

Jacobsens Bakery Ltd. A/S

Nilanvej 1, 8722 Hedensted

CVR no. 70 38 67 12



Annual report 2015

Approved at the annual general meeting of shareholders on 30 May 2016

Chairman:

Morten Rudevald



Building a better
working world



Contents

Statement by the Board of Directors and the Executive Board	2
Independent auditors' report	3
Management's review	4
Company details	4
Financial highlights	5
Operating review	6
Financial statements for the period 1 January - 31 December	7
Income statement	7
Balance sheet	8
Statement of changes in equity	10
Cash flow statement	11
Notes to the financial statements	12

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 Jacobsens Bakery Ltd. A/S for the financial year 1 January - 31 December 2015.

The annual report is 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 2015 and of the results of the Company's operations and cash flows for the financial year 1 January - 31 December 2015.


Further, in our opinion, the Management's review gives a fair review of the development in the Company's operations and financial matters and the results of the Company's operations and financial position.

We recommend the adoption of the annual report at the annual general meeting.

Hedensted, 30 May 2016
Executive Board:


.....
Jan Engholm Jacobsen

Board of Directors:


.....
Morten Rudevald
Chairman
.....
Kenneth Skov Eskildsen
.....
Jørn Ankær Thomsen
.....
Bent Erik Pultz Larsen
.....
Helle Goldberg Liin
.....
Jan Klærke Hansen

Independent auditors' report

To the shareholders of Jacobsens Bakery Ltd. A/S

Independent auditors' report on the financial statements

We have audited the financial statements of Jacobsens Bakery Ltd. A/S for the financial year 1 January - 31 December 2015, which comprise an income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

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.

Auditors' 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 regulations. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to 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 auditors' judgement, 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 auditors consider internal control relevant to the Company'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 Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating 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.

Our audit has not resulted in any qualification.

Opinion

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

Statement on the Management's review

Pursuant to the Danish Financial Statements Act, we have read the Management's review. We have not performed any other procedures in addition to the audit of the financial statements. On this basis, it is our opinion that the information provided in the Management's review is consistent with the financial statements.

Horsens, 30 May 2016
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR No. 30-70-02-28



Peter Klindt Eilertsen
State Authorised Public Accountant



Management's review

Company details

Name	Jacobsens Bakery Ltd. A/S
Address, Postal code, City	Niilanvej 1, 8722 Hedensted
CVR No.	70 38 67 12
Established	22 December 1982
Registered office	Hedensted
Financial year	1 January - 31 December
Telephone	+45 76 75 27 30
Telefax	+45 75 89 05 87
Board of Directors	Morten Rødevald, Chairman Kenneth Skov Eskildsen Jørn Ankær Thomsen Bent Erik Pultz Larsen Helle Goldberg Liin Jan Klærke Hansen
Executive Board	Jan Engholm Jacobsen
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Holmboes Allé 12, 8700 Horsens, Denmark

Management's review

Financial highlights

DKKt	2015	2014	2013	2012	2011
Key figures					
Gross margin	68,926	55,584	59,866	62,490	39,675
Earnings before Interest, Taxes, Depreciation and Amortisation (EBITDA)	33,100	25,984	29,987	31,584	13,177
Profit before interest, tax and amortisation of goodwill (EBITA)	27,366	19,618	25,662	24,246	7,856
Net financials	-3,245	-3,830	-3,120	-3,502	-3,829
Profit/loss for the year	18,535	11,967	16,931	15,145	3,008
Total assets					
Total assets	202,891	181,177	182,149	133,813	119,327
Investment in property, plant and equipment	12,945	852	38,801	1,678	1,603
Equity	88,573	69,487	65,580	47,922	33,379
Financial ratios in %					
Return on assets	14.3 %	10.8 %	16.2 %	19.2 %	6.3 %
Current ratio	244.3 %	206.9 %	200.5 %	169.5 %	137.9 %
Solvency ratio	43.7 %	38.4 %	36.0 %	35.8 %	28.0 %
Return on equity	23.5 %	17.7 %	29.8 %	37.3 %	9.3 %
Average number of employees					
Average number of employees	83	80	78	79	71



Management's review

Operating review

The Company's business review

The principal activities of the Company comprise the manufacturing and sale of Danish butter cookies and related products. Sale primarily relates to export markets.

