

C&D Foods (Denmark) A/S Øresundsvej 2 DK-6715 Esbjerg N

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C&D Foods (Denmark) A/S

Annual report 2015/16

The annual report was presented Company's annual general meet	
on 29. juni	20 16
Flemming Mar	thisson
chairman /	,

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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 C&D Foods (Denmark) A/S for the financial year 1 April 2015 – 31 March 2016.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

It is our opinion that the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the Parent Company's assets, liabilities and financial position at 31 March 2016 and of the results of the Group's and the Parent Company's operations and consolidated cash flows for the financial year 1 April 2015 — 31 March 2016.

In our opinion, the Management's review includes a fair review of the development in the Group's and the Parent Company's operations and financial matters, of the results for the year and of the Group's and the Parent Company's financial position.

We recommend that the annual report be approved at the annual general meeting.

Esbjerg, 29 June 2016 Executive Board:

Philip Jetin Reynolds

Board of Directors:

John Paul Finnerly

John Noel Brady

Moge

Mogens Jensen

Jan Broe Hansen

Chairman

Flemming Hansen



Independent auditor's report

To the shareholders of C&D Foods (Denmark) A/S

Independent auditor's report on the consolidated financial statements and the parent company financial statements

We have audited the consolidated financial statements and the parent company financial statements of C&D Foods (Denmark) A/S for the financial year 1 April 2015 – 31 March 2016. The consolidated financial statements and parent company financial statements comprise accounting policies, income statement, balance sheet and notes for the Group as well as for the Parent Company and a cash flow statement for the Group. The consolidated financial statements and parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

Management's responsibility for the consolidated financial statements and the parent company financial statements

Management is responsible for the preparation of consolidated financial statements and parent company 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 consolidated financial statements and parent company financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the consolidated financial statements and the parent company financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the consolidated financial statements and the parent company financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements and parent company financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements and parent company financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of consolidated financial statements and parent company 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 consolidated financial statements and parent company financial statements.



Independent auditor's report

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 consolidated financial statements and parent company financial statements give a true and fair view of the Group's and the Parent Company's assets, liabilities and financial position at 31 March 2016 and of the results of the Group's and the Parent Company's operations and consolidated cash flows for the financial year 1 April 2015 – 31 March 2016 in accordance with the Danish Financial Statements Act.

Statement on the Management's review

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

Aarhus, 29 June 2016

KPMG

Statsautoriseret Revisionspartnerselskab

Steffen S. Hansen State Authorised

Public Accountant

Elife Savas

State Authorised

Public Accountant

Company details

C&D Foods (Denmark) A/S Øresundsvej 2 DK-6715 Esbjerg N

Telephone:

+45 76 14 83 00

Website:

www.cdfoods.com

E-mail:

info.denmark@cdfoods.com

CVR no.:

78 80 49 12

Established: Registered office: 21 June 1985

Esbjerg

Financial year:

1 April – 31 March

Board of Directors

John Paul Finnerty John Noel Brady Mogens Jensen Jan Broe Hansen Flemming Hansen

Executive Board

Philip John Reynolds

Auditor

KPMG Statsautoriseret Revisionspartnerselskab Bredskifte Allé 13 DK-8210 Aarhus V

Annual general meeting

The annual general meeting will be held on 29 June 2016.

Financial highlights for the Group

	· ·		2014		
EURm	2015/16	2014/15	(3 mos)	2013	2012
Key figures					
Revenue	88	84	19	94	203
Ordinary operating profit/loss	1	1	-1	-11	-20
Profit/loss from financial income and					
expenses	-1	1	0	11	-2
Profit/loss for the year	2	2	-1	0	-23
Non-current assets	28	51	57	57	32
Current assets	29	23	21	24	69
Investment in property, plant and equipment					
Total assets	58	74	78	81	101
Share capital	14	14	14	14	14
Equity	38	36	34	35	35
Non-current liabilities	2	22	30	31	19
Current liabilities	18_	16	14	16	47
Operating margin	1.4%	0.9%	-5.0%	-12.0%	-10.0%
Equity ratio	65.2%	48.4%_	43.5%	42.8%	34.6%
Average number of full-time employees	377	325	284	342	625

Financial ratios are calculated in accordance with the Danish Society of Financial Analysts' guidelines on the calculation of financial ratios "Recommendations and Financial Ratios 2015". For terms and definitions, please see the accounting policies.

