1 million against DKK 1.729,8 million in 2016. Revenue increased primarily on the German and export markets.

Operating profit before special items ended at 61,1 million DKK, below our ambition for the year and below 2016 result of 102,3 million DKK. The result was negatively impacted primarily by lower margin on the Danish market, recall of marcipan products during Q4 and rate of exchange on SEK during Q4.

Net financials showed an income of DKK 0,7 million in 2017 compared to an expense in of DKK 7,0 million in 2016. The positive development is primarily caused by currency adjustments.

Balance sheet and equity development

The Group's total assets at year end amounted to DKK 1.140,0 million against DKK 1.017,0 million in 2016. At the end of 2017, working capital amounted to DKK 165,1 million against DKK 225,3 million at the end of 2016. In 2017, this is equivalent to 9,4 per cent of revenue and, in 2016, to 13,1 per cent of revenue, which is a significant improvement coming from a continued strong and dedicated focus during 2017.

At year end, net interest bearing external debt amounted to DKK -236,2 million. At the end of 2016, the net interest bearing debt amounted to DKK -199,5 million. At 31 December 2017, equity amounted to DKK 577,9 million, while equity amounted to DKK 537,4 million in 2016. The solvency ratio amounted to 50,7 per cent and 52,8 per cent, respectively.

Uncertainty regarding recognition and measurement

Goodwill impairment testing is based on the DCF method to assess the recoverable amount of goodwill. The calculation is based on assumptions and estimates for the future and is therefore subject to uncertainty.

Investments and cash flow

Net investments amounted to DKK 116,5 million in 2017 against DKK 55,1 million in 2016. Consolidated cash flow from operation, investment and financing activities was DKK 42,8 million compared to DKK 99,7 million in 2016. Decrease in cash flow were primarily caused by significant investments in 2017. Increased investments support the One Toms 2020 strategic priority of securing an agile and competitive supply chain.



REVENUE 2017

1.005 mill

DENMARK/SWEDEN

57 %

457 mill

GERMANY

26 %

301 mill

OTHER

17 %

Development activities

Costs are continuously incurred for development of the product portfolio. Development activities include the development of new products as well as development of existing products and concepts. All development costs were expensed.

2018 Outlook

Management expects that the market generally will be in line with 2017 with continued strong price competition in the retail sector in all of the Group's markets. Management expects a moderate growth in revenue and operating profit before special items slightly above 2016.

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Management expects moderate growth in revenue and operating profit before special items slightly above 2016

Events after the reporting period

No events have occurred after the end of the financial year, which significantly affect the annual report. Toms announced on February 28th a material and historic investment in expanding its activities in Poland with the construction of a new production facility, supporting the Groups strategic initiative of establishing an agile and competitive supply chain. The announcement has no impact on the 2017 financial report.

Particular risks

General risks

The Group's main operating risks are attributable to the development of the competitive environment in the retail market. In addition, risks are associated with the development of world market prices of cocoa, cocoa butter, almonds, hazelnuts, gelatin and sugar.

Financial risks

Interest rate risks

The Company's net debt position is cash positive and is therefore exposed to a negative interest rate for cash in bank. Several models have been developed to mitigate these effects for 2018.

Currency risks

The Group's currency risks occur partly because there is an imbalance between income and expenses in each currency (transaction risk), and partly because the Group includes companies with a functional currency other than DKK (translation risk).

Transaction risk: The Group incurs significant costs in foreign currency for the purchase of raw materials, and the individual companies have revenues in foreign currencies. The Group's currency policy stipulates as a general rule that cash flows in the major currencies (SEK, PLN, GBP and USD) must be hedged according to policy. Hedging is mainly made by using forward contracts.

Translation risk: Net assets in foreign currency were not hedged, as these would not have a significant size. For 2017, the income statement and balance sheet were affected by fluctuations in EUR, SEK, USD and PLN, however the impact on the Group's results were not significant.

Credit risks

The Group's credit risks are related to the primary financial assets and to derivative financial instruments with a fluctuating market value.

The Group's policy for undertaking credit risks means that all new major customers and other business partners must be credit rated. A large proportion of transactions with customers outside the local markets are insured.

Corporate social responsibility

The Group has decided to publish the statutory report on social responsibility according to section 99a and 99b of the Danish Financial Statements Act on our website.

The Global Compact Report can be found at http://tomsgroup.com/en/our_responsibility/annual_reports_and_policies/ and is an integral part of the Management's review.



FINANCIAL STATEMENTS

Financial Statements

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Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the Annual Report of Gerda og Victor B. Strand Holding A/S for the financial year 1 January – 31 December 2017.

The Annual Report has been prepared in accordance with the Danish Financial Statements Act.


It is our opinion that the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the Company's financial position at 31 December 2017 and of the results of the Group's and the Company's operations and consolidated cash flows for the financial year 1 January – 31 December 2017.

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


We recommend that the Annual Report be approved at the Annual General Meeting.

Ballerup, 22 March 2018

Executive Board


Carsten Lyngsø Thomsen
CEO

Board of Directors


Marianne Philip
Chairman


Henrik Brandt


Lissi Gjørland


Villy Rasmussen
Deputy Chairman


Walther Paulsen


Hans-Jørgen Filtenborg


Jørgen Dirksen


Kenneth Pedersen



Independent Auditor's Report

To the shareholder of Gerda og Victor B. Strand Holding A/S

Opinion

We have audited the consolidated financial statements and the parent company financial statements of Gerda og Victor B. Strand Holding 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, for the Group and the Parent Company, and a consolidated cash flow statement. The consolidated financial statements and the parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2017 and of the results of the Group's and the Parent Company's operations as well as the consolidated cash flows 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 additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements and the parent company financial statements" (hereinafter collectively referred to as "the financial statements") section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.



