BEIERHOLM
VI SKABER BALANCE

Tomex Danmark A/S

Hasserisvej 139, 9000 Aalborg

CVR no. 15 80 02 40

Annual report
for the financial year 01.07.18 - 30.06.19

Table of contents

Group information etc.

The company

Tomex Danmark A/S
Hasserisvej 139
9000 Aalborg
Tel.: 96 31 31 31
Registered office: Aalborg
CVR no.: 15 80 02 40
Financial year: 01.07 - 30.06

Executive Board

Tom Andersen

Board Of Directors

Peter Lau Lauritzen, chairman
Bo Andersen
Tom Andersen

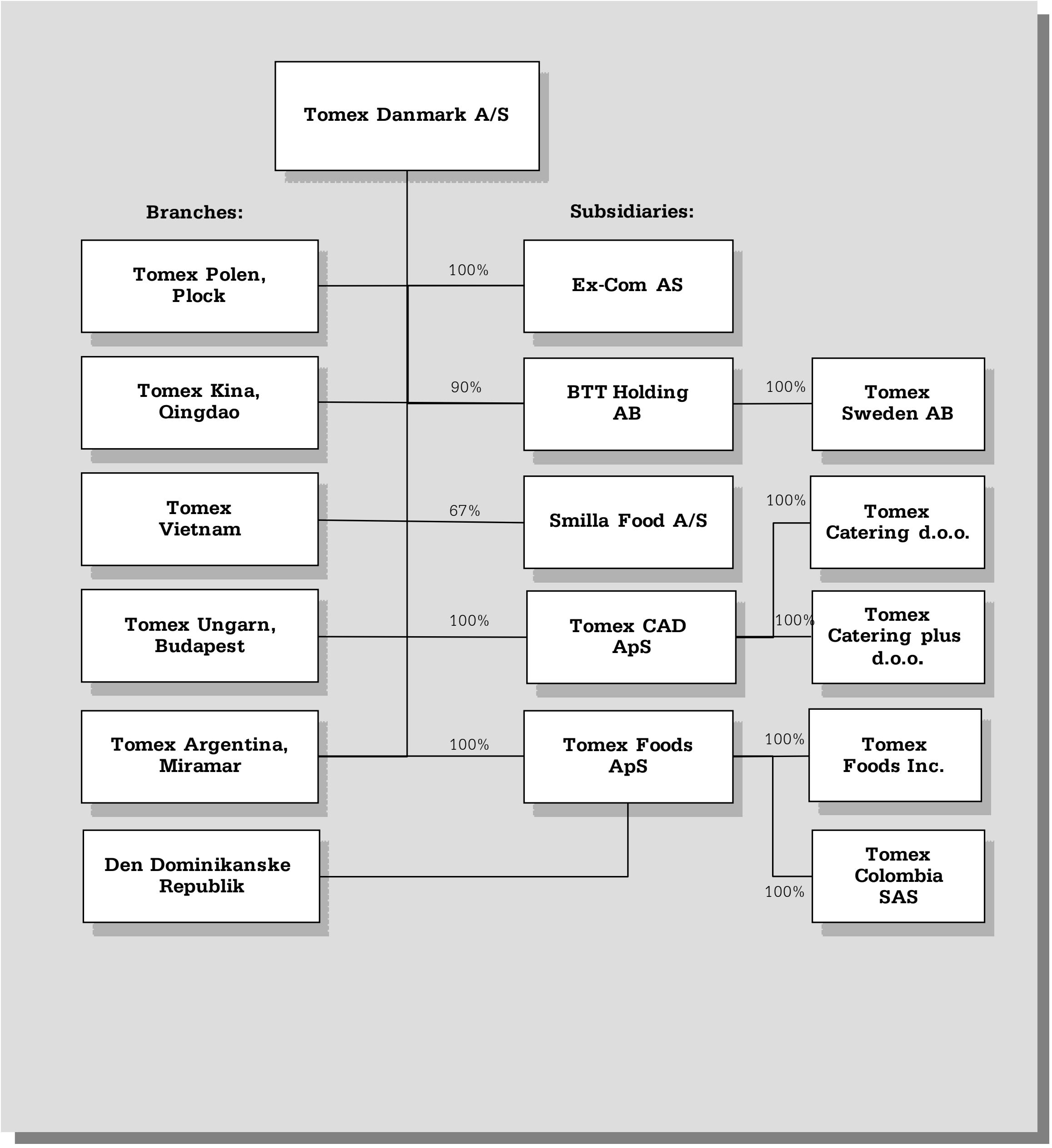
Auditors

Beierholm
Statsautoriseret Revisionspartnerselskab

Banks

Spar Nord Bank A/S
Nordea Bank Danmark A/S
Danske Bank

Group chart


Tomex Danmark A/S
Branches:
Subsidiaries:
Tomex Polen, Plock
100%
Ex-Com AS
Tomex Kina, Qingdao
90%
BTT Holding AB
100%
Tomex Sweden AB
Tomex Vietnam
67%
Smilla Food A/S
100%
Tomex Catering d.o.o.
Tomex Ungarn, Budapest
100%
Tomex CAD ApS
100%
Tomex Catering plus d.o.o.
Tomex Argentina, Miramar
100%
Tomex Foods ApS
100%
Tomex Foods Inc.
Den Dominikanske Republik
100%
Tomex Colombia SAS

Statement of the Board of Directors and Executive Board on the annual report

We have on this day presented the annual report for the financial year 01.07.18 - 30.06.19 for Tomex Danmark A/S.