Financial review

Management considers the result for the year very satisfactory and much better than expected.

Special risks

Foreign currency risks

It is the Company's policy to minimise currency risks to the extent possible by hedging positions in foreign currencies by means of financial instruments, including derivative financial instruments such as forward contracts.

Credit risks

Major orders are hedged by means of export credit insurance via the export credit insurance company Hermes.

Impact on the external environment

The "green" recycling heat project in cooperation with "Hedensted Kommune" and "Hedensted Fjernvarme" was implemented November 2015. LED lights installed January 2015 in most production areas.

Post balance sheet events

No significant events have occurred subsequent to the financial year.

Outlook

Management expects an un-changed turnover for 2016. New products and new concepts are in the pipeline but the introduction of these to the various markets might take a bit longer than anticipated. Regarding the bottom line profit management expects a small decrease given the turmoil and uncertainties around the world.



Financial statements for the period 1 January - 31 December

Income statement

Note	DKK'000	2015	2014
	Gross profit	68,926	55,584
2	Staff costs	-35,826	-29,600
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-5,734	-6,366
	Operating profit	27,366	19,618
	Income from investments in group entities	-59	0
	Financial income	6	29
3	Financial expenses	-3,251	-3,859
	Profit before tax	24,062	15,788
4	Tax for the year	-5,527	-3,821
	Profit for the year	18,535	11,967
	Proposed profit appropriation		
	Proposed dividend recognised under equity	20,000	0
	Net revaluation reserve according to the equity method	-59	0
	Retained earnings/accumulated loss	-1,406	11,967
		18,535	11,967

Financial statements for the period 1 January - 31 December

Balance sheet

Notes	DKK'000	2015	2014
ASSETS			
Non-current assets			
5	Intangible assets		
	Acquired intangible assets	681	0
		<u>681</u>	<u>0</u>
6	Property, plant and equipment		
	Land and buildings	20,214	19,687
	Plant and machinery	51,050	54,102
	Other fixtures and fittings, tools and equipment	1,105	765
	Property, plant and equipment in progress	9,432	0
		<u>81,801</u>	<u>74,554</u>
7	Investments		
	Investments in group entities, net asset value	1,638	0
		<u>1,638</u>	<u>0</u>
	Total non-current assets	<u>84,120</u>	<u>74,554</u>
Current assets			
Inventories			
	Raw materials and consumables	8,097	8,356
	Work in progress	1,318	1,456
	Finished goods and goods for resale	5,436	9,245
	Prepayments for goods	9,781	0
		<u>24,632</u>	<u>19,057</u>
Receivables			
	Trade receivables	49,909	45,531
	Other receivables	2,099	2,631
8	Prepayments	2,122	2,536
		<u>54,130</u>	<u>50,698</u>
	Cash	40,009	36,868
	Total current assets	<u>118,771</u>	<u>106,623</u>
	TOTAL ASSETS	<u>202,891</u>	<u>181,177</u>



Financial statements for the period 1 January - 31 December

Balance sheet

Notes	DKK'000	2015	2014
	EQUITY AND LIABILITIES		
	Equity		
9	Share capital	12,500	12,500
	Net revaluation reserve according to the equity method	47	0
	Retained earnings	56,026	56,987
	Dividend proposed for the year	20,000	0
	Total equity	88,573	69,487
	Provisions		
	Deferred tax	1,680	2,016
	Other provisions	2,072	0
10	Total provisions	3,752	2,016
	Liabilities other than provisions		
11	Non-current liabilities other than provisions		
	Mortgage debt	17,217	9,244
	Lease liabilities	44,737	48,905
		61,954	58,149
	Current liabilities other than provisions		
11	Current portion of long-term liabilities	6,105	5,110
	Bank debt	9,733	5,238
	Prepayments received from customers	338	0
	Trade payables	10,396	14,269
	Payables to group entities	7,144	9,154
	Other payables	14,896	17,754
		48,612	51,525
	Total liabilities other than provisions	110,566	109,674
	TOTAL EQUITY AND LIABILITIES	202,891	181,177
1	Accounting policies		
12	Collateral		
13	Contractual obligations and contingencies, etc.		
14	Related parties		