Management's responsibilities for the financial statements

Management is responsible for the preparation of consolidated financial statements and parent company financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

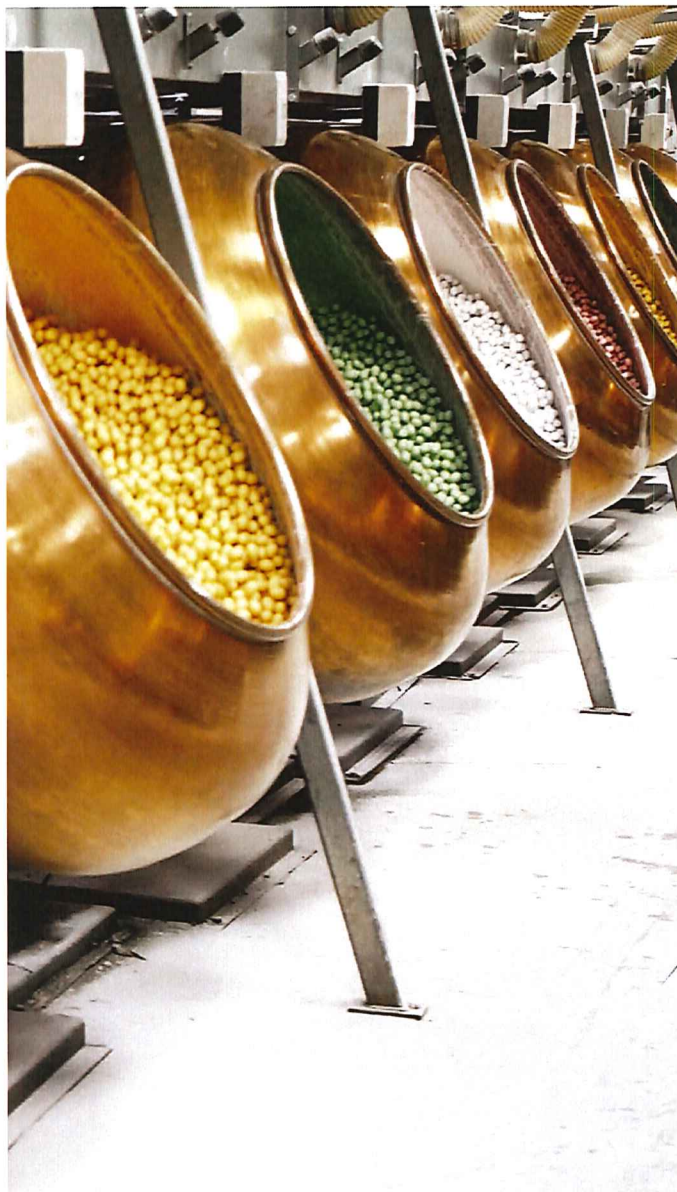
In preparing the financial statements, Management is responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and 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 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 Group's and the Parent Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Parent Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the Management's review

Management is responsible for the Management's review.

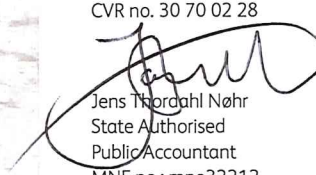
Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 22 March 2018
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28


Jens Thorngahl Nøhr
State Authorised
Public Accountant
MNE no.: mne32212

Group and Parent Company Financial Statements

For the period 1 January – 31 December 2017

Accounting Policies

Compliance

The annual report of Gerda og Victor B. Strand Holding A/S for 2017 has been prepared in accordance with the provisions applying to reporting class C enterprises (large) under the Danish Financial Statements Act.

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

Recognition and measurement

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the Group and the income can be measured reliably. Liabilities are recognised in the balance sheet when the Group as a result of a past event has a legal or constructive obligation and it is probable that future economic benefits will flow from the Group, and the value can be measured reliably.

In recognising and measuring assets and liabilities, any gains, losses and risks occurring prior to the presentation of the annual report that evidence conditions existing at the balance sheet date are taken into account.

Income is recognised in the income statement as it occurs, including value adjustments of financial assets and liabilities measured at fair value or amortised cost. In addition, costs incurred to generate the year's earnings, including depreciation, amortisation, provisions and reversals due to changes in accounting estimates of amounts previously recognised in the consolidated financial statements and the parent company financial statements.

Consolidated financial statements

The consolidated financial statements comprise the parent company, Toms Gruppen A/S, and subsidiaries in which Toms Gruppen A/S directly or indirectly holds more than 50 per cent of the voting rights or which it, in some other way, controls. Enterprises in which the Group holds between 20 per cent and 50 per cent of the voting rights and over which it exercises significant influence, but which it does not control, are considered associates, see the group chart.

On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends, and realised and unrealised gains and losses on intra-group transactions are eliminated.

Investments in subsidiaries are set off against the proportionate share of the subsidiaries' fair value of net assets or liabilities at the acquisition date.

Business combinations

Enterprises acquired or formed during the year are recognised in the consolidated financial statements from the date of acquisition or formation. Enterprises disposed of are recognised in the consolidated income statement until the date of disposal. The comparative figures are not adjusted for acquisitions or disposals.

Gains or losses on disposal of subsidiaries and associates are stated as the difference between the sales amount and the carrying amount of net assets at the date of disposal plus non-amortised goodwill and anticipated disposal costs.

Acquisitions of enterprises are accounted for using the acquisition method, according to which the identifiable

assets and liabilities acquired are measured at their fair values at the date of acquisition. Provision is made for costs related to adopted and announced plans to restructure the acquired enterprise in connection with the acquisition. The tax effect of the restatement of assets and liabilities is taken into account.

Any excess of the cost over the fair value of the identifiable assets and liabilities acquired (goodwill), including restructuring provisions, is recognised as intangible assets and amortised on a systematic basis in the income statement based on an individual assessment of the useful life of the asset, not exceeding 20 years. Goodwill from acquired enterprises can be adjusted until the end of the year following the year of acquisition.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Foreign subsidiaries and associates are considered separate entities. The income statements are translated at the average exchange rates for the month, and the balance sheet items are translated at the exchange rates at the balance sheet date. Foreign exchange differences arising on translation of the opening equity of foreign subsidiaries at the exchange rates at the balance sheet date and on translation of the income statements from

average exchange rates to the exchange rates at the balance sheet date are recognised directly in equity.