Operating review

Principal activities of the Group

The Company has the highest BRC and IFS degree and supplies wet petfood to the European retail trade as a "private label" manufacturer of petfood. Furthermore, C&D Foods (Denmark) A/S is a sub-supplier of wet petfood for other manufacturers/distributors of "branded products".

Development in activities and financial position

Synergies gained from the C&D Foods group after the takeover in 2012 (optimisation of production, sales, purchase, distribution and administration across entities in the combined Group) contributed positively to corporate performance.

The Company's revenue came in at EUR 88 million, which was better than expected and up on last year.

Profit was positively affected by the recognition of deferred tax asset of EUR 1,063 thousand and negatively affected by exchange adjustments of intercompany receivables denominated in Pound Sterling at an amount of EUR 782 thousand.

Investments in non-current assets amounted to EUR 1,432 thousand in 2015/16 (2014/15: EUR 1,268 thousand).

Uncertainty regarding recognition and measurement

The Company's deferred tax at 31 March 2016 makes up a significant amount available for indefinite carryforward. The use thereof depends on the development in future earnings, which is uncertain. Due to uncertainty in estimating future earnings, Management chose only to capitalise a deferred tax asset amounting to budgeted profits for the coming three years.

The tax asset is disclosed in note 9.

Outlook

EBITDA for the coming year is expected to increase from the level in 2015/16.

Operating review

Particular risks

The Company's major risks relate to its ability to operate within a competitive private-labelled petfood market in Europe and to successfully gain from the synergies emerging from joining the C&D Foods Group in October 2012.

Financial risk

The Company is financed by group loans, which means that the Company is exposed to limited financial risks.

Foreign currency risk

The Company's foreign currency risks are limited, as the Group primarily operates in the euro zone. However, GBP, USD, and PLN are subject to certain exposure, but the volume of trading carried out in the mentioned currencies is low.

Interest risk

The Group's interest risks are considered low since the Group provides the vast part of financing.

Customer credit risk

The Group's customer credit risk primarily relates to its customers' ability to pay. The risk is considered low, since the customer portfolio is primarily made up by large national and/or multinational operating retailers and since debtor insurance is in place.

Corporate social responsibility

With regard to section 99a of the Danish Financial Statements Act on policies regarding Corporate Social Responsibility including human rights and climate impact, it should be noted that the C&D Foods Group does not have any written policies in place. Accordingly, no reporting has been prepared in this respect.

Operating review

Gender diversity

C&D Foods (Denmark) A/S believes that diversity among Management and employees including equal distribution of gender is an important condition for the Company to expand at optimum level and deliver the best results in accordance with the Company's values and culture.

The Executive Board of C&D Foods (Denmark) A/S wants to give both sexes equal access to leadership positions and believes that board members should be chosen based on their overall competencies. The male-female balance on the Group's Executive Board is at present 100%/0%. The aim is to increase the share of women on the Executive Board to 17% by 2020. The measures initiated have not paid off in 2015/16, as there have been no changes to the Executive Board.

C&D Foods (Denmark) A/S focuses on the gender distribution of the management team in order to increase the number of female managers, and initiatives will be taken to attract more qualified female candidates when changes are to be made in the present management team. The Company will aim at having one female candidate among the final applicants for the job when a vacant position is to be filled. The measures initiated did not bring about any changes in the gender quota of the management team during 2015/16 as the management team remains unchanged.

Environment

The C&D Foods Group is devoted to environmental aspects and constantly strives at reducing the environmental impact from its operations. The group entities have no outstanding issues with the environmental authorities in terms of environmental permits and compliance with environmental regulations.

Also in 2015/16, C&D Foods (Denmark) A/S focused on reducing its environmental impact and carried out a number of projects in order to improve the environment.

Research and development activities

Development of new products in cooperation with our customers is one of our focus areas.

Intellectual capital

C&D Foods (Denmark) A/S remained focused on its main business areas to attract intellectual capital for various functions and thereby to strengthen its competitiveness and future performance.

Operating review

Events after the balance sheet date

No events have occurred after the balance sheet date to this date that would influence the assessment and evaluation of this annual report in any substantial way.

Accounting policies

The annual report of C&D Foods (Denmark) A/S for 2015/16 has been prepared in accordance with the provisions applying to reporting class C large entities under the Danish Financial Statements Act.

All amounts are stated in EUR thousand (EUR'000).

The accounting policies used in the preparation of the consolidated financial statements and parent company financial statements are consistent with those of last year.