The annual report is presented in accordance with Danish Financial Statements Act (Årsregnskabsloven).

In our opinion, the consolidated financial statements and financial statements give a true and fair view of the group's and the parent's assets, liabilities and financial position as at 30.06.19 and of the results of the group's and parent's activities and of the group's cash flows for the financial year 01.07.18 - 30.06.19.

We believe that the management's review includes a fair review of the matters dealt with in the management's review.

The annual report is submitted for adoption by the general meeting.

Aalborg, September 30, 2019

Executive Board

Tom Andersen

Board Of Directors

Peter Lau Lauritzen Chairman	Bo Andersen	Tom Andersen

Independent auditor's report

To the Shareholder of Tomex Danmark A/S

Opinion

We have audited the consolidated financial statements and parent company financial statements of Tomex Danmark A/S for the financial year 01.07.18 - 30.06.19, which comprise the income statement, balance sheet, statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies for the group as well as for the parent company as well as the consolidated cash flow statement. The consolidated financial statements and parent company financial statements are prepared in accordance with Danish Financial Statements Act (Årsregnskabsloven).

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 30.06.19 and of the results of the group's and the parent company's operations and the consolidated cash flows for the financial year 01.07.18 - 30.06.19 in accordance with the Danish Financial Statements Act (Årsregnskabsloven).

Basis for conclusion

We conducted our audit in accordance with International Standards on Auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements and parent company financial statements" section of our report. We are independent of the group and the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement regarding the management's review

Management is responsible for management's review.

Our opinion on the consolidated financial statements and parent company financial statements does not cover management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements and parent company financial statements, our responsibility is to read management's review and, in doing so, consider whether management's review is materially inconsistent with the consolidated financial statements or parent company financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether management’s review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that management’s review is in accordance with the consolidated financial statements and parent company financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Acts. We did not identify any material misstatement of management’s review.

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

The 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. Furthermore the Management is responsible for the internal control as the 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.

In preparing the consolidated financial statements and parent company financial statements, management is responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the consolidated financial statements and parent company financial statements unless management either intends to liquidate the group and the company or to cease operations, or has no realistic alternative but to do so.

Auditor’s responsibilities for the audit of the consolidated financial statements and parent company financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and parent company financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and parent company financial statements.

As part of an audit conducted in accordance with International Standards on Auditing and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and parent company financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's and the parent company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management’s use of the going concern basis of accounting in preparing the consolidated financial statements and parent company financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements and parent company financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the group and the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the consolidated financial statements and parent company financial statements, including the disclosures, and whether the consolidated financial statements and parent company financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and per-formance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Aalborg, September 30, 2019

Beierholm

Statsautoriseret Revisionspartnerselskab
CVR no. 32 89 54 68

Niels Jørgen Kristensen

State Authorized Public Accountant
MNE-no. mne10873

GROUPS FINANCIAL HIGHLIGHTS

Key figures

Figures in DKK '000	2018/19	2017/18	2016/17	2015/16	2014/15
Profit/loss					
Revenue	1,561,319	1,538,394	1,609,666	1,456,373	1,371,574
Index	114	112	117	106	100
Operating profit/loss	30,796	30,357	43,783	43,901	35,273
Index	87	86	124	124	100
Total net financials	3,875	-2,921	228	-1,185	522
Index	742	-560	44	-227	100
Profit/loss before tax	34,644	27,436	44,011	42,716	35,795
Index	97	77	123	119	100
Profit/loss for the year	26,999	21,450	34,323	33,268	27,191
Index	99	79	126	122	100
Balance					
Total assets	281,777	255,860	246,804	236,271	204,468
Index	138	125	121	116	100
Investments in property, plant and equipment	713	646	1,856	409	267
Index	267	242	695	153	100
Equity	100,515	94,094	106,324	97,821	85,916
Index	117	110	124	114	100
Cashflow					
Net cash flow:					
Operating activities	11,806	3,438	24,799	35,708	58,734
Investing activities	-765	-269	-1,807	-109	-279
Financing activities	-20,660	-26,483	-26,483	-20,709	-10,478
Cash flows for the year	-9,619	-23,314	-3,491	14,890	47,977

Ratios

	2018/19	2017/18	2016/17	2015/16	2014/15
Profitability					
Return on equity	27,7%	21,4%	33,6%	36,2%	35,1%
Gross margin	4,2%	4,2%	4,7%	4,9%	4,5%
Profit margin	2,0%	2,0%	2,7%	3,0%	2,6%
Equity ratio					
Equity interest	35,7%	36,8%	43,1%	41,4%	42,0%
Others					
Number of employees (average)	68	67	70	62	58

Return on equity: $\frac{\text{Profit/loss for the year x 100}}{\text{Average equity}}$

Gross margin: $\frac{\text{Gross result x 100}}{\text{Revenue}}$

Profit margin: $\frac{\text{Operating profit/loss x 100}}{\text{Revenue}}$

Equity interest: $\frac{\text{Equity, end of year x 100}}{\text{Total assets}}$

Primary activities

The group's main activity is international trade in food products.

Development in activities and financial affairs

The income statement for the period 01.07.18 - 30.06.19 shows a profit/loss of DKK'000 26,999 against DKK'000 21,450 for the period 01.07.17 - 30.06.18. The balance sheet shows equity of DKK'000 100,515.