Financial statements for the period 1 January - 31 December

Statement of changes in equity

DKK'000	Share capital	Net revaluation reserve according to the equity method	Retained earnings	Dividend proposed for the year	Total
Equity at 1 January 2014	12,500	0	47,080	6,000	65,580
Profit/loss for the year	0	0	11,967	0	11,967
Adjustment of hedging instruments at fair value	0	0	-2,060	0	-2,060
Dividend distributed	0	0	0	-6,000	-6,000
Equity at 1 January 2015	12,500	0	56,987	0	69,487
Profit/loss for the year	0	-59	-1,406	20,000	18,535
Exchange adjustment	0	106	0	0	106
Adjustment of hedging instruments at fair value	0	0	445	0	445
Equity at 31 December 2015	12,500	47	56,026	20,000	88,573



Financial statements for the period 1 January - 31 December

Cash flow statement

Notes	DKK'000	2015	2014
	Profit for the year	18,535	11,967
15	Adjustments	16,637	13,018
	Cash generated from operations (operating activities)	35,172	24,985
16	Changes in working capital	-16,578	-2,511
	Cash generated from operations (operating activities)	18,594	22,474
	Interest received, etc.	6	29
	Interest paid, etc.	-3,251	-3,860
	Income taxes paid	-6,113	-2,556
	Tax on changes in equity	-137	0
	Cash flows from operating activities	9,099	16,087
	Additions of intangible assets	-717	0
	Additions of property, plant and equipment	-12,945	-852
	Acquisition of companies	-1,591	0
	Cash flows from investing activities	-15,253	-852
	Dividends distributed	0	-6,000
	Proceeds of long-term liabilities	10,096	10,034
	Repayments, long-term liabilities	-5,296	-15,045
	Cash flows from financing activities	4,800	-11,011
	Net cash flow	-1,354	4,224
	Cash and cash equivalents at 1 January	31,630	27,406
17	Cash and cash equivalents at 31 December	30,276	31,630

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Jacobsens Bakery Ltd. A/S for 2015 has been presented in accordance with the provisions of the Danish Financial Statements Act as regards reporting class C enterprises.

The accounting policies applied by the company are consistent with those of last year.

Consolidated financial statements

Referring to section 112(1) of the Danish Financial Statements Act, no consolidated financial statements are prepared. The financial statements for Jacobsens Bakery Ltd. A/S and its group entities are part of the consolidated financial statements for Intergoods Ltd. A/S.

Derivative financial instruments

Derivative financial instruments are initially recognised in the balance sheet at cost and are subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are included in other receivables and payables, respectively.

Changes in the fair value of derivative financial instruments designated as and qualifying for recognition as a hedge of a recognised asset or liability are recognised in the income statement together with changes in the fair value of the hedged asset or liability.

Changes in the fair value of derivative financial instruments designated as and qualifying for hedging of future assets or liabilities are recognised in other receivables or other payables and in equity. If the hedged forecast transaction results in the recognition of assets or liabilities, amounts previously recognised in equity are transferred to the cost of the asset or liability, respectively. If the hedged forecast transaction results in income or expenses, amounts previously deferred in equity are transferred to the income statement in the period in which the hedged item affects the profit/loss for the year.

For derivative financial instruments that do not qualify for hedge accounting, changes in fair value are recognised in the income statement on a regular basis.

Leases

Leases for non-current assets that transfer substantially all the risks and rewards incident to the ownership to the Company (finance leases) are recognised in the balance sheet as assets. On initial recognition, assets are measured at cost, corresponding to the lower of fair value and the present value of the future lease payments. In calculating the net present value of the future lease payments, the interest rate implicit in the lease or the incremental borrowing rate is used as the discount factor. Assets held under finance leases are depreciated the same way as other similar non-current assets.

The capitalised residual lease liability is recognised in the balance sheet as a liability, and the interest element of the lease payment is recognised over the term of the lease.