Consolidated financial statements

The consolidated financial statements comprise the Parent Company, C&D Foods (Denmark) A/S, and subsidiaries in which C&D Foods (Denmark) A/S directly or indirectly holds more than 50% of the votes or in some other way exercises control.

On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends and realised and unrealised gains and losses on intra-group transactions are eliminated.

Investments in subsidiaries are set off against the proportionate share of subsidiaries' fair value of net assets and liabilities at the date of acquisition.

Foreign currency translation

Transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement.

Receivables and payables and other monetary items denominated in foreign currencies which were not settled at the balance sheet date are translated at the exchange rates at the balance sheet date.

The difference between the exchange rates at the balance sheet date and at the date at which the receivable or payable arose is recognised in the income statement as financial income or financial expenses.

Non-current assets acquired in foreign currencies are translated at the exchange rate at the transaction date.

Accounting policies

Income statement

Revenue

Income from the sale of goods for resale and finished goods is recognised in the income statement provided that delivery and transfer of risk to the buyer have taken place and that the income can be reliably measured and is expected to be received. Revenue is measured ex. VAT and taxes and less discounts relating to sales.

Raw materials and packing materials

Costs of raw materials and packaging materials comprise raw materials and packaging materials used to generate revenue for the year.

Other external costs

Costs incurred in distributing goods sold, sale, marketing, administration, premises, bad debts, etc. are recognised as other external costs.

Staff costs

Staff costs comprise payroll, including holiday allowance, social security contributions, pensions, etc. for the Company's staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses comprise depreciation, amortisation and impairment losses for the year of property, plant and equipment.

Financial income and expenses

Financial income and expenses comprise interest income and expense on assets and payables as well as transactions denominated in foreign currencies.

Accounting policies

Tax on profit/loss for the year

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

Balance sheet

Property, plant and equipment

Assets are measured at cost less accumulated depreciation. Depreciation is provided on a straight-line basis over the expected useful lives of the assets. For plant and machinery, the expected useful life is set at 5-10 years, other assets at 3-5 years and buildings at 30 years.

Cost comprises the acquisition price and costs directly related to the acquisition until the time when the asset is ready for use.

Grants related to investments in property, plant and equipment are deducted in the acquisition price of the asset. The grants are recognised at the time of acceptance or the settlement of the grants.

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

Investments in subsidiaries

Investments in subsidiaries are valued according to the equity method at the proportionately owned share of the companies' equity assessed on the basis of the latest statutory financial statements of the parent company at or prior to the balance sheet date.

Profits/losses in the companies are recorded at the proportionate shares of the profit/loss after tax less intra-group profits.

In connection with the acquisition of investments in companies, goodwill is calculated at the time of the purchase as the difference between purchase price and the net asset value of the Company. The additional price/goodwill is capitalised and amortised over the expected useful life according to the principles stated under intangible assets.

Accounting policies

Leases

Leases for non-current assets that transfer substantially all the risks and rewards incident to ownership to the Company (finance leases) are initially recognised in the balance sheet at cost, corresponding to the lower of fair value and the net present value of future lease payments. When the net present value of the future lease payments is calculated, the interest rate implicit in the lease or the incremental borrowing rate is used as the discount factor. Assets held under finance leases are subsequently depreciated as the Company's other non-current assets.

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

All other leases are treated 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 total obligation relating to operating leases and other leases is disclosed as contingencies, etc.

Other investments

Deposits are recognised at cost.

Impairment of non-current assets

The carrying amount of property, plant and equipment is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairments tests are conducted of individual assets or groups of assets when there is an indication that they might be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the expected net cash flows from the use of the asset or the group of assets and expected net cash flows from the disposal of the assets or the group of assets after the end of the useful life.

Inventories

Raw materials and packaging materials are measured at purchase price in accordance with the FIFO method.

Work in progress and finished goods are valued at calculated cost comprising the costs of raw materials and packaging materials as well as processing costs plus direct costs and a share of production overheads.

Accounting policies

Indirect production overheads comprise indirect materials and wages and salaries as well as maintenance and depreciation of production machinery, buildings and equipment as well as factory administration and management. Borrowing costs are not included in cost.

The net realisable value of inventories is calculated as the sales amount less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and development in expected selling price.

Goods for resale are valued at purchase price.

Where the net realisable value is lower than cost/purchase price, inventories are written down to the lower value.

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable or a portfolio of receivables has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Receivables with no objective indication of individual impairment are assessed for objective indication of impairment on a portfolio basis. The portfolios are primarily based on the debtors' registered offices and credit rating in accordance with the Company's credit risk management policy. The objective indicators used in relation to portfolios are determined on the basis of past history of bad debts.