The management considers the net profit for the year to be satisfactory and in line with the expectations in the latest annual report.

The parent's and the group's financial position and the results of their operations in the preceding period can also be seen from the subsequent income statements for 2018/19, balance sheets as at 30 June 2019 and the cash flow statement for 2018/19.

Outlook

Further growth and group earnings on a par with the current financial year are expected for FY 2019/20.

Knowledge resources

Both the management and the other employees of the company are an important asset to the Tomex group. For many years, the group has engaged in the import and export of food products, which means that it has built up special competencies in this area.

Other Matters

The group carries out market and product development on an ongoing basis, including product customisation.

Special risks

Commercial, financial and other risks

The company's operations involve a number of common risks of a commercial nature which the company's management deals with on a continuous basis. These risks relate to suppliers, products and markets, among other things.

The most important financial risks facing the company relate to changes in exchange rates. The company is exposed to currency risks by way of its business profile as a substantial part of its purchases and sales is made in foreign currency. In order to counter this risk, it is the company's general policy to hedge all major commercial transactions.

Other risks primarily relate to funds tied up in inventories and receivables.

Inventories are an important asset to the company, and risks associated with the transport and storage of the goods are therefore protected by insurance.

Receivables are also an important asset, making credit granting a natural and important part of the company's business. The company seeks to limit the associated risk by means of effective controls, both when credit is granted and during ongoing trade. The company's receivables are insured against losses to the extent deemed necessary and feasible. Alternatively, sales are made against documents or prepayment.

Subsequent events

No events materially affecting the financial position of the group have occurred after the end of the financial year.

Branches abroad

Referring to page 4, where branches abroad are shown.

Corporate social responsibility

This is the company's first statement on corporate social responsibility (CSR) under the new rules set out in the Danish Financial Statements Act (Årsregnskabsloven), according to which the statement must include a short description of the company's business model and a description of how the company addresses the areas mentioned in the Act: environment and climate, social and staff matters, respect for human rights, and anti-corruption and bribery.

The management wishes to operate a company that complies with Danish legislation in every way and to act as a responsible company that minimises negative impacts on stakeholders and society at large to the greatest possible extent. So far, the company has chosen not to adopt and implement corporate social responsibility policies. The reason for this is that the company's activities are generally carried out with due regard to generally accepted principles and good business ethics. In the management's opinion, this in itself will result in the company acting in a socially responsible manner.

The company's activity is international trade in food products.

Gender diversity

Target figures for the supreme management body

The Tomex group was founded by Tom Andersen and Bo Andersen, and they are both ultimate owners of the majority of the capital. They both sit on the Board of Directors together with an external board member, who is the Chairman of the Board of Directors. The underrepresented gender is not currently represented on the Board of Directors, on the grounds that no suitable candidates have been found at this point.

Consequently, the Board of Directors has set a target of 40% of the underrepresented gender being represented on the Board of Directors by 2020. The shareholders will maintain focus on and explore the possibilities for qualified representatives, and will each year prior to the company's general meeting provide a status on whether the target set has been met. The target has not been met at this point.

Policy to increase the share of the underrepresented gender at other management levels

The company has adopted a policy to increase the share of the underrepresented gender at other formal management levels. According to this policy, efforts will as far as possible be made to achieve gender balance when recruiting for positions at other formal management levels; however, the candidate's qualifications will be decisive for the appointment.

Income statement

Note		Group 2018/19 DKK '000	Group 2017/18 DKK '000	Parent 2018/19 DKK '000	Parent 2017/18 DKK '000
	Revenue	**1,561,319**	**1,538,394**	**1,141,440**	**1,089,519**
	Other operating income	0	292	1,675	1,645
	Cost of sales	-1,479,820	-1,452,642	-1,088,524	-1,034,843
	Other external expenses	-16,023	-21,369	-9,540	-9,551
	Gross profit	**65,476**	**64,675**	**45,051**	**46,770**
1	Staff costs	-33,735	-33,234	-22,487	-21,236
	Profit/loss before depreciation, amortisation, write-downs and impairment losses	**31,741**	**31,441**	**22,564**	**25,534**
	Depreciation, amortisation, impairment losses and write-downs of property, plant and equipment	-945	-1,084	-402	-399
	Operating profit/loss	**30,796**	**30,357**	**22,162**	**25,135**
	Other operating expenses	-27	0	0	0
3	Income from equity investments in group enterprises	0	0	5,346	3,254
4	Financial income	8,049	1,381	7,591	1,637
	Financial expenses	-4,174	-4,302	-2,537	-2,403
	Total net financials	**3,875**	**-2,921**	**10,400**	**2,488**
	Profit/loss before tax	**34,644**	**27,436**	**32,562**	**27,623**
	Tax on profit or loss for the year	-7,645	-5,986	-6,027	-5,364
	Profit/loss for the year	**26,999**	**21,450**	**26,535**	**22,259**

Proposed appropriation account

	Group 2018/19	Group 2017/18	Parent 2018/19	Parent 2017/18
Reserve for net revaluation according to the equity method	0	0	4,440	1,486
Proposed dividend for the financial year	15,000	20,000	15,000	20,000
Non-controlling interests	476	-809	0	0
Retained earnings	11,523	2,259	7,095	773
Total	**26,999**	**21,450**	**26,535**	**22,259**