Leases that do not transfer substantially all the risks and rewards incident to the ownership to the Company are classified as operating leases. Payments relating to operating leases and any other leases are recognised in the income statement over the term of the lease. The Company's aggregate liabilities relating to operating leases and other leases are disclosed under contingencies, etc.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Income statement

Gross profit

Income from the sale of goods for resale and finished goods is recognised in revenue when transfer of the most significant rewards and risks to the buyer has taken place and provided that the income can be reliably measured and payment is expected to be received.

Revenue is measured at fair value of the agreed consideration exclusive of VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Gross profit

With reference to section 32 of the Danish Financial Statements Act, the items 'Revenue', 'Cost of sale', 'Other external expenses' and 'Other operating income' are consolidated into one item designated 'Gross profit'.

Other operating income

Other operating income comprise items of a secondary nature relative to the entity's core activities, including gains or losses on the sale of fixed assets.

Other external expenses

Other external expenses include the year's expenses relating to the entity's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

Amortisation/depreciation and impairment of intangible assets and property, plant and equipment

The item comprises amortisation/depreciation and impairment of intangible assets and property, plant and equipment.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight-line basis over the expected useful life. The expected useful lives are as follows:

Acquired IP rights	5 years
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The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight-line basis over the expected useful life. The expected useful lives are as follows:

Buildings	15-50 years
Plant and machinery	10-15 years
Other fixtures and fittings, tools and equipment	3-12 years

Land is not depreciated.

Assets with a cost of less than DKK 25 thousand are expensed in the income statements as minor acquisitions.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Income from investments in group entities

The item includes the entity's proportionate share of the profit/loss for the year in subsidiaries after elimination of intra-group income or losses and net of amortisation and impairment of goodwill and other excess values at the time of acquisition.

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The entity and its Danish group entities are taxed on a joint basis. The Danish income tax charge is allocated between profit-making and loss-making Danish entities in proportion to their taxable income (full allocation method).

Jointly taxed companies entitled to a tax refund are, as a minimum, reimbursed by the management company according to the current rates applicable to interest allowances, and jointly taxed companies having paid too little tax pay, as a maximum, a surcharge according to the current rates applicable to interest surcharges to the management company.

Balance sheet

Intangible assets

Other intangible assets include distribution rights.

Other intangible assets are measured at cost less accumulated amortisation and impairment losses.

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Gains or losses are made up as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating costs.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Investments in group entities

Investments in subsidiaries are measured according to the equity method.

Investments in subsidiaries are measured in the balance sheet at the proportionate share of the enterprises' net asset values calculated in accordance with the parent company's accounting policies minus or plus unrealised intra-group profits and losses.

Subsidiaries with negative net asset values are measured at DKK 0 (nil), and any amounts owed by such enterprises are written down by the parent company's share of the net asset value if the amount owed is deemed irrecoverable. If the negative net asset value exceeds the amounts owed, the remaining amount is recognised under provisions if the parent company has a legal or a constructive obligation to cover the enterprise's deficit.

Net revaluation of investments in subsidiaries is transferred to the reserve for net revaluation in equity according to the equity method to the extent that the carrying amount exceeds cost.

Impairment of fixed assets

Intangible assets, property, plant and equipment and investments in subsidiaries are subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation. Impairment tests are conducted in respect of individual assets or groups of assets generating separate cash flows when there is indications of impairment. The assets are written down to the higher of the value in use and net realisable value (recoverable amount) of the asset or group of assets if this is lower than the carrying amount. As for group of assets, impairment losses are first recognised in respect of goodwill and thereafter proportionately in respect of the other assets.

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value. The net realisable value of inventories is calculated as the sales amount less costs of completion and costs necessary to effect the sale and is determined taking into account marketability, obsolescence and development in the expected selling price.

The cost of raw materials and consumables comprises the cost of acquisition plus delivery costs.

The cost of finished goods and work in progress includes the cost of raw materials, consumables, direct labour and indirect production overheads.

Production overheads comprise the indirect cost of material and labour as well as maintenance and amortisation/depreciation of intangible assets and property, plant and equipment used in the production process.

Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective indication that a receivable or a group of receivables is impaired. If there is objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Prepayments

Prepayments recognised under 'Assets' comprise prepaid expenses regarding subsequent financial reporting years.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term marketable securities which are subject to an insignificant risk of changes in value.

