

# Unilever BCS Danmark A/S

Ørestads Boulevard 73

2300 København S

CVR No 36891696

## Annual Report 2017

The Annual Report was presented and approved at the Annual General Meeting of the Company on 30 May 2018



Chairman

**Unilever BCS Danmark A/S**

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Unilever BCS Danmark A/S

## 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 Unilever BCS Danmark 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.

In our opinion, the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 31 December 2017 and of the results of the Company's operations for the financial year 1 January 2017 - 31 December 2017

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


Copenhagen, 30 May 2018

Executive Board



Christian Frank Larsen  
CEO

Board of Directors



Elena Martina Flemstrom  
Chairman of the Board



Christian Frank Larsen



Inge Marie Nedermark

Unilever BCS Danmark A/S

## Independent auditor's report

To the shareholder of Unilever BCS Danmark A/S

### Opinion

We have audited the financial statements of Unilever BCS Danmark A/S for the financial year 1 January - 31 December 2017 comprising income statement, balance sheet and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2017 and of the results of the Company's operations 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 the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditors' responsibilities for the audit of the financial statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance 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 the additional requirements in Denmark will always detect a material misstatement when it exists. Misstatements may 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 financial statement users made on the basis of these financial statements.

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

- identify and assess the risks of material misstatement of the company financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

## Independent auditor's report

- 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 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 Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

### Statement on Management's review

Management is responsible for the Management's review

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

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

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

Based on 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 Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 30 May 2018

KPMG  
Statsautoriseret Revisionspartnerselskab  
CVR-no. 25578198



Jan Beck  
State Authorised  
Public Accountant  
mne32169

## Unilever BCS Danmark A/S

### Company details

<b>Company</b>	Unilever BCS Danmark A/S Ørestads Boulevard 73 2300 København S
<b>CVR No.</b>	36891696
<b>Date of formation</b>	11 May 2015
<b>Registered office</b>	København
<b>Financial year</b>	1 January 2017 - 31 December 2017
<b>Supervisory Board</b>	Elena Martina Flemstrom, Chairman of the Board Christian Frank Larsen Inger Marie Nedermark
<b>Executive Board</b>	Christian Frank Larsen, Manager
<b>Auditors</b>	KPMG Statsautoriseret Revisionspartnerselskab Dampfærgevej 28 2100 København Ø CVR-no · 25578198
<b>Annual General Meeting</b>	The Annual General Meeting is held on 30 May 2018

**Unilever BCS Danmark A/S**

## **Management's Review**

### **Principal activities**

The company's principal activities consist of sales primarily of margarines and spreads

### **Development in activities and financial position**

The Company realised a profit for the year of T DKK 901 (2016: T DKK 1.260), and the Company's total Assets and Equity at 31 December 2017 amount to T DKK 31.240 (2016: T DKK 38 162) and T DKK 25.536 (2016: T DKK 24 635)

### **Events after the balance sheet date**

In December 2017, Unilever announced the sale of the business to KKR which is expected to be completed in July 2018.

More information about this can be found on;

<https://www.unilever.com/news/Press-releases/2017/unilever-to-sell-its-spreads-business-to-KKR-for-6-825-euro-bn.html?criteria=page%3d2>

Unilever BCS Danmark A/S

Financial statements 1 January - 31 December

Income Statement

	Note	2017 T DKK	2016 T DKK
Gross profit		4.047	4.509
Staff costs	1	-638	-684
Amortisation of intangible assets		-2.210	-2.210
Operating profit		<u>1.199</u>	<u>1.615</u>
Financial expenses		-2	0
Profit before tax		<u>1.197</u>	<u>1.615</u>
Tax on profit for the year		-296	-355
Profit for the year		<u>901</u>	<u>1.260</u>
<b>Proposed distribution of results</b>			
Retained earnings		<u>901</u>	<u>1.260</u>
Distribution of profit		<u>901</u>	<u>1.260</u>



Unilever BCS Danmark A/S

Financial statements 1 January - 31 December

Balance Sheet as of 31 December

	Note	2017 T DKK	2016 T DKK
<b>Assets</b>			
Goodwill		16.574	18.784
<b>Intangible assets</b>		<u>16.574</u>	<u>18.784</u>
<b>Fixed assets</b>		<u>16.574</u>	<u>18.784</u>
Receivables from group entities		14.271	19.148
Other receivables		395	230
<b>Receivables</b>		<u>14.666</u>	<u>19.378</u>
<b>Current assets</b>		<u>14.666</u>	<u>19.378</u>
<b>Assets</b>		<u>31.240</u>	<u>38.162</u>

Unilever BCS Danmark A/S

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Balance Sheet as of 31 December