Balance sheet

ASSETS

Note		Group 30.06.19 DKK '000	Group 30.06.18 DKK '000	Parent 30.06.19 DKK '000	Parent 30.06.18 DKK '000
	Goodwill	1,271	1,721	0	0
6	**Total intangible assets**	**1,271**	**1,721**	**0**	**0**
	Other fixtures and fittings, tools and equipment	1,611	1,674	1,173	1,264
7	**Total property, plant and equipment**	**1,611**	**1,674**	**1,173**	**1,264**
8	Equity investments in group enterprises	0	0	37,941	30,795
9	Receivables from group enterprises	0	0	0	2,910
9	Deposits	168	166	105	105
	Total investments	**168**	**166**	**38,046**	**33,810**
	Total non-current assets	**3,050**	**3,561**	**39,219**	**35,074**
	Manufactured goods and goods for resale	19,615	19,826	5,404	4,629
	Prepayments for goods	1,207	762	1,207	484
	Total inventories	**20,822**	**20,588**	**6,611**	**5,113**
	Trade receivables	243,900	222,271	139,787	125,116
	Receivables from group enterprises	6	7	29,991	20,596
	Other receivables	3,808	1,156	4,103	2,630
10	Prepayments	636	1,542	480	523
	Total receivables	**248,350**	**224,976**	**174,361**	**148,865**
	Other investments	38	45	38	45
	Total securities and equity investments	**38**	**45**	**38**	**45**
	Cash	**9,517**	**6,690**	**2,846**	**6,140**
	Total current assets	**278,727**	**252,299**	**183,856**	**160,163**
	Total assets	**281,777**	**255,860**	**223,075**	**195,237**

Balance sheet

EQUITY AND LIABILITIES

Note		Group 30.06.19 DKK '000	Group 30.06.18 DKK '000	Parent 30.06.19 DKK '000	Parent 30.06.18 DKK '000
11	Share capital	1,000	1,000	1,000	1,000
	Reserve for net revaluation according to the equity method	0	0	21,946	17,527
	Retained earnings	81,439	70,410	59,493	52,883
	Proposed dividend for the financial year	15,000	20,000	15,000	20,000
		97,439	**91,410**	**97,439**	**91,410**
12	Non-controlling interests	3,076	2,684	0	0
	Total equity	**100,515**	**94,094**	**97,439**	**91,410**
13	Provisions for deferred tax	4	514	281	526
	Total provisions	**4**	**514**	**281**	**526**
	Payables to other credit institutions	53,460	41,020	18,634	8,775
	Trade payables	105,568	99,199	88,306	77,336
	Payables to group enterprises	0	0	848	0
	Income taxes	5,295	3,024	3,988	2,678
	Other payables	16,935	18,009	13,579	14,512
	Total short-term payables	**181,258**	**161,252**	**125,355**	**103,301**
	Total payables	**181,258**	**161,252**	**125,355**	**103,301**
	Total equity and liabilities	**281,777**	**255,860**	**223,075**	**195,237**

15 Contingent liabilities
16 Related parties

Statement of changes in equity

Figures in DKK '000	Share capital	Reserve for net revaluation according to the equity method	Retained earnings	Proposed dividend for the financial year	Non-controlling interests
Group:					
Statement of changes in equity for 01.07.18 - 30.06.19					
Balance as at 01.07.18	1,000	0	70,410	20,000	2,684
Foreign currency translation adjustment of foreign enterprises	0	0	-35	0	-1
Dividend paid	0	0	0	-20,000	-660
Purchase of non-controlling interests	0	0	0	0	577
Other changes in equity	0	0	-459	0	1
Net profit/loss for the year	0	0	11,523	15,000	476
Balance as at 30.06.19	1,000	0	81,439	15,000	3,077
Parent:					
Statement of changes in equity for 01.07.18 - 30.06.19					
Balance as at 01.07.18	1,000	17,527	52,883	20,000	0
Foreign currency translation adjustment of foreign enterprises	0	-31	-4	0	0
Dividend paid	0	0	0	-20,000	0
Other changes in equity	0	10	-481	0	0
Net profit/loss for the year	0	4,440	7,095	15,000	0
Balance as at 30.06.19	1,000	21,946	59,493	15,000	0

Consolidated cash flow statement

Note		Group 2018/19 DKK '000	Group 2017/18 DKK '000
	Net profit/loss for the year	**26,999**	**21,450**
17	Adjustments	4,635	9,664
	Change in working capital:		
	Inventories	-234	685
	Receivables	-23,374	-18,456
	Trade payables	6,368	4,104
	Other payables relating to operating activities	-644	-375
	Cash flows from operating activities before net financials	**13,750**	**17,072**
	Interest income and similar income received	8,049	1,381
	Interest expenses and similar expenses paid	-4,174	-4,290
	Income tax paid	-5,819	-10,725
	Cash flows from operating activities	**11,806**	**3,438**
	Purchase of property, plant and equipment	-713	-646
	Sale of property, plant and equipment	113	413
	Purchase of investments	-2	-36
	Acquisition of enterprise	-163	0
	Cash flows from investing activities	**-765**	**-269**
	Free cash flow	**11,041**	**3,169**
	Dividend paid	-20,660	-26,483
	Cash flows from financing activities	**-20,660**	**-26,483**
	Total cash flows for the year	**-9,619**	**-23,314**
	Cash, beginning of year	6,690	16,565
	Securities with no significant price risk, beginning of year	45	56
	Short-term payables to credit institutions, beginning of year	-41,020	-27,592
	Cash, end of year	**-43,904**	**-34,285**
	Cash, end of year, comprises:		
	Cash	9,518	6,690
	Securities with no significant price risk	38	45
	Short-term payables to credit institutions	-53,460	-41,020
	Total	**-43,904**	**-34,285**