Equity

Proposed dividends

Dividends proposed for the financial year are presented as a separate item under 'Equity'.

Reserve for net revaluation according to the equity method

The net revaluation reserve according to the equity method includes net revaluations of investments in subsidiaries and associates relative to cost. The reserve may be eliminated in case of losses, realisation of investments or a change in accounting estimates. The reserve cannot be recognised at a negative amount.

Corporation 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. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to 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 due to changes in the tax rate are recognised in the income statement.

Liabilities

Financial liabilities are recognised at the date of borrowing at the net 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 the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual liability in respect of finance leases.

Other liabilities are measured at net realisable value.

Lease liabilities

Lease liabilities are measured at the net present value of the remaining lease payments including a guaranteed residual value, if any, based on the interest rate implicit in the lease.



Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Cash flow statement

The cash flow statement shows the entity's net cash flows, broken down by operating, investing and financing activities, the year's changes in cash and cash equivalents and the entity's cash and cash equivalents at the beginning and the end of the year.

Cash flows from operating activities are calculated as the profit/loss for the year adjusted for non-cash operating items, changes in working capital and corporation tax paid.

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of enterprises and activities and of intangible assets, property, plant and equipment and investments.

Cash flows from financing activities comprise changes in the size or composition of the Company's share capital and related costs as well as the raising of loans, repayment of interest-bearing debt, and payment of dividends to shareholders.

Cash and cash equivalents comprise cash, short-term bank loans and short-term marketable securities which are subject to an insignificant risk of changes in value.

Financial ratios

Financial ratios are calculated in accordance with the Danish Finance Society's guidelines on the calculation of financial ratios "Recommendations and Financial Ratios 2015".

The financial ratios stated in the survey of financial highlights have been calculated as follows:

Return on assets	$\frac{\text{Profit/loss from operating activities}}{\text{Average assets} \times 100}$
Current ratio	$\frac{\text{Current assets} \times 100}{\text{Current liabilities}}$
Solvency ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total equity and liabilities at year end}}$
Return on equity	$\frac{\text{Profit/loss for the year after tax} \times 100}{\text{Average equity}}$



Financial statements for the period 1 January - 31 December

Notes to the financial statements

DKK'000	2015	2014
2 Staff costs		
Wages/salaries	32,104	26,208
Pensions	3,231	2,892
Other social security costs	491	500
	<u>35,826</u>	<u>29,600</u>
 Average number of full-time employees	 <u>83</u>	 <u>80</u>

Total remuneration to the Executive Board and the Board of Directors: DKK 2,174 thousand (2014: DKK 1,013 thousand).

DKK'000	2015	2014
3 Financial expenses		
Interest expenses, group entities	225	70
Other financial expenses	3,026	3,789
	<u>3,251</u>	<u>3,859</u>
 4 Tax for the year		
Estimated tax charge for the year	5,863	3,225
Deferred tax adjustments in the year	-336	596
	<u>5,527</u>	<u>3,821</u>

DKK'000	Acquired intangible assets
5 Intangible assets	
Cost at 1 January 2015	0
Additions in the year	717
Cost at 31 December 2015	<u>717</u>
Impairment losses and amortisation at 1 January 2015	0
Amortisation/depreciation in the year	36
Impairment losses and amortisation at	<u>36</u>
Carrying amount at 31 December 2015	<u>681</u>

Financial statements for the period 1 January - 31 December

Notes to the financial statements

6 Property, plant and equipment

DKK'000	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Property, plant and equipment in progress	Total
Cost at 1 January 2015	36,425	106,773	23,582	0	166,780
Additions in the year	1,034	1,889	590	9,432	12,945
Cost at 31 December 2015	37,459	108,662	24,172	9,432	179,725
Impairment losses and depreciation at 1 January 2015	16,738	52,671	22,817	0	92,226
Amortisation/depreciation in the year	507	4,941	250	0	5,698
Impairment losses and depreciation at 31 December 2015	17,245	57,612	23,067	0	97,924
Carrying amount at 31 December 2015	20,214	51,050	1,105	9,432	81,801
Property, plant and equipment include finance leases with a carrying amount totalling	0	46,995	0	0	46,995
Recognised interest	0	984	0	0	