Foreign exchange adjustments of intra-group balances with independent foreign subsidiaries which are considered part of the investment in the subsidiary are recognised directly in equity. Foreign exchange gains and losses on loans and derivative financial instruments designated as hedges of foreign subsidiaries are also recognised directly in equity.

Derivative financial instruments

Derivative financial instruments are initially recognised in the balance sheet at cost and are subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are included in other receivables and payables, respectively.

Changes in the fair value 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 together with changes in the fair value of the hedged asset or liability.

Changes in the fair value of derivative financial instruments designated as and qualifying for recognition as a hedge of future assets and liabilities are recognised in other receivables or other payables and in equity. If the 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 forecast transaction results in income or expenses, amounts previously recognised in equity are transferred to the income statement in the period in which the hedged item affects profit or loss.

For derivative financial instruments that do not qualify for hedge accounting, changes in fair value are recognised in the income statement on a regular basis.

Income statement

Revenue

Income from the sale of goods for resale and finished goods is recognised in the income statement when delivery and transfer of risk to the buyer have taken place and provided that the income can be reliably measured and is expected to be received.

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

Production costs

Production costs comprise costs, including depreciation and amortisation and salaries, incurred in generating the revenue for the year. Such costs include direct and indirect costs for raw materials and consumables, wages and salaries, rent and leases, and depreciation of production plants.

Sales and distribution costs

Costs incurred in distributing goods sold during the year and in conducting sales campaigns, etc., during the year are recognised as distribution costs. Also, costs relating to sales staff, advertising, exhibitions and depreciation are recognised as distribution costs.

Administrative expenses

Administrative expenses comprise expenses incurred during the year for company management and administration, including expenses for administrative staff, management, office premises and office expenses, and depreciation.

Other operating income

Other operating income comprises items secondary to the Company's activities, including gains on disposal of intangible assets and items of property, plant and equipment.

Other operating costs

Other operating cost comprises items secondary to the Company's activities, including losses on disposal of intangible assets and items of property, plant and equipment.

Share of profit/loss from investments in subsidiaries after tax

The proportionate share of the results after tax of the individual subsidiaries is recognised in the income state-

ment of the parent company after full elimination of intra-group profits/losses.

Financial income and expenses

Financial income and expenses comprise interest income and expense, gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Tax on profit/loss for the year

Tax for the year comprises current tax for the year and changes in deferred tax. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity. The tax expense recognised in the income statement relating to the extraordinary profit/loss for the year is allocated to this item whereas the remaining tax expense is allocated to the profit/loss for the year from ordinary activities.

The parent company, Gerda & Victor B. Strand Holding A/S, is covered by the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. Subsidiaries form part of the joint taxation from the date on which they are included in the consolidation of the consolidated financial statements and up to the date on which they exit the consolidation.

Gerda og Victor B. Strand Holding A/S is the administrative company for the joint taxation and consequently settles all corporate tax payments with the tax authorities.

The current Danish corporate tax is allocated by settlement of joint taxation contribution between the jointly taxed companies in proportion to their taxable income. In this relation, companies with tax loss carryforwards receive joint taxation contribution from companies that have used these losses to reduce their own taxable profits.

Tax for the year comprises current tax, joint taxation contributions for the year and changes in deferred tax for the year – due to changes in the tax rate. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.





Balance sheet

Goodwill and trademarks

Goodwill and trademarks are amortised over the estimated useful life determined on the basis of Management's experience of the specific business areas. Goodwill and trademarks are amortised on a straight-line basis over a maximum amortisation period of 20 years, longest for strategically acquired enterprises with strong market positions and long-term earnings profiles.

Property, plant and equipment

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

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers, and wages and salaries.

Interest expense on loans to finance the production of property, plant and equipment which concerns the production period is included in costs. All other borrowing costs are recognised in the income statement.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

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

Buildings	30 years
Installations in building	10 years
Fixtures and fittings, tools and equipment	5-20 years
Cars	3 years
It equipment	3-5 years

The depreciation period and the residual value are determined at the time of acquisition and are reassessed every year. Where the residual value exceeds the carrying

amount of the asset, no further depreciation charges are recognised.

Depreciation is recognised in the income statement as production costs, distribution costs and administrative expenses, respectively.

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

Investments in subsidiaries

Investments in subsidiaries are measured under the equity method.

Investments in subsidiaries are measured at the proportionate share of the enterprises' net asset values calculated in accordance with the Group's accounting policies minus or plus unrealised intra-group profits and losses and plus or minus any residual value of positive or negative goodwill determined in accordance with the acquisition method.

Investments in subsidiaries with negative net asset values are measured at DKK 0 (nil), and any amounts owed by such enterprises are written down if the amount owed is irrecoverable. If the parent company has a legal or constructive obligation to cover a deficit that exceeds the amount owed, the remaining amount is recognised under provisions.

Net revaluation of investments in subsidiaries is recognised in the reserve for net revaluation in equity under the equity method to the extent that the carrying amount exceeds costs.

On acquisition of subsidiaries, the acquisition method is applied, see consolidated financial statements above.

Impairment of non-current assets

The carrying amount of intangible assets and property, plant and equipment is subject to an annual test for indications of impairment other than the decrease in value reflected by amortisation or depreciation.

Impairment tests are conducted of individual assets or groups of assets (cash-generating units) when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

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

Other investments

Other investments recognised under non-current assets comprise listed bonds measured at fair value.

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value.

Goods for resale and raw materials and consumables are measured at cost, comprising purchase price plus delivery costs.

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

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

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable or a receivable portfolio has been impaired. If there is an objective indication that an individual receivable has been impaired, a write-down is made on an individual basis.

Securities

Securities, comprising listed bonds, are measured at fair value at the balance sheet date.

Cash at bank and in hand

Toms Gruppen A/S is part of a cash pool arrangement together with other group companies. Balances arising from cash pools are included in cash at bank and in hand/Bankloans and overdrafts in the balance sheet of the parent company

Dividends

Proposed dividends are recognised as a liability at the date when they are adopted at the annual general meeting (declaration date). The expected dividend payment for the year is disclosed as a separate item under equity.

Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Joint taxation contribution payable and receivable is recognised in the balance sheet as „Corporation tax receivable“ or „Corporation tax payable“.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities. 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 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 planned use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax value of tax loss carryforwards, 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 and jurisdiction.

Adjustment is made to deferred tax resulting from elimination of unrealised intra-group profits and losses.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. The change in deferred tax as a result of changes in tax rates is recognised in the income statement.

Provisions

Provisions are recognised when, as a result of past events, the Company has a legal or a constructive obligation and it is probable that there may be an outflow of resources embodying economic benefits to settle the obligation. Defined benefit plans are measured at the discounted value of the net pension obligation calculated using actuarial assumptions. Actuarial gains and losses are recognised in equity. If the obligation is expected to be settled far into the future, the obligation is measured at net present value.

Liabilities other than provisions

Other liabilities are measured at net realisable value.

Cash flow statement

The cash flow statement shows the Company's cash flows from operating, investing and financing activities for the year, the year's changes in cash and cash equivalents as well as the Company's cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities

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

Cash flows from investment activities

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

Cash flows from financing activities

Cash flows from financing activities comprise the raising of loans, repayment of interest-bearing debt and payment of dividends to shareholders.

Segment information

Information is provided on business segments and geographical markets. Segment information is based on the Company's internal financial management.

Financial ratios

Financial ratios are calculated in accordance with the Danish Society of Financial Analysts' guidelines on the calculation of financial ratios „Recommendations and Financial Ratios“.





Income Statement 2017

DKK '000

Parent company			Group	
2016	2017	Note	2017	2016
0	0	2	1.763.054	1.729.834
0	0	3/4/5	-1.159.839	-1.117.287
0	0		603.215	612.547
0	0	3/4/5	-463.904	-446.994
-24	4	3/4/5	-84.918	-76.871
-24	4		54.393	88.682
58.396	41.148		0	0
0	0		4.790	3.776
-2	-11		-4.129	-10.748
58.370	41.141	6	55.054	81.710
0	0	7	-13.913	-23.340
58.370	41.141	8	41.141	58.370
58.370	41.141	9		

Revenue

Production costs

Gross profit

Sales and distribution costs

Administrative expenses

Operation profit

Share of profit/loss in subsidiaries after tax

Financial income

Financial expenses

Profit before tax

Tax on profit/loss from ordinary activities

Profit for the year

Allocation of profit

Shareholders of Gerda & Victor B. Strand Holding A/S

Balance Sheet 31.12.2017

Assets
DKK '000

Parent company			Group	
2016	2017	Note	2017	2016
0	0	10	16.353	20.196
0	0	11	1.084	103
0	0		17.437	20.299
0	0	12	107.349	78.167
0	0	13	219.961	188.734
0	0	14	1.855	8.359
0	0	15	34.717	30.333
0	0		363.882	305.593
		16	2.735	2.735
537.375	577.897	6	0	0
0	0	17	11.255	6.466
537.375	577.897		13.990	9.201
537.375	577.897		395.309	335.093
0	0	18	271.230	274.010
0	0		208.674	182.945
177.335	173.193		13.144	10.285
0	0	19	3.334	2.374
0	0		12.060	12.731
177.335	173.193		237.212	208.335
0	0	20	490	494
388	151		235.891	199.414
177.723	173.344		744.823	682.253
715.098	751.241		1.140.132	1.017.346

Balance Sheet 31.12.2017

Equity and liabilities
DKK '000

Parent company			Group	
2016	2017	Note	2017	2016
10.000	10.000	21	10.000	10.000
697.729	738.244		738.244	697.729
707.729	748.244		748.244	707.729
0	0	22	32.172	28.677
0	0	23	25.930	29.196
0	0		58.102	57.873
0	0		209.479	146.007
7.321	2.973	24	2.981	7.314
48	24		121.326	98.423
7.369	2.997		333.786	251.744
7.369	2.997		333.786	251.744
715.098	751.241		1.140.132	1.017.346
		25-27	Contingent liabilities and financial risks	

Statement of Changes in Equity

DKK '000

Note	Parent company	Share capital	Retained earnings	Total
	Equity at 01 January 2016	10.000	639.382	649.382
28	Proposed profit appropriation	0	58.370	58.370
	Foreign currency translation adjustments	0	-2.019	-2.019
	Value adjustments on hedging instruments	0	2.559	2.559
	Deferred tax on value adjustments	0	-563	-563
	Equity at 01 January 2017	10.000	697.729	707.729
	Actuarial loss on defined benefit plans, net of tax	0	-2.462	-2.462
28	Proposed profit appropriation	0	41.141	41.141
	Foreign currency translation adjustments	0	-479	-479
	Value adjustments on hedging instruments	0	2.968	2.968
	Deferred tax on value adjustments	0	-653	-653
	Equity at 31 December 2017	10.000	738.244	748.244

Note	Toms Group	Share capital	Retained earnings	Total
	Equity at 01 January 2016	10.000	639.382	649.382
28	Proposed profit appropriation	0	58.370	58.370
	Foreign currency translation adjustments	0	-2.019	-2.019
	Value adjustments on hedging instruments	0	2.559	2.559
	Deferred tax on value adjustments	0	-563	-563
	Equity at 01 January 2017	10.000	697.729	707.729
	Actuarial loss on defined benefit plans, net of tax	0	-2.462	-2.462
28	Proposed profit appropriation	0	41.141	41.141
	Foreign currency translation adjustments	0	-479	-479
	Value adjustments on hedging instruments	0	2.968	2.968
	Deferred tax on value adjustments	0	-653	-653
	Equity at 31 December 2017	10.000	738.244	748.244

