

# Translation of auditor's report

We have audited the consolidated financial statements prepared by Lekkerland AG & Co. KG, Frechen, comprising the consolidated balance sheet, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated cash flow statement, the consolidated statement of changes in equity and the notes to the consolidated financial statements, together with the Group management report for the business year from 1 January to 31 December 2017. The preparation of the consolidated financial statements and the Group management report in accordance with IFRS, as adopted by the EU, and the additional requirements of German commercial law pursuant to section 315e (1) of the German Commercial Code (HGB) and supplementary provisions of the shareholder agreement are the responsibility of the parent company's management. Our responsibility is to express an opinion on the consolidated financial statements and on the Group management report based on our audit.

We conducted our audit of the consolidated financial statements in accordance with section 317 HGB and German generally accepted standards for the audit of financial statements promulgated by the German Institute of Public Auditors (Institut der Wirtschaftsprüfer). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the consolidated financial statements in accordance with the applicable financial reporting framework and in the Group management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Group and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the consolidated financial statements and the Group management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the annual financial statements of those entities included in consolidation, the determination of entities to be included in consolidation, the accounting and consolidation principles used and significant estimates made by the management, as well as evaluating the overall presentation of the consolidated financial statements and Group management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion, based on the findings of our audit, the consolidated financial statements comply with IFRS, as adopted by the EU, the additional requirements of German commercial law pursuant to section 315e (1) HGB and supplementary provisions of the shareholder agreement and give a true and fair view of the net assets, financial position and results of operations of the Group in accordance with these requirements. The Group management report is consistent with the consolidated financial statements, complies with the German statutory requirements, and as a whole provides a suitable view of the Group's position and suitably presents the opportunities and risks of future development.

Düsseldorf, 29 March 2018

KPMG AG  
Wirtschaftsprüfungsgesellschaft



Zender  
Wirtschaftsprüfer

Fischer  
Wirtschaftsprüfer

# Supervisory Board report

In the course of regular meetings throughout fiscal year 2017, the Supervisory Board kept itself informed with regard to economic developments, business operations, the financial condition of the company and all other significant events. In four meetings held, the Supervisory Board received a thorough briefing from the Board of Management about developments in the market and among the competition, as well as about corresponding sales strategies and the risks and perspectives they entail. The Supervisory Board carried on intensive discussions about the company's overall strategic orientation, as well as about fundamental issues of finance, investment and personnel planning.

In further support of its discussions and consultations about current issues of business policy, the Supervisory Board maintained close contact with the Board of Management. In cooperation with the Board of Management, the Supervisory Board undertook to observe the version of the Lekkerland Corporate Governance Code based on the German Corporate Governance Code. The Supervisory Board fulfilled both its monitoring and advisory function vis-à-vis the management within the scope of the law and the rules of procedure.

At the request of the board, the annual financial statements dated 31 December 2017 – as well as the consolidated financial statements and the management report for the Group – were audited by KPMG AG, Wirtschaftsprüfungsgesellschaft, a public auditing firm based in Düsseldorf, Germany. The audit by KPMG has determined that the accounting, the annual financial statements, the consolidated financial statements and the Group management report all comply to the applicable legal requirements, and has further determined that they provide a true and fair view of the income and financial position of the company. The auditor has issued an unqualified opinion on the financial statements. The Supervisory Board has thoroughly discussed the results of the audit with the auditor and the management.

The Supervisory Board has audited the annual financial statements as well as the consolidated financial statements and the consolidated management report of Lekkerland AG & Co. KG presented by the Board of Management for the year ending 31 December 2017. The board will recommend that the general shareholders' meeting confirm the company's annual financial statements, and that they duly approve the consolidated financial statements.

The Supervisory Board would like to thank the members of the Board of Management, the executive managements of the subsidiaries, the employees and the representatives of all the personnel throughout the Group for their exceptional dedication and personal commitment.

Frechen, April 2018



A handwritten signature in black ink, appearing to be 'L. Bresser', written in a cursive style.

Lorenz Bresser  
Chairman of the Supervisory Board

# Lekkerland Corporate Governance Code

(in the version dated 28 September 2015)

## 1 Preamble

The German Corporate Governance Code (the “Code”) presents essential statutory regulations for the management and supervision (governance) of German listed companies and contains internationally and nationally recognised standards for good and responsible corporate governance. The objective of the Code is to make the German Corporate Governance System transparent and understandable. It is intended to promote the trust of international and national investors, customers, employees and the general public in the management and supervision of German stock corporations listed on the stock exchange.

The Lekkerland Code clarifies the obligation of the Board of Management and the Supervisory Board to ensure the continued existence of the Enterprise and its sustainable creation of value in conformity with the principles of the social market economy (interest of the Enterprise).