Prepayments

Prepayments comprise prepayments of costs relating to subsequent financial years.

Equity

Net revaluation reserve according to the equity method

The net revaluation reserve according to the equity method comprises net revaluation of equity investments in group entities and associates in proportion to cost.

Dividends

Proposed dividends are recognised as a liability at the date on which they are adopted at the annual general meeting (declaration date). The expected dividend payment for the year is disclosed as a separate item under equity.

Accounting policies

Non-current 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.

Other liabilities are measured at net realisable value.

Corporation tax and deferred 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 based on the planned use of the asset or settlement of the liability. However, deferred tax is not recognised on temporary differences relating to goodwill non-deductible for tax purposes, office premises and other items where the temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with 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 as a result of changes in tax rates are recognised in the income statement and equity, respectively.

Cash flow statement

The cash flow statement shows the Group's cash flows from operating, investing and financing activities for the year, the year's changes in cash and cash equivalents as well as the Group's cash and cash equivalents at the beginning and end of the year.

The cash flow effect of acquisitions and divestment of entities is shown separately in cash flows from investing activities. Cash flows relating to acquired entities are recognised in the cash flow statement from the date of acquisition, and cash flows relating to divested entities are recognised up to the date of divestment.

Accounting policies

Cash flows from operating activities

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

Cash flows from investing activities

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

Cash flows from financing activities

Cash flows from financing activities comprise purchase and sale of treasury shares, payments relating to increases or reductions in capital and related costs as well as payment of dividends to shareholders and raising and repayment of interest-bearing debt.

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term marketable securities with a term of three months or less which are easily convertible into cash and which are subject to only an insignificant risk of changes in value.

Segment information

Information is provided on geographical markets.

Financial ratios

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

The financial ratios have been calculated as follows:

Operating margin

Operating profit/loss x 100
Revenue

Equity ratio

Profit/loss from ordinary activities after tax x 100

Average equity

Income statement

		Group		Parent Company	
EUR'000	Note	2015/16	2014/15	2015/16	2014/15
Revenue	1	88,243	83,906	88,243	83,906
Changes in inventories of finished goods and work in progress Raw materials and packing materials Other operating income		-602 -48,720 -17	215 -47,914 181	-602 -48,720 -17	215 -47,914 181
Other external costs		-14,473	-13,622	-14,473	-13,622
Gross profit Staff costs Depreciation, amortisation and impairment	2	24,431 -20,484	22,766 -18,957	24,431 -20,484	22,766 -18,957
losses	6	-2,699	-3,039	-2,699	-3,039
Ordinary operating profit Profit/loss in subsidiaries Financial income Financial expenses	7 3 4	1,248 0 1,075 -1,598	770 0 1,773 -901	1,248 0 1,075 -1,598	770 0 1,773 -901
Profit before tax Tax on profit for the year	5	725 1,063	1,642	725 1,063	1,642
Profit for the year		1,788	1,642	1,788	1,642
Proposed profit appropriation Retained earnings		1,788	1,642	1,788	1,642

Balance sheet

		Group		Parent Company	
EUR'000	Note	2015/16	2014/15	2015/16	2014/15
ASSETS					
Non-current assets					
Property, plant and equipment	6				
Land and buildings		6,612	6,992	6,612	6,992
Plant and machinery		5,805	8,503	5,805	8,503
Other assets		96	62	96	62
Property, plant and equipment under construction		1,745	991	1,745	991
		14,258	16,548	14,258	16,548
Investments					······································
Investment in subsidiary	7	0	0	0	0
Loans to group entities		14,151	34,171	14,151	34,171
Deposits		32	35	32	35
		14,183	34,206	14,183	34,206
Total non-current assets		28,441	50,754	28,441	50,754
Current assets					
Inventories					• • • • •
Raw materials and consumables		4,464	2,398	4,464	2,398
Work in progress		1,240	700	1,240 3,831	700 4,986
Finished goods and goods for resale		3,831	4,986		
		9,535	8,084	9,535	8,084
Receivables					
Trade receivables		2,162	3,149	2,162	3,149
Amounts owed by group entities		15,214	11,129	15,214	11,129
Other receivables		244	93	244	93
Prepayments	8	321	122	321	122
Deferred tax assets	9	1,060	0	1,060	0
		19,001	14,493	19,001	14,493
Cash at bank and in hand		560	335	560	335
Total current assets		29,096	22,912	29,096	22,912
TOTAL ASSETS		57,537	73,666	57,537	73,666