	Group		Parent	
	2018/19 DKK '000	2017/18 DKK '000	2018/19 DKK '000	2017/18 DKK '000

1. Staff costs

Wages and salaries	29,664	29,503	19,234	18,195
Pensions	1,761	1,687	1,569	1,497
Other social security costs	499	478	280	298
Other staff costs	1,811	1,566	1,404	1,246
Total	33,735	33,234	22,487	21,236
Average number of employees during the year	68	67	37	37

Information on remuneration for the management has been committed with reference to section 98 b(3) of the Danish Financial Statements Act.

2. Fees to auditors appointed by the general meeting

Statutory audit of the financial statements	130	128	113	110
Other assurance engagements	56	54	0	0
Tax advice	23	13	15	5
Other services	271	188	181	139
Total	480	383	309	254

3. Income from equity investments in group enterprises

Income from equity investments in group enterprises	0	0	5,201	3,072
Elimination of internal gains and losses	0	0	424	428
Amortisation of goodwill	0	0	-279	-246
Total	0	0	5,346	3,254

4. Other financial income

Interest, group enterprises	0	0	470	444
Other interest income	217	115	117	74
Other financial income	7,832	1,266	7,004	1,119
Total	8,049	1,381	7,591	1,637

	Group		Parent	
	2018/19 DKK '000	2017/18 DKK '000	2018/19 DKK '000	2017/18 DKK '000

5. Distribution of net profit

Reserve for net revaluation according to the equity method	0	0	4,440	1,486
Proposed dividend for the financial year	15,000	20,000	15,000	20,000
Non-controlling interests	476	-809	0	0
Retained earnings	11,523	2,259	7,095	773
Total	26,999	21,450	26,535	22,259

6. Intangible assets

Figures in DKK '000	Goodwill
Group:	
Cost as at 01.07.18	1,967
Additions during the year	259
Disposals during the year	-430
Cost as at 30.06.19	1,796
Amortisation and impairment losses as at 01.07.18	-246
Amortisation during the year	-279
Amortisation and impairment losses as at 30.06.19	-525
Carrying amount as at 30.06.19	1,271
Parent	
Cost as at 01.07.18	0
Cost as at 30.06.19	0
Amortisation and impairment losses as at 01.07.18	0
Amortisation and impairment losses as at 30.06.19	0
Carrying amount as at 30.06.19	0

7. Property, plant and equipment

Figures in DKK '000	Other fixtures and fittings, tools and equipment
Group:	
Cost as at 01.07.18	5,419
Foreign currency translation adjustment of foreign enterprises	39
Additions during the year	713
Disposals during the year	-192
Transfers during the year to/from other items	44
Cost as at 30.06.19	6,023
Depreciation and impairment losses as at 01.07.18	-3,744
Foreign currency translation adjustment of foreign enterprises	-38
Depreciation during the year	-665
Reversal of depreciation of and impairment losses on disposed assets	79
Transfers during the year to/from other items	-44
Depreciation and impairment losses as at 30.06.19	-4,412
Carrying amount as at 30.06.19	1,611
Parent:	
Cost as at 01.07.18	3,195
Additions during the year	311
Cost as at 30.06.19	3,506
Depreciation and impairment losses as at 01.07.18	-1,931
Depreciation during the year	-402
Depreciation and impairment losses as at 30.06.19	-2,333
Carrying amount as at 30.06.19	1,173

8. Equity investments in group enterprises

Figures in DKK '000	Equity investments in group enterprises
Parent:	
Cost as at 01.07.18	11,450
Foreign currency translation adjustment of foreign enterprises	-4
Additions during the year	4,978
Disposals during the year	-430
Cost as at 30.06.19	15,994
Revaluations as at 01.07.18	18,867
Foreign currency translation adjustment of foreign enterprises	-31
Impairment losses during the year	-481
Amortisation of goodwill	-279
Net profit/loss from equity investments	5,201
Dividend relating to equity investments	-1,340
Other adjustments relating to equity investments	10
Revaluations as at 30.06.19	21,947
Carrying amount as at 30.06.19	37,941
The item comprises goodwillas at 30.06.19 of	1,271

Name and Registered office:	Ownership interest	Equity	Net profit/loss for the year
Group enterprises:			
Smilla Food A/S, Aalborg	67%	8,399	1,786
Tomex Foods ApS, Aalborg	100%	25,917	3,336
Tomex Foods Inc., USA	100%	-991	-16
Tomex Colombia SAS, Colombia	100%	9	-5
Tomex CAD ApS, Aalborg	100%	2,358	1,727
Tomex Catering Plus d.o.o., Serbia	100%	3,306	1,736
Tomex Catering d.o.o., Serbia	100%	-924	-1
BTT Holding AB, Sweden	90%	3,040	-1,138
Tomex Sweden AB, Sweden	90%	1,817	-540
Ex-Com AS, Norway	100%	32	-35