A dual board management system is prescribed by law for German joint-stock corporations. Accordingly, the shareholders (Gesellschafter) of the Enterprise consider themselves accountable under this principle and adopted a binding regulation for the application of a dual management system in the Articles of Association of the Company.

The Board of Management is responsible for managing the Enterprise. The members of the Board of Management are jointly accountable for the management of the Enterprise. The Chairman of the Board of Management coordinates the work of the members of the Board of Management.

The Supervisory Board appoints, supervises and advises the members of the Board of Management and is directly involved in decisions of fundamental importance to the Enterprise. The Chairman of the Supervisory Board coordinates the work of the Supervisory Board.

The members of the Supervisory Board are elected and appointed by the shareholders.

The accounting process of the Enterprise is based on the true-and-fair-view principle and represents a fair picture of the actual conditions of the asset, financial and earnings situation of the Enterprise.

The Code is primarily directed towards companies listed on the stock exchange and companies with access to the capital markets pursuant to Article § 161 Section 1 Sentence 2 of the German Stock Corporation Act (Aktiengesetz). Implementation of the Code is also recommended for companies not traded on the stock exchange. The Supervisory Board of Lekkerland AG & Co. KG

therefore adopted a resolution to the effect that the content of the Code will be applied taking account of the specific legal relationships of Lekkerland AG and Lekkerland AG & Co. KG (hereinafter referred to as “Company” (Gesellschaft)) for purposes of corporate governance of the Lekkerland Group (hereinafter referred to as “Enterprise” (Unternehmen)). The Board of Management and the Supervisory Board of the Company therefore adopted a Lekkerland Corporate Code (the “Lekkerland Code”) closely based on this Code. The Lekkerland Code takes into account the fact that Lekkerland AG & Co. KG is managed in the legal form of a German commercial partnership (Kommanditgesellschaft, KG) with a general partner (Komplementärin) in the legal form of an Austrian joint-stock company (Aktiengesellschaft, AG).

As a rule, the Code will be reviewed once a year against the background of national and international developments and adjustments will be made as necessary. At the same time, the Supervisory Board of Lekkerland AG & Co. KG regularly carries out a review to assess whether any changes to the Lekkerland Code are necessary and implements any modifications as appropriate.

## 2 Shareholders and Shareholders’ Meeting

### 2.1 Shareholders

2.1.1 The shareholders exercise their rights to the extent provided for in the legislation and in the Articles of Association before or during the Shareholders’ Meeting and in particular exercise their right to cast their votes.

2.1.2 Each share of €100 in the limited partner’s capital grants one vote. There are no shares with multiple voting rights or preferential voting rights (“golden shares”) or maximum voting rights.

### 2.2 Shareholders’ Meeting

2.2.1 The Board of Management submits to the Shareholders’ Meeting the annual financial statements, the management report, the consolidated financial statements and the Group management report. The meeting resolves on the appropriation of the profit and on the discharge of the actions taken by the Board of Management and by the Supervisory Board and appoints the auditor.

Furthermore, the Shareholders’ Meeting resolves on the content of the Articles of Association, in particular relating to the purpose of the Company and essential structural measures, such as company agreements and transformations. It can pass resolutions on the authorisation of the compensation system for the members of the Board of Management.

2.2.2 not applicable

2.2.3 Each shareholder is entitled to take part in the Shareholders' Meeting, to make statements there on matters relating to the agenda for the meeting and to submit relevant factual questions and proposals.

2.2.4 The Chair of the Shareholders' Meeting is responsible for ensuring that the meeting proceeds efficiently. The Chair should be guided by the fact that an ordinary Shareholders' Meeting comes to an end at the latest after 4 to 6 hours.

### 2.3 Invitation to the Shareholders' Meeting and Proxies

2.3.1 The Shareholders' Meeting is convened by the Board of Management at least twice a year giving details of the agenda. A quorum of shareholders is entitled to demand the convening of a Shareholders' Meeting and the extension of the agenda.

2.3.2 The Company shall facilitate the personal exercising of shareholder's voting rights. The shareholders are entitled to exercise their voting rights at the Shareholders' Meeting by appointing a representative (proxy) to exercise their voting rights in accordance with instructions.

2.3.3 not applicable

## 3 Interaction between the Board of Management and the Supervisory Board

3.1 The Board of Management and the Supervisory Board cooperate closely together for the benefit of the Enterprise.

3.2 The Board of Management agrees the strategic direction of the Enterprise with the Supervisory Board and discusses the status of strategic implementation at regular intervals.

