

DAVA Foods Packaging A/S

Glerupvej 5
9560 Hadsund
Central Business Registration No 35 82 94 58

Annual report for 2016

The Annual General Meeting adopted
the annual report on 31/5-2017

Chairman of the General Meeting



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Company details

Company

DAVA Foods Packaging A/S
Glerupvej 5
DK-9560 Hadsund
Registered in: Mariagerfjord, Denmark
Central Business Registration No: 35 82 94 58

Board of Directors

Ivan Noes Jørgensen, Chairman
Adrianus Gerhardus Johannes Smit, Vice-Chairman
Mogens Juul Jensen

Executive Board

Jacco Wagelaar

Auditors

Deloitte
Statsautoriseret Revisionspartnerselskab

Bank

Sydbank A/S

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of DAVA Foods Packaging A/S for the financial year 1 januar - 31 december 2016 .

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

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.


Hadsund, 31 May 2017

Executive Board




Jacco Wagelaar

Board of Directors



Ivan Noes Jørgensen
Chairman



Adrianus Gerhardus Johannes Smit
Vice-Chairman



Mogens Juul Jensen

To the shareholders of DAVA Foods Packaging A/S**Opinion**

We have audited the financial statements of DAVA Foods Packaging for the financial year 01.01.2016 - 31.12.2016, 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.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2016, and of the results of its operations for the financial year 01.01.2016 - 31.12.2016 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the Auditor's responsibilities for the audit of the financial statements section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of 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 audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the financial statements

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

In preparing the financial statements, Management is responsible for assessing the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements 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 audit of financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent auditor's report

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on the management 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 audit 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 audit 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 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 commentary.

Aalborg, 31 May 2017

Deloitte

Statsautoriseret Revisionspartnerselskab

Central Business Registration No 3963556



Anders Oldau Gjelstrup
State Authorised Public Accountant



Thomas Skovsgaard
State Authorised Public Accountant

Principal activities

The object of the Company is development, production and sales of innovative consumer packaging concepts for distribution of eggs and other egg-related features for the global egg business and related activities.

Development of the company's financial activities and conditions

The result of the company was negative, management considers the result as unsatisfactory. The bad result or original is due to high costs, together with lower sales than budgeted.

There will in 2017 be focused on reducing costs and thus improve the outcome. It is expected that sales can be increased in 2017. Thus, it is expected that equity can be restored.

The focus will be on increasing sales and find new customers and markets.

The shareholders have indicated, that the shareholders are committed on request, one or more times, to add liquidity, which may be necessary for the company to fulfill its obligations, as they fall due.

Significant events after the end of the financial year

No events have occurred after the end of the financial year of material importance for the the company's financial position.

Income statement

Note

EUR	2016	2015
Gross profit/loss	10.672	63.979
Administrative expenses	-17.134	-175.698
Operating profit/loss	-6.462	-111.719
Other financial income	16	651
Other financial expenses	-869	-1.735
Profit/loss before tax	-7.315	-112.803
¹ Tax on profit/loss	-1.609	-26.440
Profit/loss after tax	-5.706	-86.363
Proposed distribution of profit/loss		
Retained earnings	-5.706	-86.363
Total distribution	-5.706	-86.363

Balance sheet

ASSETS

Note

EUR	31.12.16	31.12.15
Other fixtures and fittings, tools and equipment	11.545	0
Fixed assets	11.545	0
Raw materials and consumables	3.302	2.747
Total inventories	3.302	2.747
Trade receivables	222	5.038
Income Tax receivables	1.609	26.509
Receivables from group enterprises	3.309	0
Other receivables	10.103	7.789
Prepayments	834	0
Total receivables	16.077	39.336
Total current assets	19.379	42.083
Total assets	30.924	42.083

Balance sheet

EQUITY AND LIABILITIES

Note

EUR	31.12.16	31.12.15
Share capital	100.000	100.000
Retained earnings	-91.777	-86.071
2 Total equity	8.223	13.929
Trade payables	19.304	3.148
Prepayments received from customers	0	5.472
Payables to group enterprises	2.665	18.789
Other payables	732	745
Total current liabilities other than provisions	22.701	28.154
Total liabilities other than provisions	22.701	28.154
Total equity and liabilities	30.924	42.083

3 Contingent liabilities

4 Ownership

5 Group Relations

GENERAL INFORMATION

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

The annual report has been computed applying the principles consistently with last year.

The annual report is presented in euro.

Den anvendte egnskabspraksis er uændret i forhold til sidste år.

Recognition and measurement

Income is recognised in the income statement when earned, including value adjustments of financial assets and liabilities. All costs, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the Company and the value of the asset can be measured reliably. Liabilities are recognised in the balance sheet when 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. Subsequent measurement of assets and liabilities 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 STATEMENT

Gross profit/loss

Gross profit/loss includes revenue, cost of sales as well as other operating income.

Income from sale of goods is recognised in the income statement if delivery and the passing of risk to the buyer have taken place by the end of the financial year. Revenue is measured at fair value and calculated exclusive of VAT and discounts.

Cost of sales

Cost of sales comprises direct and indirect costs incurred to earn revenue for the year.

Administrative expenses

Administrative expenses comprise costs relating to the administrative staff, management, premises, office expenses, etc.

Financial income and expenses

Financial income and financial expenses comprise interest income and interest expenses, foreign currency adjustments as well as realised and unrealised capital gains and losses on securities.

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.

Accounting policies

BALANCE SHEET**Property, plant and equipment**

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Receivables

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

Write-down for bad and doubtful debts is calculated on the basis of an individual assessment of the individual receivables.

Income tax payable or receivable

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Prepayments

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

Liabilities

Liabilities are also measured at amortised cost, which is normally equal to the nominal value of the debt.

Notes

1. Tax on profit/loss

Tax for the year	-1.609	-26.509
Tax adjustment precvious years	0	69
Total	-1.609	-26.440

2. Equity

EUR	Share capital	Retained earnings
Statement of changes in equity 2016		
Balance at 01.01.16	100.000	-86.071
Proposed distribution of profit/loss	0	-5.706
Balance at 31.12.16	100.000	-91.777

The share capital consists of shares at a nominal value of EUR 1 or multiples thereof. No shares carry special rights.

3. Contingent liabilities

The Company participates in a Danish joint taxation arrangement with Danish Agro Amba serving as administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable from the financial year 2014 for income taxes etc. for the jointly taxed companies and from 1 July 2012 also for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for these companies. The known net liability for the jointly taxed companies appear from the administration company accounting.

4. Ownership

The following shareholders are registered in the Company's share register to hold an ownership share of more than 5% of the share capital.

DAVA Foods Holding A/S, Kornmarken 1, 8464 Galten, Denmark
Twinpack B.V., Delfweg 2, 2211 VM Noordwijkerhout, the Netherlands

5. Group Relations

Name and registered office of the Parent preparing consolidated financial statments for the smallest group.

DAVA Foods Holding A/S, Kornmarken 1, 8464 Galten