

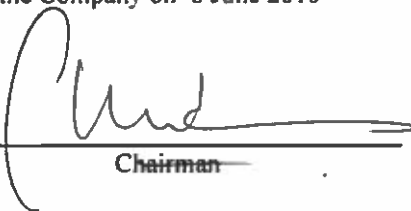
Pepsico Nordic Denmark ApS

**c/o Building 8, hall 1
1620 København V**

CVR no. 35 81 75 30

Annual report 2015

The annual report was presented and
adopted at the annual general meeting of
the Company on 8 June 2016



Chairman

Contents

	Page
Statement by the Executive Board	2
Independent Auditor's Report	3
Management's review	
Company details	5
Financial Statements	
Accounting policies	6
Income statement	9
Balance sheet at	10
Notes to the annual report	12

Statement by the Executive Board

The Executive Board has today discussed and approved the annual report of Pepsico Nordic Denmark ApS for the financial year 1 January - 31 December 2015.

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

It is our opinion that the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2015 and of the result of the Company's operations for the financial year 1 January - 31 December 2015.

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

Copenhagen, 8 June 2016

Executive Board


Francisco Javier Urnuela
Fernandez


Ilona Simientkowski


Peter Meldahl

Financial statements 1 January - 31 December

Independent Auditor's Report

To the Shareholder of Pepsico Nordic Denmark ApS

We have audited the financial Statements of Pepsico Nordic Denmark ApS for the financial year 1 January - 31 December 2015, which comprise summary of significant accounting policies, income statement, balance sheet and notes, for the Company. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Management's Responsibility for the financial statements

The 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 the Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish Audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Management, as well as the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The audit has not resulted in any qualification.

Financial statements 1 January - 31 December

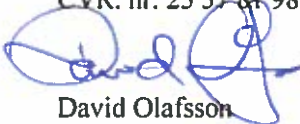
Independent Auditor's Report

Opinion

In our opinion, the financial statements gives a true and fair view of the Company's financial position at 31 December 2015 and of the results of the Company's operations for the financial year 1 January - 31 December 2015 in accordance with the Danish Financial Statements Act.

København, 8 June 2016

KPMG
Statsautoriseret Revisionspartnerselskab
CVR. nr. 25 57 81 98



David Olafsson
statsaut. revisor

Management's review

Company details

Company

Pepsico Nordic Denmark ApS
c/o Building 8, hall 1
Vesterbrogade 149
1620 København V
Denmark

CVR no.: 35 81 75 30
Financial year: 1 January - 31 December
Registered office: Copenhagen

Executive Board

Francisco Javier Urunuela Fernandez
Illona Simientkowski
Peter Meldahl

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfærgevej 28
2100 København Ø
Denmark

General meeting

The annual general meeting is held on 8 June 2016 at the Company's address.

Financial statements 1 January - 31 December

Accounting policies

The annual report of Pepsico Nordic Denmark ApS for 2015 has been presented in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act.

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

Income statement

Gross profit

Pursuant to section 32 of the Danish Financial Statement Act, the Company does not disclose its revenue.

Gross profit comprises indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

Revenue

Revenue consists of service fees and is measured at fair value, excluding VAT.

Other external costs

Other external costs include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise the year's amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses comprise interest income and expenses, financial expenses in respect of finance leases, realised and unrealised exchange adjustments, gains and losses on securities, amortisation of financial assets and liabilities as well as surcharges and refunds under the on account tax scheme.

Tax on the profit/loss for the year

Tax for the year comprises current tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement at the amount attributable to the profit/loss for the year and directly in equity at the amount attributable to entries directly in equity.

Financial statements 1 January - 31 December

Accounting policies

Balance sheet

Intangible assets

Goodwill acquired is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over its useful life, which is assessed at 5 years.

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.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers, energy consumption, staff and depreciation of machinery used.

Interest expenses on loans to finance the production of property, plant and equipment which relate to the production period are included in cost. 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 is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Other fixtures and fittings, tools and equipment	3-5	years
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Receivables

Receivables are measured at amortised cost.

Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

Dividends

Proposed dividends are recognised as a liability at the date on which 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.

Financial statements 1 January - 31 December

Accounting policies

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.

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 measured on the planned use of the asset or settlement of the liability, respectively. However, deferred tax is not recognised on temporary differences relating to office buildings non-deductible for tax purposes and other items where temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; 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. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with 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. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

Liabilities other than provisions

Financial liabilities are recognised at the date of borrowing at cost, corresponding to the 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 cost and the nominal value is recognised in the income statement over the term of the loan together with interest expenses.

Finance lease obligations are recognised as financial liabilities at amortised cost.

Other liabilities are measured at net realisable value.

