
Mondelez Danmark ApS

Søndre Ringvej 55, DK-2605 Brøndby

Annual Report for 1 January - 31 December 2015

CVR No 78 86 10 10

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
27/5 2016

Marianne Nyholm
Chairman

Contents

	<u>Page</u>
Management's Statement and Auditor's Report	
Management's Statement	1
Independent Auditor's Report on the Financial Statements	2
Management's Review	
Company Information	4
Financial Highlights	5
Management's Review	6
Financial Statements	
Income Statement 1 January - 31 December	9
Balance Sheet 31 December	10
Statement of Changes in Equity	12
Notes to the Financial Statements	13
Accounting Policies	17

Management's Statement

The Executive and Supervisory Boards have today considered and adopted the Annual Report of Mondelez Danmark ApS 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 financial position at 31 December 2015 of the Company and of the results of the Company operations for 2015.

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

Copenhagen, 27 May 2016

Executive Board

Jesper Hvid-Hansen
Managing Director

Board of Directors

Jonas Magnusson
Chairman

Jan Henrik Johansen

Jesper Hvid-Hansen

Jens Peter Villumsen

Susanne Gade Borup

Independent Auditor's Report on the Financial Statements

To the Shareholder of Mondelez Danmark ApS

Report on the Financial Statements

We have audited the Financial Statements of Mondelez Danmark ApS for the financial year 1 January - 31 December 2015, which comprise income statement, balance sheet, statement of changes in equity, notes and 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 as Management determines is necessary to enable the preparation of 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 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 whether the Financial Statements are free from material misstatement.

An audit involves performing audit procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, 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 auditor considers 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 audit opinion.

Our audit has not resulted in any qualification.

Opinion

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

Independent Auditor's Report on the Financial Statements

Statement on Management's Review

We have read Management's Review in accordance with the Danish Financial Statements Act. We have not performed any procedures additional to the audit of the Financial Statements. On this basis, in our opinion, the information provided in Management's Review is in accordance with the Financial Statements.

Hellerup, 27 May 2016

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Rasmus Friis Jørgensen

Danish State Authorised Public Accountant

Company Information

The Company

Mondelez Danmark ApS
Søndre Ringvej 55
DK-2605 Brøndby

Telephone: 43 96 96 22

Facsimile: 43 96 01 02

Website: www.mdlznordic.com

CVR No: 78 86 10 10

Financial period: 1 January - 31 December

Board of Directors

Jonas Magnusson, Chairman
Jan Henrik Johansen
Jesper Hvid-Hansen
Jens Peter Villumsen
Susanne Gade Borup

Executive Board

Jesper Hvid-Hansen

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Financial Highlights

Seen over a five-year period, the development of the Company is described by the following financial highlights:

	2015 TDKK	2014 TDKK	2013 TDKK	2012 TDKK	2011 TDKK
Key figures					
Profit/loss					
Revenue	752.306	1.037.850	1.032.104	1.078.336	1.061.492
Gross profit/loss	52.531	83.714	87.929	79.529	82.836
Profit/loss before financial income and expenses	9.862	18.656	20.494	17.068	14.878
Net financials	-341	-223	-699	-837	629
Net profit/loss for the year	6.805	13.647	13.968	11.986	-14.943
Balance sheet					
Balance sheet total	276.020	390.553	342.418	330.159	312.539
Equity	62.750	55.995	42.348	28.380	16.394
Investment in property, plant and equipment	73	243	1.263	152	0
Number of employees	92	112	116	119	127
Ratios					
Gross margin	7,0%	8,1%	8,5%	7,4%	7,8%
Profit margin	1,3%	1,8%	2,0%	1,6%	1,4%
Return on assets	3,6%	4,8%	6,0%	5,2%	4,8%
Solvency ratio	22,7%	14,3%	12,4%	8,6%	5,2%
Return on equity	11,5%	27,8%	39,5%	53,5%	-21,7%

The ratios have been prepared in accordance with the recommendations and guidelines issued by the Danish Society of Financial Analysts. For definitions, see under accounting policies.