9. Equity instruments in group enterprises

Figures in DKK '000	Receivables from group enterprises	Deposits
Group:		
Cost as at 01.07.18	0	166
Foreign currency translation adjustment of foreign enterprises	0	2
Cost as at 30.06.19	0	168
Parent		
Cost as at 01.07.18	4,654	105
Foreign currency translation adjustment of foreign enterprises	-25	0
Additions during the year	185	0
Disposals during the year	-4,814	0
Cost as at 30.06.19	0	105
Impairment losses as at 01.07.18	-1,744	0
Foreign currency translation adjustment of foreign enterprises	-5	0
Reversal of impairment losses on disposed assets	1,749	0
Impairment losses as at 30.06.19	0	0
Carrying amount as at 30.06.19	0	105

	Group		Parent	
	30.06.19 DKK '000	30.06.18 DKK '000	30.06.19 DKK '000	30.06.18 DKK '000
10. Prepayments				
Other prepayments	117	531	0	0
Prepaid costs	519	1,011	480	523
Total	636	1,542	480	523

11. Share capital

The share capital consists of:

	Quantity	Total nominal value
Share capital	1,000	1,000

	Group		Parent	
	30.06.19 DKK '000	30.06.18 DKK '000	30.06.19 DKK '000	30.06.18 DKK '000

12. Non-controlling interests

Non-controlling interests, beginning of year	2,683	12,168	0	0
Foreign currency translation adjustment of foreign enterprises	-1	4	0	0
Dividend paid	-660	-1,483	0	0
Purchase of non-controlling interests	577	-7,195	0	0
Other changes in equity	1	-1	0	0
Net profit/loss for the year (distribution of net profit)	476	-809	0	0
Total	3,076	2,684	0	0

13. Deferred tax

Additions relating to mergers and acquisition of enterprises as at 01.07.18	514	-296	526	-300
Deferred tax recognised in the income statement	-510	810	-245	826
Additions relating to mergers and acquisition of enterprises as at 30.06.19	4	514	281	526

14. Derivative financial instruments

The Board of Directors lays down the framework for the conclusion of contracts for derivative financial instruments. The enterprise concludes contracts for the sole purpose of hedging the currency risk on manufactured goods, goods for resale, trade payables and the future sale and purchase of goods in foreign currency. The fair value of the forward exchange contracts amounts to DKK'000 836 (Group) and DKK'000 917 (Parent), and the unrealised net gain before tax recognised in the income statement. The board of directors has waived the accounting rules regarding future hedging. Forward exchange contracts are only concluded with counterparties (Danish banks) with a good credit score from a reputable credit rating agency.

15. Contingent liabilities

Group:

Lease commitments

The enterprise has concluded lease agreements with terms to maturity of 2 - 42 months with a residual obligation on a total of DKK 610k.

Guarantee commitments

In security of commitments towards third parties, guarenties of DKK 649k have been provided.

Parent:

Lease commitments

The company has concluded lease agreements with terms to maturity of 2 - 42 months with a residual obligation on a total of DKK 225k.

Recourse guarantee commitments

In terms of banks, unlimited guarantees have been provided for the operating credits and documentary credits as well as currency limits of subsidiaries. As at 30 june 2019, credits and limits etc. granted amounted to DKK 95,8 million. As at 30 juni 2019 debt to credit institutions for subsidiaries amounts to DKK 30,6 milllion.

In security of subsidiaries' commitments towards third parties, guarenties of DKK 649k have been provided.

Other contingent liabilities

The company is taxed jointly with the other Danish companies in the group and is liable for income taxes on a pro rata basis and must comply with any obligations to withhold tax at source on interest, royalties and dividends for the jointly taxed companies. The maximum liability totals an amount corresponding to the share of the capital in the company which is owned directly or indirectly by the ultimate parent. The total tax liability for the jointly taxed companies at the balance steet date has not yet been calculated. For further information, please see the administrations company Tomex Holding ApS's finansiel statements. The liability also includes any subsequent corrections to the calculated tax liability as a consequence of changes made to the jointly taxable income etc.

16. Related parties

Controlling influence:	Basis of influence
Tomex Holding ApS, Aalborg	Ownership

Related party transactions are not disclosed, as all transactions are entered into in the ordinary course of business at arms' length.

The company is included in the consolidated financial statements of the parent Tomex Holding ApS, Aalborg.

	Group	
	2018/19 DKK '000	2017/18 DKK '000
17. Adjustments for the cash flow statement		
Other operating income	0	-292
Depreciation, amortisation, impairment losses and write-downs	945	1,084
Financial income	-8,048	-1,381
Financial expenses	4,174	4,302
Tax on profit or loss for the year	7,645	5,986
Other adjustments	-81	-35
Total	4,635	9,664

18. Accounting policies

GENERAL

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act for large groups and enterprises in reporting class C.

The accounting policies have been applied consistently with previous years.

18. Accounting policies - continued -

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including depreciation, amortisation, impairment losses and write-downs, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the group, and the value of such assets can be measured reliably. Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the group, and the value of such liabilities can be measured reliably. On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

On recognition and measurement, account is taken of foreseeable losses and risks arising before the date at which the annual report is presented and proving or disproving matters arising on or before the balance sheet date.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements comprise the parent and its subsidiaries in which the parent directly or indirectly holds more than 50% of the voting rights or by way of agreements exercises control. Enterprises in which the group holds equity investments, between 20% and 50% of the voting rights and in which it has significant interest but not control, are considered associates.