	Note	2017 T DKK	2016 T DKK
<b>Liabilities and equity</b>			
Share capital		8 000	8 000
Retained earnings		<u>17.536</u>	<u>16.635</u>
<b>Equity</b>		<u><b>25.536</b></u>	<u><b>24.635</b></u>
Provisions for deferred tax		<u>868</u>	<u>638</u>
<b>Provisions</b>		<u><b>868</b></u>	<u><b>638</b></u>
Trade payables		2 815	2 030
Payables to group entities		1.472	9 888
Tax payables		66	0
Other payables		<u>483</u>	<u>971</u>
<b>Current liabilities other than provisions</b>		<u><b>4.836</b></u>	<u><b>12.889</b></u>
<b>Total liabilities</b>		<u><b>4.836</b></u>	<u><b>12.889</b></u>
<b>Total liabilities and equity</b>		<u><b>31.240</b></u>	<u><b>38.162</b></u>

Contingent liabilities	2
Related parties	3
Events after the balance sheet date	4

## Unilever BCS Danmark A/S

### Financial statements 1 January - 31 December

#### Notes

	2017 T DKK	2016 T DKK
<b>1. Staff costs</b>		
Wages and salaries	584	609
Pensions	51	72
Other social security costs	3	3
	<u>638</u>	<u>684</u>
Average number of employees	<u>1</u>	<u>1</u>

#### 2. Contingent liabilities

The company is jointly taxed with other Danish companies in the Unilever Group in accordance with the rules on compulsory joint taxation. The company is liable unrestricted and jointly with the other companies in the joint taxation for Danish corporation tax and withholding tax on dividends and interest in joint taxation.

The total income tax liability as of 31 December 2017 is presented in the annual report of Unilever Danmark A/S, which are the administration company in the joint taxation.

#### 3. Related parties

Unilever BCS Danmark A/S is part of the consolidated financial statements of Unilever BCS Ltd., which is the smallest group in which the company is included as subsidiary.

#### 4. Events after the balance sheet date

In December 2017, Unilever announced the sale of the business to KKR which is expected to be completed in July 2018.

More information about this can be found on,

<https://www.unilever.com/news/Press-releases/2017/unilever-to-sell-its-spreads-business-to-KKR-for-6.825-euro-bn.html?criteria=page%3d2>

**Unilever BCS Danmark A/S**

**Financial statements 1 January - 31 December**

## **Accounting Policies**

### **Reporting Class**

The Annual Report of Unilever BCS Danmark A/S for 2017 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied remain unchanged from last year

### **Reporting currency**

The Annual Report is presented in Danish kroner.

## **Income Statement**

### **Gross profit**

The Company has decided to aggregate revenue and other external costs of the Income Statement in accordance with the provisions of Section 32 of the Danish Financial Statements Act.

### **Revenue**

Income from the sale of goods is recognised in the Income Statement from the date of delivery and when the risk has passed to the buyer if it is possible to calculate the income reliably and payment is expected to be received. Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts granted are deducted from revenue.

### **Other external costs**

Other external costs comprise expenses regarding sales, travel and administration.

### **Staff costs**

Staff costs comprise wages and salaries, pensions and social security costs

### **Amortisation of intangible assets**

Amortization of intangible assets include amortization of intangible assets for the year.

### **Financial expenses**

Financial expenses are recognised in the Income Statement with the amounts that concern the financial year. Financial expenses include interest expenses, debt and foreign currency transactions as well as surcharges and allowances under the tax repayment scheme

### **Tax on profit for the year**

Tax on profit for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity

The Company and the Danish associates are taxed jointly. The Danish income tax is distributed between profit- and loss-making Danish enterprises in relation to their taxable income (full distribution).

## **Balance Sheet**

### **Intangible assets**

Goodwill is measured at cost less accumulated amortisation and impairment losses. Goodwill is amortised on a straight line basis, based on an assessment of useful life of 10 years

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Financial statements 1 January - 31 December

### Accounting Policies

#### Impairment of intangible assets

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

Impairment tests are conducted of individual assets or groups of assets 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.

#### Receivables

Receivables are measured at amortised cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

#### Equity

Proposed dividend for the year is recognised as a separate item in equity.

#### Deferred tax

Deferred tax and the associated adjustments for the year are determined according to the balance-sheet liability method as the tax base of all temporary differences between carrying amounts and the tax bases of assets and liabilities

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax.

#### Current tax liabilities

Current tax liabilities are recognised in the Balance Sheet as calculated tax on the expected taxable income for the year, adjusted for tax on taxable income for previous years as well as for tax prepaid.

#### Liabilities

Liabilities are measured at amortized cost, which usually corresponds to the nominal value.

#### Contractual obligations

The Company hasn't entered into financial leases. Thus, leases are considered operating leases. Payments relating to operating leases and other leases are recognised in the income statement over the term of the lease. The Company's total obligation relating to operating leases and other leases is disclosed as contractual obligations and contingencies, etc