Balance sheet

	(oup	Parent Company	
EUR'000	Note	2015/16	2014/15	2015/16	2014/15
EQUITY AND LIABILITIES Equity					
Share capital	10	13,682	13,660	13,682	13,660
Retained earnings		23,840	22,022	23,840	22,022
Total equity		37,522	35,682	37,522	35,682
Liabilities Non-current liabilities	12				
Amounts owed to group entities		1,857	22,408	1,857	22,408
Other payables		53	72	53	72
		1,910	22,480	1,910	22,480
Current liabilities					
Current portion of long-term liabilities		20	20	20	20
Trade payables		10,629	9,524	10,629	9,524
Amounts owed to group entities		1,292	1,606	1,292	1,606
Other payables		6,164	4,354	6,164	4,354
		18,105	15,504	18,105	15,504
Total liabilities		20,015	37,984	20,015	37,984
TOTAL EQUITY AND LIABILITIES		57,537	73,666	57,537	73,666

Contractual obligations, contingencies, etc. 13 Related party disclosures 14

Cash flow statement

EUR'000	Note	2015/16	2014/15
Profit for the year		1,788	1,642
Depreciation/amortisation		2,699	3,039
Accounting profit/loss on the sale of non-current assets		17	-181
Foreign currency adjustment of equity		52	-4
Changes in deferred tax/deferred tax assets		-1,063	0
Cash generated from operations before changes in working capital		3,493	4,496
Changes in inventories		-1,451	-1,888
Changes in receivables		-3,448	-51
Changes in trade and other payables		2,601	1,229
Cash flows from operating activities		1,195	3,786
Acquisition of property, plant and equipment		-1,432	-1,268
Disposal of property, plant and equipment		0	303
Reclassification of spare parts		1,033	0
Foreign currency adjustment of property, plant and equipment		-20	-3
Cash flows from investing activities		-419	-968
Raising/repayment of non-current liabilities, net		-20,570	-7,309
Loans to group companies		20,019	4,197
Capital increase		0	70
Cash flows from financing activities		-551	3,042
Cash flows for the year		225	-224
Cash and cash equivalents at the beginning of the year		335	559
Cash and cash equivalents at year end		560	335

Notes

		Group		Parent Company	
	EUR'000	2015/16	2014/15	2015/16	2014/15
1	Revenue				<u> </u>
	Export markets	81,133	78,504	81,133	78,504
	Domestic market	7,110	5,402	7,110	5,402
		88,243	83,906	88,243	83,906
2	Staff costs Wages and salaries Pensions Other social security	18,730 1,526 228	17,440 1,392 125	18,730 1,526 228	17,440 1,392 125
		20,484	18,957	20,484	18,957
	Average number of full-time employees	377	325	377	325

Staff costs include remuneration of Management at an amount of EUR 190 thousand. (2014/15: EUR 196 thousand).

In accordance with section 98b (3) (i) of the Danish Financial Statements Act, remuneration of the Executive Board and the Board of Directors is disclosed as a one-line item.

		Gre	Group		Parent Company	
	EUR'000	2015/16	2014/15	2015/16	2014/15	
3	Financial income		-			
	Interest income, group entities	1,074	1,091	1,074	1,091	
	Other interest income	1	682	1	682	
		1,075	1,773	1,075	1,773	
4	Financial expenses Interest expense, group entities Other interest expense	811 787 1598	882 19 901	811 787 1598	882 19 901	
		1398	901	1398	901	

Notes

		Gr	oup	Parent Company	
	EUR'000	2015/16	2014/15	2015/16	2014/15
5	Tax on profit for the year				
	Calculated tax on the taxable income for the year	0	0	0	0
	Adjustments for the year of deferred tax	1,063	0	1,063	0
		1,063	0	1,063	0