Cash Flow Statement

DKK '000

Note	Group	
	2017	2016
Operating profit/loss	54.393	88.682
Depreciation, amortisation and impairment losses	61.100	61.748
Cash generated from operating activities before changes in working capital, etc	115.493	150.430
Changes for the year to the below items:		
Inventories	2.780	70.161
Trade receivables	-25.728	19.944
Other receivables	-2.188	11.226
Trade payables	63.472	-5.318
Other payables	22.904	-39.284
Provisions	-3.268	-19.381
Changes in working capital	57.972	37.348
Value adjustments of financial instruments	2.315	1.996
Net financials	661	-6.972
Paid tax	-19.651	-27.573
Cash flow from operating activities	156.790	155.229
29 Cash flow from investing activities	-116.716	-55.137
Cashflow from financial activities	0	0
Increase/decrease in cash and cash equivalents, during the year	40.074	100.092
Cash and cash equivalents, securities and payables to credit institutions, etc., at beginning of the year	199.908	101.659
Value adjustments etc.	-3.601	-1.843
Cash and cash equivalents, securities and payables to credit institutions, etc., at the end of the year	236.381	199.908
Which is specified as follows:		
Securities and investments	490	494
Cash at bank and in hand	235.891	199.414
Total	236.381	199.908

Notes

Parent company			DKK '000	
2016	2017	Note	2017	2016
		1		
		Special items		
		Restructuring and strategic project expenses are included in the following line items:		
0	0	Production costs	6.910	4.981
0	0	Sales and distribution costs	0	8.650
0	0	Administrative expenses	0	0
0	0	Total	6.910	13.631
		2		
		Segment information		
		Primary segment: geographical area		
0	0	Denmark*/Sweden*	1.004.882	1.009.299
0	0	Germany*	456.929	427.203
0	0	Other export, incl. Travel Retail	301.243	293.332
0	0	Total	1.763.054	1.729.834
		*Excl. Travel Retail		
		Secondary segment: business area		
0	0	Confectionery	1.763.054	1.729.834
0	0	Total	1.763.054	1.729.834

Notes

Parent company			Group	
2016	2017	Note	2017	2016
		3		
		Staff costs		
0	0	Wages and salaries	397.837	376.062
0	0	Pensions	30.068	27.227
0	0	Other social security costs	13.303	14.740
0	0	Total	441.208	418.029
		The staff costs has been included in the following line items:		
0	0	Production costs	310.460	286.199
0	0	Sales and distribution costs	85.437	91.163
0	0	Administrative expenses	45.311	40.667
0	0	Total	441.208	418.029
		Average number of employees	1.010	1.090
		Their remuneration:		
0	0	Parent Executive Board		
0	0	Parent Board of Directors		
0	0	Parent company Executive Board and Board of Directors	6.416	6.828
		4		
		Impairment losses and depreciation/amortisation		
0	0	Intangible assets	3.970	3.932
0	0	Property, plant and equipment	57.130	57.816
0	0	Total	61.100	61.748
		<i>The total impairment losses and depreciation/amortisation (including goodwill) has been included in the following line</i>		
		items:		
0	0	Production costs	51.928	52.787
0	0	Sales and distribution costs	1.878	1.977
0	0	Administrative expenses	7.294	6.984
0	0	Total	61.100	61.748

Notes

DKK '000

Parent company		Note		
2016	2017		2017	2016
		5	Fee paid to auditors	
			Ernst & Young:	
10	10		744	390
0	0		1.179	166
6	6		169	450
16	16		2.092	1.006
			Others:	
0	0		0	238
0	0		0	275
0	0		0	513
		6	Investments in subsidiaries	
559.744	559.744		Cost at 1 January	
559.744	559.744		Cost at 31 December	
-80.742	-22.369		Value adjustment at 1 January	
-2.019	-479		Foreign currency translation adjustments	
0	-2.462		Actuarial loss on defined benefit plans, net of tax	
58.396	41.148		Profit/loss on ordinary activities after tax	
1.996	2.315		Value adjustments on hedging instruments, net of tax	
-22.369	18.153		Value adjustment at 31 December	
537.375	577.897		Carrying amount at 31 December	
			Subsidiaries	Registered office
			Toms Gruppen A/S	Ballerup, Denmark
			Ownership	
			100 %	

Notes

DKK '000

Parent company		Note	Group	
2016	2017		2017	2016
		7	Financial income	
0	0		4.790	3.776
0	0		4.790	3.776
		8	Financial expenses	
2	11		4.129	10.748
2	11		4.129	10.748
		9	Tax	
0	0		-14.144	-27.422
0	0		-306	-283
0	0		537	4.365
0	0		-13.913	-23.340
		10	Goodwill	
0	0		133.018	133.253
0	0		86	-235
0	0		133.104	133.018
0	0		-112.822	-109.214
0	0		-86	235
0	0		-3.843	-3.843
0	0		-116.751	-112.822
0	0		16.353	20.196

Notes

DKK '000

Parent company		Note	Group	
2016	2017		2017	2016
		11		
		Trademarks etc.		
0	0	Cost at 1 January	48.678	48.868
0	0	Foreign currency translation adjustments	69	-190
0	0	Additions	1.109	0
0	0	Cost at 31 December	49.856	48.678
0	0	Accumulated amortisation at 1 January	-48.575	-48.674
0	0	Foreign currency translation adjustments	-70	188
0	0	Reversal of previous revaluation	0	0
0	0	Amortisation	-127	-89
0	0	Accumulated amortisation at 31 December	-48.772	-48.575
0	0	Carrying amount at 31 December	1.084	103
		12		
		Land and buildings		
0	0	Cost at 1 January	271.134	271.350
0	0	Foreign currency translation and other adjustments	79	-216
0	0	Transferred	4.569	0
0	0	Disposals	-5.502	0
0	0	Additions	30.213	0
0	0	Cost at 31 December	300.493	271.134
0	0	Accumulated depreciation at 1 January	-192.967	-186.831
0	0	Foreign currency translation adjustments	-46	130
0	0	Amortisation on disposals	5.502	0
0	0	Transferred	-1.334	0
0	0	Depreciation	-4.299	-6.266
0	0	Accumulated depreciation at 31 December	-193.144	-192.967
0	0	Carrying amount at 31 December	107.349	78.167