7 Investments

DKK'000	Investments in group entities, net asset value
Cost at 1 January 2015	0
Additions in the year	1,591
Cost at 31 December 2015	1,591
Exchange adjustment	106
Share of the profit/loss for the year	-59
Value adjustments at 31 December 2015	47
Carrying amount at 31 December 2015	1,638

	Legal form	Domicile	Interest
Subsidiaries			
Danco Import Inc.	Inc.	New Jersey, USA	100.00 %

8 Prepayments

Prepayments include accrual of expenses relating to subsequent financial years, including lease interest, insurance policies etc.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

DKK'000	2015	2014
9 Share capital		
The share capital consists of the following:		
25,000 shares of DKK 500.00 each	12,500	12,500
	<u>12,500</u>	<u>12,500</u>

10 Provisions

Other provisions comprise provisions for warranty commitments and lawsuit liability, totalling DKK 2.072 thousand. The provisions are expected to be payable in the coming financial year.

11 Long-term liabilities

DKK'000	Total debt at 31/12 2015	Repayment, next year	Long-term portion	Outstanding debt after 5 years
Mortgage debt	19,002	1,785	17,217	9,986
Lease liabilities	49,057	4,320	44,737	16,969
	<u>68,059</u>	<u>6,105</u>	<u>61,954</u>	<u>26,955</u>

12 Collateral

Land and buildings with a carrying amount of DKK 20,214 thousand at 31 December 2015 have been provided as collateral for mortgages of DKK 19,002 thousand.

The Company has issued mortgages registered to the owner of DKK 16,865 thousand, secured on land and buildings with a carrying amount of DKK 20,214 thousand at 31 December 2015 have been provided as collateral for bank loans

Plant and machinery with a carrying amount of DKK 46,995 thousand at 31 December 2015; see note 6, are held under finance leases. The finance lease obligation amounted to DKK 49,058 thousand at 31 December 2015.

13 Contractual obligations and contingencies, etc.

Contingent liabilities

The Company is jointly taxed with the other Danish consolidated enterprises. As a consolidated enterprise, together with the other consolidated enterprises included in the joint taxation, the Company has joint and several unlimited liability for Danish corporation taxes and withholding taxes on dividends, interest and royalties. The jointly taxed enterprises' total known net liabilities to SKAT are stated in the financial statements of the administrative company, Intergoods Ltd. A/S, CVR No. 66 73 08 16. Any subsequent corrections of income subject to joint taxation and withholding taxes, etc., may entail that the Company's liability will increase.

Other financial obligations

The Company has entered into an agreement on operating leases of one truck with a remaining term of 17 months with a total lease liability of DKK 57 thousand.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

14 Related parties

Jacobsens Bakery Ltd. A/S' related parties comprise the following:

Parties exercising control

<u>Related party</u>	<u>Domicile</u>	<u>Basis for control</u>
Intergoods Ltd. A/S	Nilanvej 1, 8722 Hedensted	Participating interest

Information about consolidated financial statements

<u>Parent</u>	<u>Domicile</u>	<u>Requisitioning of the parent's consolidated financial statements</u>
Intergoods Ltd. A/S	Nilanvej 1, 8722 Hedensted	Participating interest

Ownership

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

<u>Name</u>	<u>Domicile</u>
Intergoods Ltd. A/S	Nilanvej 1, 8722 Hedensted
Givesco Bakery A/S	Lysholt Alle 10, 7100 Vejle

Financial statements for the period 1 January - 31 December

Notes to the financial statements

DKK'000	2015	2014
15 Adjustments		
Amortisation/depreciation and impairment losses	5,734	6,366
Provisions	2,072	-1,000
Income from investments in group entities	59	0
Financial income	-6	-29
Financial expenses	3,251	3,860
Tax for the year	5,527	3,821
	16,637	13,018
16 Changes in working capital		
Change in inventories	-5,575	-3,224
Change in receivables	-3,432	-2,299
Change in prepayments and trade and other payables	-7,571	3,012
	-16,578	-2,511
17 Cash and cash equivalents at year end		
Cash and cash equivalents according to the balance sheet	40,009	36,868
Short-term debt to banks	-9,733	-5,238
	30,276	31,630