Financial statements 1 January - 31 December

Income statement

	<u>Note</u>	<u>2015</u> kr	<u>2014</u> kr
Gross profit		17,670,736	7,207,230
Staff costs	1	-15,429,827	-6,333,137
Depreciation on property, plant and equipment and impairment of intangible assets	2	-154,507	-59,845
Profit before financial income and expenses		2,086,402	814,248
Financial income		613,691	225,674
Financial costs		-467,594	-22,694
Profit before tax		2,232,499	1,017,228
Tax on profit for the year	3	-617,807	-243,739
Profit for the year		<u>1,614,692</u>	<u>773,489</u>
Proposed distribution of profit			
Retained earnings		1,614,692	773,489
		<u>1,614,692</u>	<u>773,489</u>

Financial statements 1 January - 31 December

Balance sheet at

	<u>Note</u>	<u>2015</u> kr	<u>2014</u> kr
Assets			
Goodwill		294,546	376,745
Intangible assets	4	<u>294,546</u>	<u>376,745</u>
Other fixtures and fittings, tools and equipment		327,447	180,613
Property, plant and equipment	5	<u>327,447</u>	<u>180,613</u>
Total non-current assets		<u>621,993</u>	<u>557,358</u>
Receivables from subsidiaries		7,626,755	9,133,563
Other receivables		2,023,919	2,196,341
Prepayments		46,039	61,543
Receivables		<u>9,696,713</u>	<u>11,391,447</u>
Cash at bank and in hand		<u>11,667,033</u>	<u>2,906,928</u>
Total current assets		<u>21,363,746</u>	<u>14,298,375</u>
Total assets		<u>21,985,739</u>	<u>14,855,733</u>

Financial statements 1 January - 31 December

Balance sheet at

	<u>Note</u>	<u>2015</u> kr	<u>2014</u> kr
Equity and liabilities			
Share capital		500,000	500,000
Retained earnings		<u>10,701,145</u>	<u>9,086,453</u>
Total equity	6	<u>11,201,145</u>	<u>9,586,453</u>
Trade payables		5,806,952	254,932
Payables to subsidiaries		543,288	633,788
Corporation tax		752,816	741,497
Other payables		<u>3,681,538</u>	<u>3,639,063</u>
Current liabilities other than provisions		<u>10,784,594</u>	<u>5,269,280</u>
Total liabilities other than provisions		<u>10,784,594</u>	<u>5,269,280</u>
Total equity and liabilities		<u>21,985,739</u>	<u>14,855,733</u>
Contractual obligations, contingencies, etc.	7		
Related parties and ownership	8		
Main activity	9		

Financial statements 1 January - 31 December

Notes

	<u>2015</u>	<u>2014</u>
	kr	kr
1 Staff costs		
Wages and salaries	14,162,611	5,841,848
Pensions	1,125,267	426,150
Other social security costs	141,949	65,139
	<u>15,429,827</u>	<u>6,333,137</u>
2 Depreciation on property, plant and equipment and impairment of intangible assets		
Amortisation, intangible assets	82,199	34,250
Depreciation, property, plant and equipment	72,308	25,595
	<u>154,507</u>	<u>59,845</u>
which breaks down as follows:		
Goodwill	82,199	34,250
Other fixtures and fittings, tools and equipment	72,308	8,658
Leasehold improvements	0	16,937
	<u>154,507</u>	<u>59,845</u>
3 Tax on profit for the year		
Current tax for the year	528,844	243,739
Adjustment of tax concerning previous years	88,963	0
	<u>617,807</u>	<u>243,739</u>

Financial statements 1 January - 31 December

Notes

4 Intangible assets

	<u>Goodwill</u>
Cost at 1 January 2015	kr 410,995
Cost at 31 December 2015	<u>410,995</u>
Impairment losses and amortisation at 1 January 2015	34,250
Depreciation for the year	<u>82,199</u>
Impairment losses and amortisation at 31 December 2015	<u>116,449</u>
Carrying amount at 31 December 2015	<u><u>294,546</u></u>

5 Property, plant and equipment

	<u>Other fixtures and fittings, tools and equipment</u>
Cost at 1 January 2015	kr 998,146
Additions for the year	<u>219,143</u>
Cost at 31 December 2015	<u>1,217,289</u>
Impairment losses and depreciation at 1 January 2015	817,534
Depreciation for the year	<u>72,308</u>
Impairment losses and depreciation at 31 December 2015	<u>889,842</u>
Carrying amount at 31 December 2015	<u><u>327,447</u></u>

Financial statements 1 January - 31 December

Notes

6 Equity

	Share capital	Retained earnings	Total
	kr	kr	kr
Equity at 1 January 2015	500,000	9,086,453	9,586,453
Net profit for the year	0	1,614,692	1,614,692
Equity at 31 December 2015	500,000	10,701,145	11,201,145

The share capital consists of 5,000 shares of a nominal value of DKK 100. No shares carry any special rights.

Changes in share capital are specified as follows:

	2015	2014
	kr	kr
Share capital at 1 January 2015	500,000	80,000
Additions for the year	0	420,000
Share capital at 31 December 2015	500,000	500,000

7 Contractual obligations, contingencies, etc.

Other contingent liabilities

Residual operating lease obligations recognised at the balance sheet fall due by DKK 657 thousand within 2 years. In 2016, operating lease obligations consisted of an amount of DKK 601 thousand.

Financial statements 1 January - 31 December

Notes

8 Related parties and ownership

Parties exercising control

Quaker Oats Europe LLC

Other related parties

Companies within the Quaker concern

Ownership

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

Quaker Oats Europe LLC
c/o The Corporation Trust Company
1209 Orange Street, Wilmington
DE19801, USA

9 Main activity

The Company's objective is to design advertisements and carry out advertising campaigns using internal staff or subsuppliers for brands belonging to PepsiCo Inc, including advisory services on marketing for PepsiCo Inc's distributors in the Nordic countries.