Notes

DKK '000

Parent company		Note	Group	
2016	2017		2017	2016
		13		
		Plant and machinery		
0	0	Cost at 1 January	1.211.723	1.211.015
0	0	Foreign currency translation adjustments	1.434	-1.501
0	0	Additions	49.947	24.926
0	0	Transferred	72.407	11.667
0	0	Disposals	-56.845	-34.384
0	0	Cost at 31 December	1.278.666	1.211.723
0	0	Accumulated depreciation at 1 January	-1.022.989	-1.008.663
0	0	Foreign currency translation adjustments	-772	951
0	0	Transferred	-39.568	0
0	0	Depreciation and impairment on disposals	56.845	33.107
0	0	Impairment	0	829
0	0	Depreciation	-52.221	-49.213
0	0	Accumulated depreciation at 31 December	-1.058.705	-1.022.989
0	0	Carrying amount at 31 December	219.961	188.734
		14		
		Other fixtures and fittings, tools and equipment		
0	0	Cost at 1 January	74.767	74.283
0	0	Foreign currency translation adjustments	203	-327
0	0	Transferred	-47.493	0
0	0	Additions	662	1.644
0	0	Disposals	-7	-833
0	0	Cost at 31 December	28.132	74.767
0	0	Accumulated depreciation at 1 January	-66.408	-64.832
0	0	Foreign currency translation adjustments	-161	255
0	0	Transferred	40.902	0
0	0	Depreciation and impairment on disposals	0	506
0	0	Depreciation	-610	-2.337
0	0	Accumulated depreciation at 31 December	-26.277	-66.408
0	0	Carrying amount at 31 December	1.855	8.359

Notes

DKK '000

Parent company			Group	
2016	2017	Note	2017	2016
		15		
		Property, plant and equipment under construction		
0	0	Cost at 1 January	30.333	11.950
0	0	Additions	33.868	30.050
0	0	Transferred	-29.484	-11.667
0	0	Cost at 31 December	34.717	30.333
		16		
		Other investments		
0	0	Cost at 1 January	2.735	2.735
0	0	Cost at 31 December	2.735	2.735
0	0	Carrying amount at 31 December	2.735	2.735
		17		
		Deferred tax assets		
0	0	Deferred tax at 1 January	6.466	6.647
0	0	Adjustments of deferred tax	4.789	-181
0	0	Deferred tax at 31 december	11.255	6.466
		Deferred tax is relates to:		
0	0	Property, plant and equipment	2.946	0
0	0	Loss carried forward	3.380	6.005
0	0	Provisions	4.929	461
0	0	Carrying amount at 31 December	11.255	6.466
		Timing of the reversal of deferred tax assets expected to be:		
0	0	0-1 year	491	52
0	0	1-5 year	5.344	6.213
0	0	After 5 years	5.420	201
0	0	Total	11.255	6.466

The loss carried forward is expected to be reversed within 1-5 years.
Deferred tax of 32,0 million relating to German subsidiaries is not recognised (2016: 30 million).

Notes

DKK '000

Parent company			Group	
2016	2017	Note	2017	2016
		18		
		Inventories		
0	0	Raw material and packaging	86.814	94.332
0	0	Work in progress	47.399	38.866
0	0	Manufactured goods and goods for resale	137.017	140.812
0	0	Carrying amount at 31 December	271.230	274.010
		19		
		Company tax, receivable		
0	0	Company tax, receivable at 1 January	2.374	5.907
0	0	Paid/received during the year	1.698	-2.858
0	0	Company tax for the year	-738	-675
0	0	Company tax, receivable at 31 december	3.334	2.374
		20		
		Securities and investments		
0	0	Cost at 1 January	39	39
0	0	Cost at 31 December	39	39
0	0	Value adjustment at 1 January	455	403
0	0	Value adjustment during the year	-4	52
0	0	Value adjustment at 31 December	451	455
0	0	Carrying amount at 31 December	490	494

Notes

Parent company			DKK '000	
2016	2017	Note	Group	
			2017	2016
		21		
		Share capital		
10.000	10.000			
0	0			
10.000	10.000			
10.000	10.000			
10.000	10.000			
		22		
		Deferred tax		
0	0		28.677	32.479
0	0		3.495	-3.802
0	0		32.172	28.677
0	0		21.277	20.605
0	0		8.954	6.982
0	0		1.782	1.598
0	0		295	-358
0	0		-136	-150
0	0		32.172	28.677
0	0		-3.329	3.575
0	0		2.379	5.752
0	0		33.122	19.350
0	0		32.172	28.677

Notes

Parent company			DKK '000	
2016	2017	Note	Group	
			2017	2016
		23		
		Other provisions		
		Movement during the year		
0	0		29.196	48.577
0	0		-7.170	-24.188
0	0		0	-3.213
0	0		3.904	8.020
0	0		25.930	29.196
0	0		670	736
0	0		23.218	19.613
0	0		2.042	8.847
0	0		25.930	29.196
0	0		2.643	9.522
0	0		1.321	1.106
0	0		21.966	18.568
0	0		25.930	29.196
		24		
7.987	7.321		7.314	10.897
-26.956	-17.762		-17.747	-30.431
26.290	13.414		13.414	26.848
7.321	2.973		2.981	7.314

Notes

DKK '000

Parent company

Group

Note

25

Contingent liabilities**Group liabilities**

The Group has purchase contracts related to raw material consumption at total of DKK 308,2 million (2016: DKK 273,8 million).

The Group has operating leases for the company's motor vehicles and IT equipment at total of DKK 8,9 million (2016: DKK 12,0 million).

The Group has rental liabilities for the amount of DKK 4,3 million (2016: DKK 5,1 million).

Oberlandesgericht Düsseldorf has ruled in the sugar cartel case (süßwarenverband) against the acquired subsidiary, Feodora Chocolate GmbH, and a number of other major producers in Germany. The lawsuit was filed in 2009 on Restrictive practice and is on going. Total liabilities amount to DKK 3,7 million. The former owners of Hanseatische Chocolate GmbH have guaranteed to indemnify Toms Gruppen A/S and provided security in the form of bank guarantees.