3.3 The Articles of Association or the Supervisory Board – the latter also as necessary in individual cases – define reservations of consent in relation to the Supervisory Board for transactions of fundamental importance. These include decisions or measures which fundamentally change the net assets, financial position or results of the Enterprise.

3.4 Providing information for the Supervisory Board is the responsibility of the Board of Management. However, the Supervisory Board on its part is responsible for ensuring that it is appropriately informed. With this end in mind, the Supervisory Board should define specific information and reporting requirements for the Board of Management.

The Board of Management provides the Supervisory Board with regular, timely and comprehensive reports on all issues of strategy, planning, business development, risk position, risk management and compliance relevant to the Enterprise. The Board of Management addresses all deviations in the current business situation from the plans and targets that have been prepared and provides reasons for such deviations.

The Supervisory Board is intended to define in detail the information and reporting obligations of the Board of Management.

The reports of the Board of Management to the Supervisory Board will generally be submitted in writing. Documents required for purposes of decision-making are forwarded to the members of the Supervisory Board of the Company in good time before the meeting.

3.5 Good corporate governance is based on open discussion between the Board of Management and the Supervisory Board, as well as within the Board of Management and the Supervisory Board. The maintenance of absolute confidentiality is a matter of paramount importance for this purpose.

All board members must ensure that the staff they employ in a supporting role observe the duty of confidentiality in the same way.

3.6 In Supervisory Boards with codetermination, representatives of the shareholders and the employees can prepare for the meetings of the Supervisory Board separately, as appropriate with the members of the Board of Management.

If necessary, the Supervisory Board should meet without the Board of Management.

3.7 not applicable

3.8 The members of the Board of Management and the Supervisory Board comply with the rules of proper corporate governance. If they culpably infringe the duty of due care and diligence of a prudent and conscientious manager or Member of the Supervisory Board, they will be liable to the Company in respect of damages for compensation. When entrepreneurial decisions are taken, there is no breach of obligation if the member of the Board of Management or the Supervisory Board was reasonably entitled to assume that they were acting for the benefit of the Company on the basis of reasonable information (Business Judgement Rule).

If the Company takes out a D&O policy (directors' and officers' liability insurance) for the Board of Management, a deductible excess of at least 10% of the loss up to at least the amount of one and a half times the fixed annual compensation of the Member of the Board of Management must be agreed.

3.9 The granting of loans by the Enterprise to members of the Board of Management and the Supervisory Board and to their relatives requires the consent of the Supervisory Board.

3.10 The Board of Management and the Supervisory Board must report annually on the corporate governance (Corporate Governance Report) and must publish this report in conjunction with the Declaration on Corporate Governance. Statements should also be made on the proposals put forward in the Code. The Company is no longer required to keep current Declarations of Compliance on the code accessible for five years on its Internet site.

## 4 Board of Management

### 4.1 Functions and responsibilities

4.1.1 The Board of Management is responsible for independently managing the Enterprise in the interests of the Enterprise, for example, taking into account the requirements of the shareholders, the employees and the other groups associated with the Enterprise (stakeholders), with the aim of creating sustainable value added.

4.1.2 The Board of Management develops the strategic direction of the Enterprise, coordinates it with the Supervisory Board and ensures that the strategy is implemented.

4.1.3 The Board of Management is responsible for compliance with the statutory regulations and the internal corporate guidelines, and for ensuring that they are observed by the Group companies (compliance).

4.1.4 The Board of Management makes adequate provision for appropriate risk management and risk controlling in the Enterprise.

4.1.5 When making appointments to management positions in the Enterprise, the Board of Management should take diversity into consideration and in particular aim to take appropriate consideration of women.

### 4.2 Composition and compensation

4.2.1 The Board of Management should be comprised of several persons and should have a chairperson or spokesperson. Rules of procedure should govern the work of the Board of Management, in particular the portfolio responsibilities of individual members of the Board of Management, matters reserved for the entire Board of Management, and the rules of procedure should determine the majority necessary for resolutions passed by the Board of Management (unanimity or majority decision on a resolution).

4.2.2 The plenary Supervisory Board determines the overall compensation for the individual members of the Board of Management. If there is a committee that deals with the contracts for the Board of Management, this committee should submit proposals to the plenary Supervisory Board. The plenary Supervisory Board will then pass a resolution on the system of compensation for the Board of Management and will regularly review it.

