

statsautoriseret revisionsfirma
Stationspladsen 1 og 3
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CVR nr. 30 19 52 64

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Dalter Nordic ApS

**Stationspladsen 3
3000 Helsingør**

CVR no. 36 95 72 20

Annual report 2017

The annual report has been presented and approved on the Company's ordinary general meeting on 20/3-18



Chairman of general meeting

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COMPANY DETAILS

Reporting entity	Dalter Nordic ApS Stationspladsen 3 3000 Helsingør
	CVR no.: 36 95 72 20
	Reporting period: 1 January 2017 - 31 December 2017
Executive Board	Alberto Viappiani Stefano Ricotti
Company auditors	Kallermann Revision A/S - statsautoriseret revisionsfirma Stationspladsen 1 og 3 3000 Helsingør
	CVR no.: 30 19 52 64

STATEMENT BY MANAGEMENT ON THE ANNUAL REPORT

The Executive Board have today considered and approved the annual report for the financial year 1 January - 31 December 2017 for Dalter Nordic ApS.

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 2017 and of its financial performance for the financial year 1 January - 31 December 2017.

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.

Italy, 7 March 2018

Executive board

Alberto Viappiani

Stefano Ricotti

INDEPENDENT AUDITOR'S REPORT

To the shareholders of Dalter Nordic ApS

Opinion

We have audited the Financial Statements of Dalter Nordic ApS for the financial year 1 January - 31 December 2017, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Company. 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 financial position at 31 December 2017 and of the result 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 "Auditor's 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.

Emphasis of matter

Without modifying our opinion, we inform you, that the Company has lost its equity and is covered by the rules concerning loss of capital, company law section 119. We refer to note 1 in the annual report from which it appears, that the allied company has provided financial support and will maintain this support in the coming financial year.

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 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 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 Responsibility for the Audit of the 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 of accounting information taken 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 judgment and maintain professional skepticism 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

INDEPENDENT AUDITOR'S REPORT

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.
- 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 Management's Review.

Our opinion on the Financial Statements does not cover 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 Management's Review and, in doing so, consider whether 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 Management's Review provides the information required under the Danish Financial Statements Act.

INDEPENDENT AUDITOR'S REPORT

Based on the work we have performed, we conclude that 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 Management's Review.

Elsinore, 7 March 2018

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Peter Kallermann

State Authorized Public Accountant

MNE no.: mne8285

MANAGEMENT'S REVIEW

Primary activities

The Company's business is import and sale of dairy products and other food.

Uncertainty relating to recognition and measurement

The financial report is not affected by uncertainty in recognition and measurement.

Development in activities and finances

The result for the year shows a profit of 43.690 DKK, which is considered to be satisfactory. The equity amounts to -1.013.687 DKK at 31 December 2017.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

ANNUAL REPORT

ACCOUNTING POLICIES

This annual report of Dalter Nordic ApS for 2017 has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with additional choice of a few rules from class C enterprises.

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

Recognition and measurement

Income is recognised in the income statement when earned, hereunder valuation adjustment concerning financial assets and liabilities. Costs are also recognised in the income statement, hereunder depreciations and amortisations.

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

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

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

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

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

Foreign currency translation

Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses.

INCOME STATEMENT

Revenue

Revenue deducted other external costs is summarized in the income statement as gross profit according to the rules in the Danish Financial Statements Act, section 32.

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

External expenses

Other external expenses comprise expenses for distribution, sale, marketing, administration, premises, bad debts, operational costs etc.

Staff costs

Staff costs comprise salaries and wages including holiday pay and pensions as well as social security costs, etc for the Company's staff. Received compensations from the authorities have been deducted in staff costs.

ANNUAL REPORT

ACCOUNTING POLICIES

Financial income and expenses

These items comprise interest income and expenses, financial costs concerning financial leasing, realised and unrealised capital gains and losses on securities, payables and transactions in foreign currencies, amortisation premium or allowance on mortgage debt etc as well as tax surcharge and tax relief under the Danish Tax Prepayment Scheme.

Income tax

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.

Current tax liabilities or tax receivables are included in the balance sheet as calculated tax of the year's taxable income, regulated for paid tax on account.

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

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

BALANCE SHEET

Equipment

Fixtures and fittings, tools and equipment and computer systems are measured at cost less accumulated depreciation and impairment losses.

The basis of depreciation is cost less estimated residual value after the end of useful life.

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

Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment, 5 years

Assets with a cost price under the tax limit concerning accelerated depreciation of small assets are recognised as costs in the income statement in the acquisition year.

Tax payables and deferred tax

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 on equity by the portion attributable to entries directly on equity. The portion of the tax taken to the income statement, which relates to extraordinary profit/loss for the year, is allocated to this entry whereas the remaining portion is taken to the year's profit/loss from ordinary activities.