All financial statements used for consolidation are prepared in accordance with the accounting policies of the group.

The consolidated financial statements consolidate the financial statements of the parent and its subsidiaries by adding together items of a uniform nature, eliminating intercompany income and expenditure, equity investments, intercompany balances and dividends as well as gains and losses resulting from transactions between the consolidated enterprises to the extent that the underlying assets and liabilities are not realised.

Non-controlling interests

The financial items of the subsidiaries are recognised in full in the consolidated financial statements. The non-controlling interests' proportionate share of the subsidiaries' equity is classified as a part of consolidated equity. The subsidiaries' results are distributed proportionately to non-controlling interests and the parent's equity interest.

Purchase and sale of non-controlling interests in a subsidiary which do not result in the parent losing control of the subsidiary are treated in the consolidated financial statements as equity transactions, and the difference between the consideration and the carrying amount is allocated to the parent's equity interest.

18. Accounting policies - continued -

CURRENCY

The annual report is presented in Danish kroner (DKK).

On initial recognition, transactions denominated in foreign currencies are translated using the exchange rates applicable at the transaction date. Exchange rate differences between the exchange rate applicable at the transaction date and the exchange rate at the date of payment are recognised in the income statement as a financial item. Receivables, payables and other monetary items denominated in foreign currencies are translated using the exchange rates applicable at the balance sheet date. The difference between the exchange rate applicable at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest annual report is recognised under financial income or expenses in the income statement. Fixed assets, inventories and other non-monetary assets acquired in foreign currencies are translated using historical exchange rates.

On recognition of foreign subsidiaries which are independent entities, the income statements are translated at the exchange rates applicable at the transaction date or approximate average exchange rates. The balance sheet items are translated using the exchange rates applicable at the balance sheet date. Foreign currency translation adjustments arising from the translation of equity at the beginning of the year using the exchange rates applicable at the balance sheet date and from the translation of income statements from average exchange rates to the exchange rates applicable at the balance sheet date are recognised directly in equity.

Translation adjustments of intercompany balances with independent foreign subsidiaries, measured using the equity method and where the balance is considered to be part of the overall investment, are recognised directly in equity. On the divestment of foreign entities, accumulated exchange differences are recognised in the income statement.

DERIVATIVE FINANCIAL INSTRUMENTS

On initial recognition, derivative financial instruments are measured at cost. Subsequently, they are measured at fair value and recognised under other receivables and other payables, respectively.

The company does not apply the hedge accounting rules under which changes in the fair value of derivative financial instruments are recognised under other net financials in the income statement.

LEASES

Lease payments relating to operating leases are recognised in the income statement on a straight-line basis over the lease term.

18. Accounting policies - continued -

INCOME STATEMENT

Revenue

Income from the sale of goods is recognised in the income statement if delivery has taken place and the risk has passed to the buyer before the end of the financial year and where the selling price can be determined reliably and is expected to be paid. Revenue is measured at fair value and is determined exclusive of VAT and other taxes collected on behalf of third parties and less discounts.

Other operating income

Other operating income comprises income of a secondary nature in relation to the enterprise's activities, including rental income, negative goodwill and gains on the sale of intangible assets and property, plant and equipment.

Cost of sales

Cost of sales comprises cost of sales for the year measured at cost plus any changes in inventories, including write-downs to the extent that these do not exceed normal write-downs.

Other external expenses

Other external expenses comprise costs relating to distribution, sales and advertising and administration, premises and bad debts to the extent that these do not exceed normal write-downs.

Staff costs

Staff costs comprise wages and salaries as well as other staff-related costs.

Depreciation, amortisation and impairment losses

The depreciation and amortisation of intangible assets and property, plant and equipment aims at systematic depreciation and amortisation over the expected useful lives of the assets. Assets are depreciated and amortised according to the straight-line method based on the following expected useful lives and residual values:

18. Accounting policies - continued -

	Useful lives, years	Residual value, per cent
Goodwill	5	0
Other plant, fixtures and fittings, tools and equipment	5	0

Goodwill is amortised over 5 years. The useful life has been determined in consideration of the expected future net earnings of the enterprise or activity to which the goodwill relates.

The basis of depreciation and amortisation is the cost of the asset less the expected residual value at the end of the useful life. Moreover, the basis of depreciation and amortisation is reduced by any impairment losses. The useful life and residual value are determined when the asset is ready for use and reassessed annually.

Intangible assets and property, plant and equipment are impaired in accordance with the accounting policies referred to in the 'Impairment losses on fixed assets' section.

Other operating expenses

Other operating expenses comprise costs of a secondary nature in relation to the enterprise's activities, including costs relating to rental activities and losses on the sale of intangible assets and property, plant and equipment.

Income from equity investments in group entreprises

For equity investments in subsidiaries that in the parent are measured using the equity method, the share of the enterprises' profit or loss is recognised in the income statement after elimination of unrealised intercompany profits and losses and less any goodwill amortisation and impairment losses.

Other net financials

Interest income and interest expenses, foreign exchange gains and losses on transactions denominated in foreign currencies, gains and losses on other securities and equity investments etc. are recognised in other net financials.

Tax on profit/loss for the year

The current and deferred tax for the year is recognised in the income statement as tax on the profit/loss for the year with the portion attributable to the profit/loss for the year, and directly in equity with the portion attributable to amounts recognised directly in equity.