Management's Review

Main activity

The Company markets and sells some of the strongest brands in Nordic in confectionery, gum, cheese, biscuits and dressings as well as other food products to both the retail and the professional market.

Development in the year

The income statement of the Company for 2015 shows a profit of TDKK 6,805, and at 31 December 2015 the balance sheet of the Company shows equity of TDKK 62,750.

In May 2014, Mondelez International and D.E. Master Blenders 1753 announced their intention to combine their coffee businesses in a new joint venture, creating the world's leading pure-play coffee company, Jacobs Douwe Egberts, headquartered in the Netherlands.

The final regulatory approvals for this joint venture took place during first half of 2015 and the Danish coffee business was demerged as of 1. January 2015.

As the coffee category accounted for approximately 25% of the total business, the demerger of the coffee business had a significant impact on the Revenue and Costs for the year as well as the Balance sheet.

In February 2015 the company received the final decision from SKAT related to a proposed adjustment of the taxable income for 2009 and 2010. The company strongly disagrees with SKAT's adjustment and has appealed the decision to the National Tax Tribunal in April 2015. To mitigate further interest calculation, the tax has been paid and the payment is incorporated in the balance sheet as a tax receivable.

The past year and follow-up on development expectations from last year

The result for the year is considered satisfactory and in line with expectations.

Special risks - operating risks and financial risks

Operating risks

The Company has no special risks.

Targets and expectations for the year ahead

The activities for the next year are anticipated to be in line with this year.

Research and development

There is no research and development carried out within the company. This is handled throughout the Group.

Management's Review

External environment

The company has no particular impact on the external environment.

Intellectual capital resources

Besides a lot of skilled employees the company has no intellectual capital resources in particular.

Uncertainty relating to recognition and measurement

Recognition and measurement in the Annual Report have not been subject to any uncertainty.

Unusual events

The financial position at 31 December 2015 of the Company and the results of the activities of the Company for the financial year for 2015 have not been affected by any unusual events.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Statutory statement of corporate social responsibility

Mondelez International works actively with Corporate Social Responsibility. Mondelez Danmark ApS takes part of that work, both directly in our local operations and indirectly, as the products that we sell are sourced from factories which have ambitious sustainability targets, including responsible sourcing of raw materials and decreased footprint of production sites. Furthermore we conduct our business in line with current rules and regulations that relates to environmental and social conditions in Denmark

Mondelez International is a global business and therefore they do not give information about the individual companies' and their Corporate Social Responsibility. However this is a matter of high importance to the group, which is why the information is given at group level.

Pursuant to the Danish Financial Statements Act section 99a, 6 the information on Corporate Social Responsibility is given at:

<http://www.mondelezinternational.com/well-being>

Share of the underrepresented gender

The Company's board of directors have a 100/0 split between the two genders excl. staff representatives, which is unchanged from 2014.

The company aims to have a diversified composition of the Board of Directors and the target is therefore an one out of three distribution between the sexes in 2020.

Management's Review

On the other management levels the Company has an equal balance between the sexes.

The Group works intensely with equal rights for everybody. The work is based on UN Women's Empowerment Principles, which the Group signed in 2013.

<http://www.mondelezinternational.com/well-being/safety-of-our-people-and-products/ensuring-a-safe-work-environment#gender-equality>

Income Statement 1 January - 31 December

	Note	2015 TDKK	2014 TDKK
Revenue	1	752.306	1.037.850
Expenses for finished goods and consumables		-658.678	-884.458
Other external expenses		-41.097	-69.678
Gross profit/loss		52.531	83.714
Staff expenses	2	-42.454	-64.771
Depreciation, amortisation and impairment of property, plant and equipment		-215	-287
Profit/loss before financial income and expenses		9.862	18.656
Financial income	3	26	164
Financial expenses	4	-367	-387
Profit/loss before tax		9.521	18.433
Tax on profit/loss for the year	5	-2.716	-4.786
Net profit/loss for the year		6.805	13.647

