

# Blue Circle EU ApS

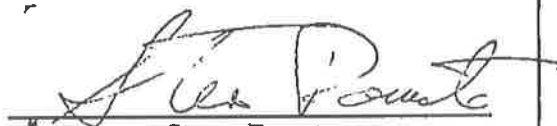
CVR-no. 39 05 93 98

c/o Piaster Revisorerne, Abildgårsparken 8A  
3460 Birkerød

## Annual Report 2017/18

(Financial year 26 October 2017 - 31 May 2018)

The Annual Report is presented and  
adopted at the Annual General Meeting of  
shareholders on the 31 July 2018



Steven Damato  
*Chairman of the meeting*

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## Management's Statement

The Executive Board have today considered and approved the Annual Report of 26 October 2017 - 31 May 2018 for Blue Circle EU ApS. .

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

In my opinion the Financial Statements give a true and fair view of the Company's assets and liabilities, financial position and results of operations for the financial year ended 31 May 2018.

In my opinion the Management's Review gives a true and fair statement regarding the content in the Management's Review.

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

Birkerød, 31 July 2018

Executive Board:

A handwritten signature in black ink, appearing to read 'Steven Damato', written over a horizontal line.

Steven Damato

# **Independent Auditor's Reports**

*To the Shareholders of Blue Circle EU ApS*

## **Report on financial statements**

### **Opinion**

We have audited the Financial Statements of Blue Circle EU ApS for the financial year 26 October 2017 - 31 May 2018, which comprise the income statement, balance sheet, notes and 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 financial position of the Company at 31 May 2018 and of the results of the operations for the financial year 26 October 2017 - 31 May 2018, 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 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 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.

## **Independent Auditor's Reports (-continued)**

### **Auditor's Responsibilities 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 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 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.

## **Independent Auditor's Reports (-continued)**

- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the 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 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.

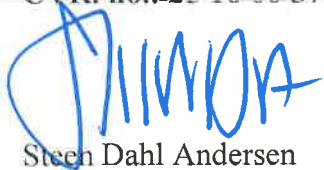
Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

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 Acts. We did not identify any material misstatement of Management's Review.

## Independent Auditor's Reports (-continued)

Birkerød, 31 July 2018

**Piaster Revisorerne,**  
**statsautoriseret revisionsaktieselskab**  
**CVR. no.: 25 16 00 37**

A handwritten signature in blue ink, appearing to read 'Steen Dahl Andersen', is written over the company name.

Steen Dahl Andersen  
State Authorized Public Accountant  
mne29455

## **Management's Review**

### **Primary activities of the Company**

The company's activity is to conduct business through trade of fish and fish products, and other related business.

### **Development in activities and financial affairs**

The company's going concern depends on the parent company's guarantee for supporting the company. The parent company has signed a letter of support to the company's going concern through the fiscal year 2019, and that the company expects to restore the company's negative equity through the company's future activities.



## Income Statement 26 October - 31 May

DKK	<u>Notes</u>	<u>2017/18</u> 7 months
Other external expenses		<u>-81.112</u>
<b>Gross profit (loss)</b>		<b>-81.112</b>
<b>Operating profit</b>		<b>-81.112</b>
<b>Profit before tax</b>		<b>-81.112</b>
Tax expense		<u>0</u>
<b>Profit for the year</b>		<b>-81.112</b>
<b>Proposed distribution of results</b>		
Retained earnings		-81.112
Proposed dividend recognised in equity		<u>0</u>
<b>Total distribution</b>		<b>-81.112</b>

## Balance Sheet at 31 May

### Assets

	<u>Notes</u>	<u>2018</u>
Property, plant and equipment in progress and prepayments for property, plant and equipment		1,480.780
<b>Property, plant and equipment</b>		<b>1,480.780</b>
<b>Fixed assets</b>		<b>1,480.780</b>
Other receivables		260.542
<b>Receivables</b>		<b>260.542</b>
<b>Cash and cash equivalents</b>		<b>108.056</b>
<b>Current assets</b>		<b>368.598</b>
<b>Assets</b>		<b>1,849.378</b>

## Balance Sheet at 31 May

### Equity and liabilities

	<u>Notes</u>	<u>2018</u>
Share capital		50.000
Retained earnings		-81.112
Proposed dividend recognised in equity		0
<b>Equity</b>	<b>1</b>	<b><u>-31.112</u></b>
Payables to group enterprises		1.834.600
Other payables		45.890
<b>Short-term liabilities other than provisions</b>		<b><u>1.880.490</u></b>
<b>Liabilities other than provisions</b>		<b><u>1.880.490</u></b>
<b>Equity and liabilities</b>		<b><u>1.849.378</u></b>
Uncertainties relating to going concern	2	