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Currency risks

Currency (t.DKK)	Period	Receivables	Payables	Forward contracts	Net position
USD	< 6 months	6.184	-3.449	-2.736	0
CAD	< 6 months	76	-41	0	35
GBP	< 6 months	1.188	-1.876	0	-688
SEK	< 6 months	32.697	-1.844	-30.853	0
PLN	< 6 months	2.989	-7.338	4.349	0
EUR	< 6 months	39.157	-68.358	0	-29.201
		82.291	-82.906	-29.240	-29.855

Toms Gruppen A/S hedge major currencies (USD, GBP, SEK and PLN) according to group policies which state that main currency risk within 6 month are 100 % covered.

Currency risk above 6 month up to 1 year are in general covered from 50-90 %.

Notes

DKK '000

Parent company

Group

2016

2017

Note

27

Related parties

Basic

Gerda og Victor B. Strand Holding A/S' related parties are:

Control:

Gerda og Victor B. Strands Fond and its Board of Directors, Ballerup, Denmark

Ultimate parent company

Other related parties:

Toms Gruppen A/S, Ballerup, Denmark

Subsidiary

Toms Sverige AB, Halmstad, Sweden

Subsidiary

Toms Polska Sp. z o.o., Leszno, Poland

Subsidiary

Vamesa Investments Sp z.o.o. Warszawa, Poland

Subsidiary

Hanseatische Chocolate GmbH, Bremen, Germany

Subsidiary

Hanseatische Geschäftsführungs GmbH, Bremen, Germany

Subsidiary

Bremer Hachez Chocolate GmbH & Co. KG, Bremen, Germany

Subsidiary

Feodora Chocolate GmbH & Co. KG, Bremen, Germany

Subsidiary

Huchtinger Logistik GmbH & Co. KG, Bremen, Germany

Subsidiary

Hawopral GmbH, Bremen, Germany

Subsidiary

Toms Confectionery Group Pte. Ltd., Singapore

Subsidiary

Toms Confectionery Group, Vestby, Norway

Subsidiary

Related parties also include Board of Directors, the Executive Board and executive employees.

Transactions with related parties

Amounts owed by affiliated companies

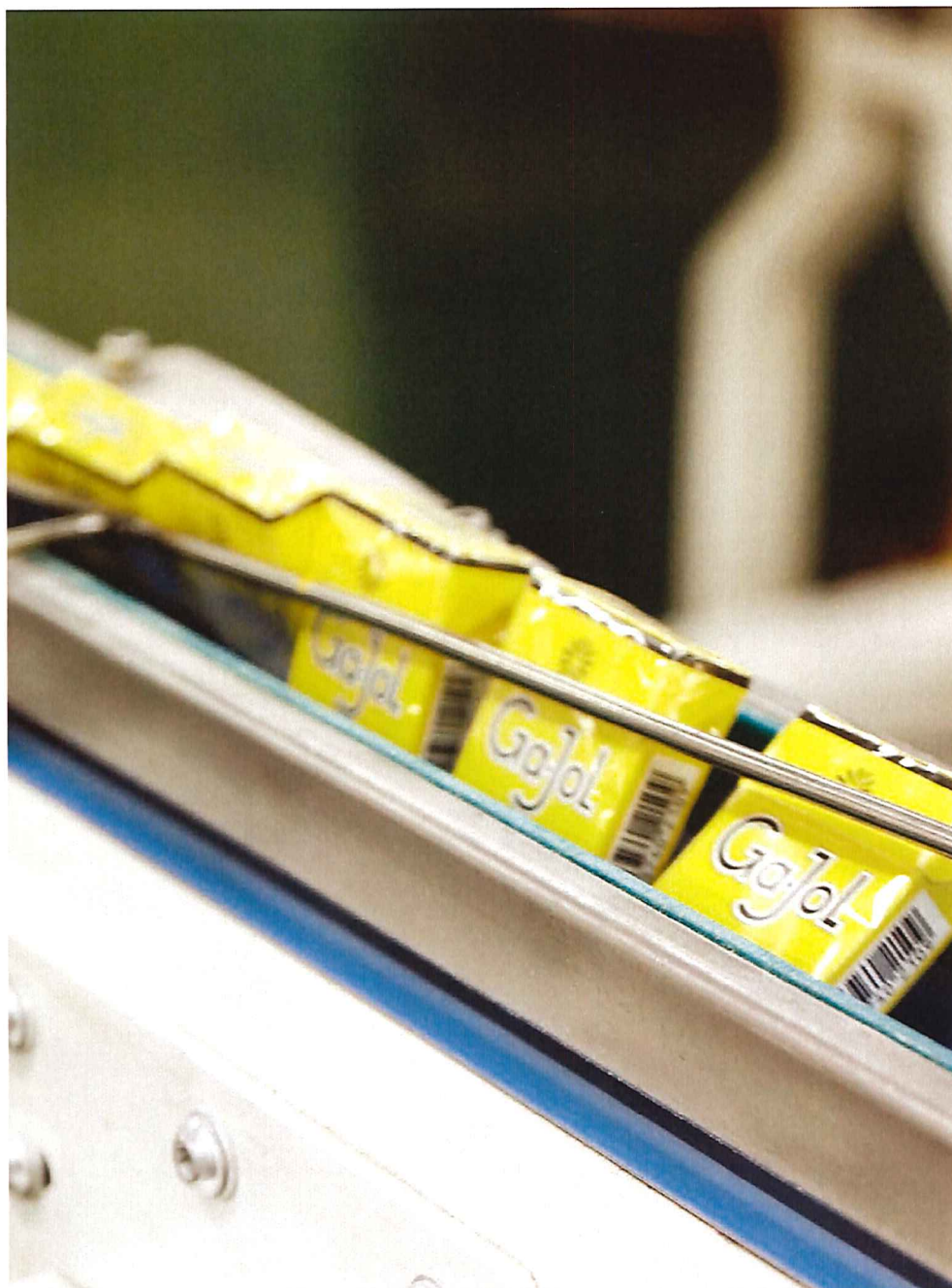
177.335

173.193

DKK '000

Parent company			Group	
2016	2017	Note	2017	2016
		28	Proposed profit appropriation	
58.370	41.141		41.141	58.370
0	0		0	0
58.370	41.141		41.141	58.370
		29	Cash flow from investing activities	
			-30.213	0
			-49.947	-24.984
			-655	-811
			-1.109	0
			-33.868	-30.050
			-924	708
			-116.716	-55.137