18. Accounting policies - continued -

The company is jointly taxed with Danish consolidated enterprises.

In connection with the settlement of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed enterprises in proportion to their taxable incomes. This means that enterprises with a tax loss receive joint taxation contributions from enterprises which have been able to use this loss to reduce their own taxable profit.

BALANCE SHEET

Intangible assets

Goodwill

Goodwill is measured in the balance sheet at cost less accumulated amortisation and impairment losses.

Goodwill is amortised using the straight-line method based on useful lives, which are stated in the 'Depreciation, amortisation and impairment losses' section.

Gains and losses on the disposal of intangible assets are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal.

Property, plant and equipment

Property, plant and equipment comprise other fixtures and fittings, tools and equipment.

Property, plant and equipment are measured in the balance sheet at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and expenses resulting directly from the purchase until the asset is ready for use. Interest on loans arranged to finance production is not included in the cost.

Property, plant and equipment are depreciated using the straight-line method based on useful lives and residual values, which are stated in the 'Depreciation, amortisation and impairment losses' section.

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal less any costs of disposal.

18. Accounting policies - continued -

Equity investments in group entreprises

Equity investments in subsidiaries are measured in the balance sheet of the parent according to the equity method, meaning that these equity investments are measured at the proportionate share of the enterprises' equity value, determined according to the accounting policies of the parent, adjusted for the remaining value of positive or negative goodwill and gains and losses on transactions with the enterprises in question.

Equity investments in subsidiaries with a negative carrying amount are measured at DKK 0. Receivables that are considered part of the combined investment in the enterprises in question are impaired by any remaining negative equity value. Other receivables from such enterprises are impaired to the extent that such receivables are considered uncollectible. Provisions to cover the remaining negative equity value are recognised only to the extent that the parent company has a legal or constructive obligation to cover the liabilities of the enterprise in question.

Impairment losses on fixed assets

The carrying amount of fixed assets which are not measured at fair value is assessed annually for indications of impairment over and above what is reflected in depreciation and amortisation.

If there are indications of impairment, an impairment test is conducted of individual assets or groups of assets.

The assets or groups of assets are impaired to the lower of recoverable amount and carrying amount.

Impairment losses are reversed when the reasons for the impairment no longer exist. Impairment losses on goodwill are not reversed.

Inventories

Inventories are measured at cost calculated according to the FIFO principle. Inventories are written down to the lower of cost and net realisable value.

The cost of raw materials and consumables as well as goods for resale is determined as purchase prices plus expenses resulting directly from the purchase.

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

18. Accounting policies - continued -

Receivables

Receivables are measured at amortised cost, which usually corresponds to the nominal value, less write-downs for bad debts.

Write-downs for bad debts are determined based on an individual assessment of each receivable if there is no objective evidence of individual impairment of a receivable.

Deposits recognised under assets comprise deposits paid to the lessor under leases entered into by the company.

Prepayments

Prepayments recognised under assets comprise costs incurred in respect of subsequent financial years.

Other investments

Other securities are measured at fair value, equivalent to the market value at the balance sheet date.

Cash

Cash includes deposits in bank accounts as well as operating cash.

Equity

The proposed dividend for the financial year is recognised as a separate item in equity.

The net revaluation of equity investments in subsidiaries is recognised in the financial statements of the parent in the net revaluation reserve in equity according to the equity method to the extent that the carrying amount exceeds the cost. Dividends from subsidiaries which are expected to be adopted before adoption of the annual report for Tomex Danmark A/S are not tied up in the revaluation reserve.

Provisions

Other provisions comprise expected expenses incidental to restructuring etc. and are recognised when the company has a legal or constructive obligation at the balance sheet date and it is probable that such obligation will draw on the financial resources of the company. Provisions are measured at net realisable value or fair value if the provision is expected to be settled over the longer term.

18. Accounting policies - continued -

Current and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the basis of the taxable income for the year, adjusted for tax paid on account.

Joint taxation contributions payable and receivable are recognised as income tax under receivables or payables in the balance sheet.

Deferred tax liabilities and tax assets are recognised on the basis of all temporary differences between the carrying amounts and tax bases of assets and liabilities.

Deferred tax assets are recognised, following an assessment, at the expected realisable value through offsetting against deferred tax liabilities within the same tax jurisdiction or elimination in tax on future earnings.

Deferred tax is measured on the basis of the tax rules and at the tax rates in the respective countries which, according to the legislation in force at the balance sheet date, will be applicable when the deferred tax is expected to crystallise as current tax.

Payables

Short-term payables are measured at amortised cost, normally corresponding to the nominal value of such payables.

CASH FLOW STATEMENT

The cash flow statement is prepared using the indirect method, showing cash flows from operating, investing and financing activities as well as cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities comprise the net profit or loss for the year, adjusted for non-cash operating items, income tax paid and changes in working capital.

Cash flows from investing activities comprise payments in connection with the acquisition and divestment of companies and financial assets as well as the purchase, development, improvement and sale of intangible assets and property, plant and equipment.

Cash flows from financing activities comprise changes in the parent’s share capital and associated costs and financing from and dividends paid to shareholders as well as the arrangement and repayment of long-term payables.

Cash and cash equivalents at the beginning and end of the year comprise cash and short-term payables to credit institutions.

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"Med min underskrift bekræfter jeg indholdet og alle datoer i dette dokument."

Peter Lau Lauritzen
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