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

Deferred tax is measured on basis of the tax rules and tax rates which are valid when deferred tax is expected to be current tax. Changes in deferred tax as a consequence of changes in tax rates are recognised in the income statement. The current tax rate is 22 per cent.

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ACCOUNTING POLICIES

Liabilities other than provisions

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

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INCOME STATEMENT FOR 2017

	<u>Notes</u>	<u>2017 DKK</u>	<u>2016 DKK</u>
Gross profit		363.166	225.274
Staff costs	2	-238.103	-910.103
Depreciation, amortisation and impairment losses		-24.346	-69.679
Other operating expenses		-6.333	0
Profit (loss) from ordinary operating activities		94.384	-754.508
Financial expenses		-38.694	-45.508
Profit (loss) from ordinary activities before tax		55.690	-800.016
Tax	3	-12.000	175.000
PROFIT/LOSS FOR THE YEAR		43.690	-625.016
Proposed distribution of results:			
Retained earnings		43.690	-625.016
		43.690	-625.016

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BALANCE OF 31 DECEMBER 2017

	<u>Notes</u>	<u>2017 DKK</u>	<u>2016 DKK</u>
ASSETS			
Fixtures, fittings, tools and equipment		3.358	209.037
Property, plant and equipment	4	<u>3.358</u>	<u>209.037</u>
FIXED ASSETS			
		<u>3.358</u>	<u>209.037</u>
Trade receivables		2.445.585	2.406.265
Current deferred tax assets		298.000	310.000
Receivables		<u>2.743.585</u>	<u>2.716.265</u>
Cash and cash equivalents		<u>221.388</u>	<u>453.653</u>
CURRENT ASSETS			
		<u>2.964.973</u>	<u>3.169.918</u>
ASSETS			
		<u>2.968.331</u>	<u>3.378.955</u>
EQUITY AND LIABILITIES			
Contributed capital		52.000	52.000
Retained earnings		-1.065.687	-1.109.377
EQUITY		<u>-1.013.687</u>	<u>-1.057.377</u>
Debt to banks		0	10.340
Trade payables		2.430.980	2.740.879
Other payables		506.173	586.062
Deferred income		44.865	99.051
Payables to shareholders and management		1.000.000	1.000.000
Short-term liabilities other than provisions		<u>3.982.018</u>	<u>4.436.332</u>
LIABILITIES OTHER THAN PROVISIONS			
		<u>3.982.018</u>	<u>4.436.332</u>
EQUITY AND LIABILITIES			
		<u>2.968.331</u>	<u>3.378.955</u>
Uncertainties relating to going concern	1		
Contingent liabilities	5		
Mortgages and collaterals	6		

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STATEMENT OF CHANGES IN EQUITY FOR 2017

	2017	2016
	DKK	DKK
Contributed capital:		
Capital, 1 January 2017	52.000	52.000
Capital, 31 December 2017	52.000	52.000
Retained earnings:		
Retained earnings, 1 January 2017	-1.109.377	-484.361
Increase	43.690	0
Decrease	0	-625.016
Retained earnings, 31 December 2017	-1.065.687	-1.109.377
Equity, 31 December 2017	-1.013.687	-1.057.377

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NOTES

	<u>2017</u> DKK	<u>2016</u> DKK
1. Uncertainties relating to going concern		
The Company has lost its equity and is financed by a loan from the allied company. The allied company has declared that it will not demand reimbursement of the loan in the coming financial year. Therefore, the annual report is presented according to the going concern principles.		
2. Staff costs		
Wages and salaries	237.106	905.790
Social security contributions	967	4.313
Other employee expense	30	0
Employee benefits expense	<u>238.103</u>	<u>910.103</u>
 Average number of employees	 <u>1</u>	 <u>1</u>
3. Tax		
Current tax expense	0	0
Adjustments for deferred tax	12.000	-175.000
Tax expense on ordinary activities	<u>12.000</u>	<u>-175.000</u>
4. Equipment		
Fixtures, fittings, tools and equipment:		
Cost, 1 January 2017	348.395	348.395
Disposals	-340.000	0
Cost, 31 December 2017	<u>8.395</u>	<u>348.395</u>
 Accumulated depreciation, 1 January 2017	 -139.358	 -69.679
Depreciation	-24.346	-69.679
Impairment losses and depreciation of disposed property, plant and equipment	158.667	0
Accumulated depreciation, 31 December 2017	<u>-5.037</u>	<u>-139.358</u>
 Fixtures, fittings, tools and equipment, 31 December 2017	 <u>3.358</u>	 <u>209.037</u>
5. Contingent liabilities		
None.		
6. Mortgages and collaterals		
None.		