## Notes

	<u>2017/18</u>
<b>1 Equity</b>	
Share capital at 26 October	50.000
Share capital at 31 May	50.000
Retained earnings at 26 October	0
Proposed distribution of results this year	-81.112
Retained earnings at 31 May	-81.112
Proposed dividend recognised in equity at 26 October	0
Dividend paid	0
Proposed distribution of results	0
Proposed dividend recognised in equity at 31 May	0
<b>Equity 31 May</b>	<b>-31.112</b>

## 2 Uncertainties relating to going concern

The company's going concern depends on the parent company's guarantee for supporting the company. The parent company has signed a letter of support to the company's going concern through the fiscal year 2019, and that the company expects to restore the company's negative equity through the company's future activities. The financial statements have therefore been prepared as subject to continued operations.

## **Accounting policies**

The Annual Report has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B with election from reporting class C.

### **General**

#### **Reporting currency**

The Annual Report is presented in Danish kroner (DKK).

#### **In general regarding accounting and measuring**

Income is recognized in the income statement when they are earned. Furthermore are all costs, depreciations and write downs recognized in the income statement when incurred.

Assets are recognized in the balance sheet when it is probable that future economical benefits will accrue to the company and the assets value can be measured reliably.

Liabilities are recognized in the balance sheet when it is probable that future economical benefits will be deducted from the company and the value can be measured reliably.

On initial recognition assets and liabilities are measured to cost price. Thereafter assets and liabilities are measured as described for each entry.

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.

# Accounting policies

## Income statement

### Gross profit

With reference to section 32 of the Danish Financial Statement Act, the items “Revenue” to and including “Other external expenses” are consolidated into one item designated “Gross profit”.

### Other external expenses

Other external expenses include expenses related to distribution, sale, advertising, administration, bad debt, premises, operating lease agreements etc.

### Financial items

Financial income and expenses are recognized in the income statement with the amounts related to the year. Financial income and expenses comprise interest receivable and payable, realised and unrealised capital gains on securities and currency translation adjustments.

### Tax expense

Tax on income for the year, consisting of the year’s current tax and deferred tax, is recognized in the income statement to the extent that it relates to the income or loss for the year and on equity to the extent that it relates there to.

# Accounting policies

## Balance sheet

### Property, plant and equipment

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

Historic cost comprise the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Assets are depreciated on a straight-line basis over the expected useful economic lives of the assets:

	<u>Useful life</u>	<u>Expected scrap value</u>
Plant and machinery	5 years	0-20%
Fixtures, fittings, tools and equipment	3-5 years	0-20%

Asset acquisitions below the taxable limit is fully written off in the year of acquisition.

Gains and losses on disposals are determined as the difference between selling price less sales cost and carrying amount at time of disposal and are recognized in the income statement. Gain or loss is recognized under other operating income or expenses.

### Impairment of property, plant and equipment

The carrying amount of property, plant and equipment is every year reviewed in order to determine if there are indications of impairment exceeding the amount expressed by depreciations and amortisations. If this is the case an impairment test is carried out in order to determine if the recoverable amount is lower than the carrying amount. The assets are written down to this lower value.

Recoverable amount for the asset is determined as the highest value of net sales price and the capital value. If it is not possible to determine the recoverable amount for the individual asset, assets are assessed together with the smallest group of assets where it is possible to determine a reliable evaluation of the recoverable amount.

Assets where it is not possible to determine an individual capital value because the asset does not generate future cash flows is assessed together with the group of assets which they can be attributed to.

## **Accounting policies**

### **Receivables**

Receivables are measured at amortized cost which corresponds in all material respects to nominal value. The value is reduced with provisions for expected bad debts.

### **Cash and bank balances**

Cash comprises cash balances and bank balances.

### **Dividends**

Dividends expected to be paid in respect of the year are stated as a separate line item under equity.

### **Current tax and current deferred tax**

Current tax liabilities and current tax assets are recognized in the balance sheet as estimated tax on the taxable income for the year, adjusted for change in tax on prior years' taxable income and for tax paid under the on-account tax scheme.

Deferred income tax is measured using tax rules and tax rates that apply by the balance sheet date when the deferred tax asset is realised or the deferred income tax liability is settled. The change in deferred tax as a result of changes in tax rates is recognized in the income statement.

### **Liabilities**

Other liabilities are measured at amortized cost, corresponding to the nominal value.