Distribution of profit

Proposed distribution of profit

Proposed dividend for the year	0	0
Retained earnings	6.805	13.647
	6.805	13.647

Balance Sheet 31 December

Assets

	Note	2015 TDKK	2014 TDKK
Other fixtures and fittings, tools and equipment		817	1.163
Leasehold improvements		497	380
Property, plant and equipment	6	1.314	1.543
Other receivables		6	11
Fixed asset investments	7	6	11
Fixed assets		1.320	1.554
Trade receivables		94.219	148.247
Receivables from group enterprises		103.736	233.607
Other receivables		2.399	672
Deferred tax asset	9	5.178	5.560
Corporation tax		69.106	0
Prepayments		62	907
Receivables		274.700	388.993
Cash at bank and in hand		0	6
Currents assets		274.700	388.999
Assets		276.020	390.553

Balance Sheet 31 December

Liabilities and equity

	Note	2015 TDKK	2014 TDKK
Share capital		25.001	25.001
Retained earnings		37.749	30.994
Equity	8	62.750	55.995
Provisions for stock programs		1.251	1.121
Provisions		1.251	1.121
Trade payables		1.950	6.784
Payables to group enterprises		44.109	100.922
Corporation tax		0	-456
Other payables		165.960	226.187
Short-term debt		212.019	333.437
Debt		212.019	333.437
Liabilities and equity		276.020	390.553
Contingent assets, liabilities and other financial obligations	10		
Fee to auditors appointed at the general meeting	11		
Related parties and ownership	12		

Statement of Changes in Equity

	Share capital TDKK	Retained earnings TDKK	Total TDKK
Equity at 1 January	25.001	30.994	55.995
Net effect from demerger and business sale under the uniting of interests method	0	-50	-50
Adjusted equity at 1 January	25.001	30.944	55.945
Net profit/loss for the year	0	6.805	6.805
Equity at 31 December	25.001	37.749	62.750

Notes to the Financial Statements

	<u>2015</u> TDKK	<u>2014</u> TDKK
1 Revenue		
Geographical segments		
Retail	736.017	1.005.273
Revenue, exports	<u>16.289</u>	<u>32.577</u>
	<u>752.306</u>	<u>1.037.850</u>
2 Staff expenses		
Wages and salaries	38.134	58.180
Pensions	3.545	4.315
Other social security expenses	641	735
Other staff expenses	<u>134</u>	<u>1.541</u>
	<u>42.454</u>	<u>64.771</u>
Including remuneration to the Executive and Supervisory Boards	<u>1.755</u>	<u>1.697</u>
Average number of employees	<u>92</u>	<u>112</u>
3 Financial income		
Exchange gains	<u>26</u>	<u>164</u>
	<u>26</u>	<u>164</u>
4 Financial expenses		
Interest paid to group enterprises	1	3
Other financial expenses	58	80
Exchange loss	<u>308</u>	<u>304</u>
	<u>367</u>	<u>387</u>

Notes to the Financial Statements

	2015 <u>TDKK</u>	2014 <u>TDKK</u>
5 Tax on profit/loss for the year		
Current tax for the year	1.886	3.570
Deferred tax for the year	312	1.013
Adjustment of tax concerning previous years	494	215
Adjustment of deferred tax concerning previous years	24	-12
	<u>2.716</u>	<u>4.786</u>
 6 Property, plant and equipment		
	Other fixtures and fittings, tools and equipment <u>TDKK</u>	Leasehold improvements <u>TDKK</u>
Cost at 1 January	3.876	601
Additions for the year	39	34
Disposals for the year	-1.147	0
Cost at 31 December	<u>2.768</u>	<u>635</u>
Impairment losses and depreciation at 1 January	2.861	72
Depreciation for the year	148	66
Reversal of impairment and depreciation of sold assets	-1.058	0
Impairment losses and depreciation at 31 December	<u>1.951</u>	<u>138</u>
Carrying amount at 31 December	<u>817</u>	<u>497</u>
 7 Fixed asset investments		
		Other receiv- ables <u>TDKK</u>
Cost at 1 January		11
Disposals for the year		<u>-5</u>
Cost at 31 December		<u>6</u>
Carrying amount at 31 December		<u>6</u>

Notes to the Financial Statements

8 Equity

The share capital consists of 25,001 shares of a nominal value of TDKK 1,000. No shares carry any special rights.