Definition and Terms

Definitions

Return on invested capital:	Operating profit in percent of the average of total assets less cash less short term liabilities excluding interest bearing debt.
Working Capital:	Inventories and trade receivables plus other receivables minus trade payables and other payables
Operating margin:	Operating profit in percent of revenue
Return on equity:	Profit from ordinary activities after tax in percent of average equity
Current ratio:	Current assets in percent of current liabilities
Gross margin:	Gross profit in percent of revenue
Operating profit before special item:	Operating profit before impairments, restructuring cost and other cost not related to ordinary activities
Solvency ratio:	Equity at year end in percent of total equity and liabilities at year end

Terms

Sugar confectionery:	Wine gums, liquorice, toffees, sweets etc.
International:	Internal segment. Includes export (except Sweden and Travel Retail)
Travel Retail:	Ferry and airport sales
Special items:	Refer to note 1

Board of Directors

Marianne Philip (Chairman)

LLM from Copenhagen and Duke University. Partner in Kromann Reumert. In-depth knowledge of Financial Market Law including Corporate and Foundation Law. Broad experience in governance and work in Board of Directors.

Partner, Kromann Reumert

Formand for Komitéen for god Fondsledelse

Adj. Professor, CBS

Scan Office A/S (CH)

Redoffice Scan Office A/S (CH)

Redoffice PKC A/S (BM)

Stiholt Holding A/S (CH)

Novo Nordisk Fonden (BM)

Bitten og Mads Clausens Fond (VCH)

Codan A/S (BM)

Codan Forsikring A/S (BM)

Brenntag Nordic A/S (BM)

Aktieselskabet af 1. januar 1987 (BM)

Investeringsforeningen Nordea Invest (CH)

Investeringsforeningen

Nordea Invest Kommune (CH)

Investeringsforeningen

Nordea Invest Bolig (CH)

Investeringsforeningen

Nordea Invest Engros (CH)

Kapitalforeningen Nordea Invest (CH)

Investeringsforeningen

Nordea Invest Portefølje (CH)

Copenhagen Capacity,

Fonden til markedsføring og

erhvervsfremme i Region Hovedstaden (BM)

Kirsten og Peter Bangs Fond (BM)

Norli Pension Livsforsikring A/S (VCH)

Villy Rasmussen (Vice Chairman)

Blacksmith and BSc Eng. HD. Formerly employed as: CEO of Dagrofa and FDB (COOP) and Factory Director of FDB and others. Broad experience from Boards of Directors and Executive Boards in leading Danish and international Corporations. In-depth knowledge in fast moving consumer goods and strategic business development.

Schur International Holding a/s (CH)

Fonden af 1. oktober 1959 (CH)

Nic Christiansen Holding a/s (BM)

Henrik Brandt

Education: MSc (Econ.) and MBA from Stanford University, California. Chairman&Non-Executive Director. Formerly employed as: President&-CEO Royal Unibrew A/S, Unomedical A/S etc. Broad experience from Boards of Directors and Executive Boards in leading Danish and international Corporations. In-depth knowledge in fast moving consumer goods and strategic business development.

Toms Gruppen A/S (CH)

Rockwool International A/S (CH)

Cidron HoldCo Aps (CH)

Intervare A/S (CH)

Nemlig.com (CH)

Scandinavian Tobacco Group A/S (VCH)

Fritz Hansen A/S (CH)

Ferd Holding as, Norge (BM)

Uno Equity ApS, CEO (CH)

Walther Paulsen

Education: MSc (Econ.) Formerly member of Board of Management and Group Chief Executive Officer at Carlsberg. Broad experience from Boards of Directors and Executive Boards in leading Danish and international corporations. In-depth knowledge in finance, investments and strategic business development.

Jørgen Dirksen

Education: HA (BSc) in Economics and Business Administration. Formerly: CEO of Rynkeby Foods A/S and CEO of Unicare, Nordic Market Director of Bluemøller, Sara Lee and Commercial Director of Toms Gruppen. Broad experience from Boards of Directors and Executive Boards in leading Danish and international corporations. In-depth knowledge in fast moving consumer goods and strategic business development.

Orana A/S (BM)

Alsiano A/S (BM)

Kryta A/S (BM)

Fynsk Erhverv (CH)

Helsemin A/S (BM)

Lissi Gjølund (ER)

Process operator since 1996.

Toms Fabrikssklub (BM)

FSU (BM)

Hans-Jørgen Filtenborg (ER)

Education: Mechanical Engineer from Copenhagen University College of Engineering. Plant Manager. Toms Gruppen A/S since 1995.

Toms Gruppen A/S

ferie- og jubilæumsfond (VCH)

FSU (BM)

Kenneth Pedersen (ER)

Education: Mechanician. Maintenance/Repairs, Toms Gruppen A/S since 1991

Branchesekretariatet

industri og byg,

Metal Hovedstaden (BM)

FSU (BM)

Executive Board

Carsten Lyngsø Thomsen

CEO

DI's Fødevareudvalg (BM)

MLDK Mærkevareleverandørerne (BM)

Auditors

Ernst & Young P/S

Osvald Helmuths Vej 4

Postboks 250

DK-2000 Frederiksberg

(CH) Chairman
(VCH) Vice Chairman
(BM) Board Member
(ER) Employee Representative



Gerda og Victor B. Strand Holding A/S
Toms Allé 1
2750 Ballerup, Denmark

Telephone:	+45 44 89 10 00
Fax:	+45 44 89 10 99
E-mail:	info@toms.dk
Website:	www.tmsgroup.com
Registered office:	Ballerup
Registration no.:	35 04 30 55
Established:	1 February 2013
Financial year:	1 January - 31 December