Group

6 Property, plant and equipment

EUR'000	Land and buildings	Plant and machinery	Other assets	Property, plant and equipment under construc- tion	Total
Cost at 1 April 2015	19,351	86,206	7,270	991	113.818
Foreign currency adjustment	32	135	12	1	180
Reclassification	226	356	97	-679	0
Reclassification of spare parts	0	-1,033	0	0	-1,033
Additions during the year	0	0	0	1,432	1,432
Disposals during the year	-25	-13,345	-1,045	0	-14,415
Cost at 31 March 2016	19,584	72,319	6,334	1,7455	99,982
Depreciation and impairment losses					
at 1 April 2015	12,359	77,703	7,208	0	97,270
Foreign currency adjustment	21	130	12	0	163
Disposals during the year	-16	-13,341	-1,042	0	-14,399
Depreciation for the year	608	2,022	60	0	2,690
Depreciation and impairment losses at 31 March 2016	12,972	66,514	6,238	0	85,724
Carrying amount at 31 March 2016	6,612	5,805	96	1,745	14,258
Assets held under finance leases		91			
Depreciated over	0-30 years	5-10 years	3-5 years		

Notes

6 Property, plant and equipment (continued)

	Parent Company				
EUR'000	Land and buildings	Plant and machinery	Other assets	Property, plant and equipment under construc- tion	Total
Cost at 1 April 2015	19,351	86,206	7,270	991	113,818
Foreign currency adjustment	32	135	12	1	180
Reclassification	226	356	97	-679	0
Reclassification of spare parts	0	-1,033	0	0	-1,033
Additions during the year	0	0	0	1,432	1,432
Disposals during the year	-25	-13,345	-1,045	0	-14,415
Cost at 31 March 2016	19,584	72,319	6,334	1,745	99,982
Depreciation and impairment losses at 1 April 2015 Foreign currency adjustment Disposals during the year Depreciation for the year	12,359 21 -16 608	77,703 130 -13,341 2,022	7,208 12 -1,042 60	0 0 0	97,270 163 -14,399 2,690
Depreciation and impairment losses at 31 March 2016	12,972	66,514	6,238	0	85,724
Carrying amount at 31 March 2016	6,612	5,805	96	1,745	14,258
Assets held under finance leases		91			
Depreciated over	0-30 years	5-10 years	3-5 years		

7 Investment in subsidiary

	Faieiii C	Farent Company	
	Voting		
	rights and	Carrying	
Name and registered office	ownership	amount	
C&D Foods International, Larkshall England	100%	0	

The subsidiary is an individual company with limited liability according to local legislations.

There is no activity in the subsidiary, and investment in subsidiary is accordingly recognised at EUR 0, equivalent to the equity value of the subsidiary.

Notes

		Gr	Group		Parent Company	
	EUR'000	2015/16	2014/15	2015/16	2014/15	
8	Prepayments					
	Prepaid assurance	71	44	71	44	
	Other prepayments	250	78	250	78	
		321	122	321	122	

9 Deferred tax

The Group's preliminary net deferred tax asset at 31 March 2016 amounted to EUR 16.9 mio.

Due to uncertainty in estimating future earnings, Management has chosen only to capitalise a deferred tax asset amounting to budgeted profits for the coming three years. Going forward, Management will also assess any potential capitalisation of the deferred tax asset.

		Group		Parent Company	
	EUR'000	2015/16	2014/15	2015/16	2014/15
10	Equity				
	Share capital at 1 April 2015	13,660	13,664	13,660	13,664
	Foreign currency adjustment	22	-4	22	4
	Share capital at 31 March 2016	13,682	13,660	13,682	13,660
	Retained earnings				
	Balance at 1 April 2015	22,022	20,310	22,022	20,310
	Transferred from profit appropriation	1,788	1,642	1,788	1,642
	Foreign currency adjustment	30	70	30	70
	Changes in equity	23,840	22,022	23,840	22,022
	Equity at 31 March 2016	37,522	35,682	37,522	35,682

The share capital comprises 10,200,000 shares of DKK 10 each. All shares rank equally.

There have been no changes in the share capital during the past five years.

11	Fees to auditor appointed at the gener	ral meeting			
	Fee regarding statutory audit	37	37	37	37
	Tax assistance	5	2	5	2
	Other assistance	3	11	3	11
		45	50	45	50

Notes

12 Non-current liabilities

Of total liabilities of EUR 1,910 thousand, EUR 0 thousand falls due after five years.

13 Contractual obligations, contingencies, etc.

Other liabilities

For 2016-2017, the Group has a commitment to purchase energy for production purposes at a total of EUR 1.3 million.

Contingent liabilities

Lease obligations (operating leases) falling due within five years total EUR 1,391 thousand.

The Company is a party to a few pending cases. Management is of the opinion that the outcome of these cases will not affect the Company's financial position other than the receivables and payables recognised in the balance sheet at 31 March 2016.

14 Related party disclosures

Parent company ownership

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

C&D Foods Ireland Holdings Limited Channel Islands Great Britain