There have been no changes in the share capital during the last 5 years.

	<u>2015</u> TDKK	<u>2014</u> TDKK
9 Provision for deferred tax		
Property, plant and equipment	-4.756	-5.056
Trade receivables	-37	-138
Stock options	-275	-256
Refurbishment accrual	-110	-110
Transferred to deferred tax asset	5.178	5.560
	<u>0</u>	<u>0</u>
Deferred tax asset		
Calculated tax asset	<u>5.178</u>	<u>5.560</u>
Carrying amount	<u>5.178</u>	<u>5.560</u>

Notes to the Financial Statements

	2015 TDKK	2014 TDKK
10 Contingent assets, liabilities and other financial obligations		
Rental agreements and leases		
Lease obligations under operating leases. Total future lease payments:		
Within 1 year	4.199	5.127
Between 1 and 5 years	5.398	6.499
	9.597	11.626

Contingent liabilities

The Company has a dispute with the Danish Tax Authorities regarding the income years 2009 and 2010. In February 2015 the company received the final decision from Danish Tax Authorities related to a proposed adjustment of the taxable income for 2009 and 2010 which indicated an liability towards Mondelez amounting to MDKK 67. The company strongly disagrees with Danish Tax Authorities' adjustment and has appealed the decision to the National Tax Tribunal in April 2015. To mitigate further interest calculation, the tax has been paid and the payment is incorporated in the balance sheet as a tax receivable.

The company has provided a payment guarantee related to rental of office space amounting to TDKK 963.

The Danish companies in the Mondelez Group international are jointly liable for taxes in the joint taxation.

11 Fee to auditors appointed at the general meeting

Audit fee to PricewaterhouseCoopers	209	240
Other services	15	66
	224	306

12 Related parties and ownership

The following shareholder is recorded in the Company's register of shareholders as holding at least 5% of the votes or at least 5% of the share capital:

Kraft Foods Schweiz Holding GmbH, Chollerstrasse 4, 6301 Zug, Schweiz, owns the total share capital and is the parent company which prepares the annual report for the smallest group in which the company is included as a subsidiary.

Mondelez International, Inc., 3 Pkwy. N., Deerfield IL 60015, USA is the parent company that prepares the group accounts for the largest group in which the company is included as a subsidiary.

Accounting Policies

Basis of Preparation

The Annual Report of Mondelez Danmark ApS for 2015 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C .

The accounting policies applied remain unchanged from last year.

Financial Statements for 2015 are presented in TDKK.

Cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act and to the cash flow statement included in the consolidated financial statements of , the Company has not prepared a cash flow statement.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the transaction date rates are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Accounting Policies

Leases

All leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

Income Statement

Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Segment reporting

Segment information is presented in respect of business segments based on the Company's risks and returns and its internal financial reporting system. Business segments are regarded as the primary segments. In compliance with the Danish Executive Order on exemptions from the Danish Financial Statements Act, reporting on business segments comprises revenue only.

Expenses for finished goods and consumables

Expenses for finished goods and consumables comprise the raw materials and consumables consumed to achieve revenue for the year.

Other external expenses

Other external expenses comprise expenses for sales, service fees for administrative functions, rent etc.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Accounting Policies

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with wholly owned Danish and foreign subsidiaries. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Balance Sheet

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and equipment	3-10 years
Leasehold improvements	5 years

Impairment of fixed assets

The carrying amounts of tangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts. Provisions for bad debts are determined on the basis of an individual assessment of each receivable.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, and subscriptions.

Accounting Policies

Provisions

Provisions are recognised when - in consequence of an event occurred before or on the balance sheet date - the Company has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial debts

Other debts are measured at amortised cost, substantially corresponding to nominal value.

Accounting Policies

Financial Highlights

Explanation of financial ratios

Gross margin	$\frac{\text{Gross profit} \times 100}{\text{Revenue}}$
Profit margin	$\frac{\text{Profit before financials} \times 100}{\text{Revenue}}$
Return on assets	$\frac{\text{Profit before financials} \times 100}{\text{Total assets}}$
Solvency ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total assets at year end}}$
Return on equity	$\frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$