The total compensation package for the individual members of the Board of Management is defined by the plenary Supervisory Board on the basis of performance assessment and taking into account any Group emoluments. The criteria for the reasonableness of the compensation are formed in particular by the functions of the members of the Board of Management, their personal performance, the business situation, the success and the future prospects of the Enterprise taking into account the comparative economic environment and the remuneration structure otherwise applicable within the Company. During the course of its deliberations, the Supervisory Board should take into account the overall relationship of the compensation paid to the Board of Management and the compensation of the senior management and the workforce as a whole, as well as the time scale for development

of remuneration. For purposes of comparison, the Supervisory Board should also define how the senior management should be distinguished from the relevant workforce.

If the Supervisory Board calls on an external compensation expert to evaluate the appropriateness of the compensation, the Supervisory Board needs to ensure that any external expert is completely independent from the Board of Management and / or the Enterprise.

4.2.3 The total compensation for the members of the Board of Management comprises the fixed and variable monetary elements, the pension awards, other awards, especially in the event of termination of the activity, fringe benefits of all kinds and benefits paid by third parties which were promised or granted in the course of a business year.

The compensation structure should be oriented towards sustainable development of the Enterprise. The monetary compensation elements shall comprise fixed and variable elements. The Supervisory Board must make sure that the variable compensation elements are fundamentally based on an assessment over a period of several years. Positive and negative developments should be taken into account when determining variable compensation components. All compensation elements must be appropriate individually and in total, and in particular must not encourage executives to take unreasonable risks. The total compensation and the variable compensation elements should have maximum limits fixed for amounts. The variable compensation elements should be related to demanding, relevant comparison parameters. Changing such performance targets or the comparison parameters retroactively shall be excluded.

In the case of pension commitments, the Supervisory Board shall in each case define the targeted level of benefits – also according to the length of service on the Board of Management – and shall also take account of the derived annual and long-term expenditure for the Company.

When concluding contracts for members of the Board of Management, care must be taken to ensure that payments made to a member of the Board of Management on premature termination of his / her contract, including fringe benefits, do not exceed the value of two years' compensation (severance payment cap) and do not compensate more than the remaining term of the employment contract. If the employment contract is terminated for good cause that is the responsibility of the member of the Board of Management, no payments shall be made to the member of the Board of Management. The severance payment cap shall be calculated on the basis of the total compensation for the past full business year and if appropriate also the expected total compensation for the current business year.

Payments promised in the event of premature termination of the contract of a member of the Management Board due to a change of control shall not exceed 150% of the severance payment cap.

On a single occasion, the Chairman of the Supervisory Board shall outline to the Shareholders' Meeting the salient points of the compensation system and any changes to the system.

4.2.4 The Shareholders' Meeting can pass a resolution to the effect that the total compensation of each one of the members of the Board of Management is to be disclosed by name, divided into fixed and variable compensation components. The same applies to promises relating to benefits that are granted to a member of the Board of Management in the case of premature or statutory termination of the function of a member of the Board of Management or that have been changed during the course of the business year. Disclosure may be dispensed with in individual cases if the Shareholders' Meeting has passed a resolution to this effect with a three-quarters majority.

4.2.5 Disclosure shall be made as appropriate in the notes to the consolidated financial statements or in the Group management report. The principles of the compensation system for the members of the Board of Management shall be disclosed in a compensation report as part of the Group management report. The disclosure shall be made in a fully transparent form.

In this case, the compensation report shall also include information on the nature of the fringe benefits provided by the Company.

Furthermore, the following disclosure should be provided for each member of the Board of Management as appropriate in the compensation report for the business years commencing after 31 December 2013:

- the awards granted for the year under review including fringe benefits, supplemented in the case of variable compensation elements by the attainable maximum and minimum compensation,
- the payments received for the year under review from fixed compensation, short-term variable compensation and long-term variable compensation with differentiation in accordance with the individual reference years,
- in the case of pension benefits and other post-employment benefits the cost of benefits in or for the year under review.

### 4.3 Conflicts of interest

4.3.1 The members of the Board of Management have a duty to act in the interests of the Enterprise. They must not act in their own personal interests when they take decisions, they are subject to a comprehensive prohibition on competition during the course of their activity for the Enterprise and they must not take advantage of business opportunities which are available to the Company for their own purposes.

4.3.2 Members of the Board of Management and employees may not, in connection with their work, demand or accept from third parties unjustified advantages for themselves or for other persons, nor grant third parties unlawful advantages.

4.3.3 Each member of the Board of Management will immediately disclose any conflicts of interest to the Supervisory Board of the Company and will inform the other members of the Board of Management about such conflicts of interest. All transactions between the Enterprise on the one hand and the members of the Board of Management and related parties or enterprises affiliated

with them personally on the other hand must be concluded at standard arm's length commercial conditions. In the case of transactions with members of the Board of Management, the Supervisory Board represents the Company. Material transactions with a member of the Board of Management, related persons or enterprises should only be carried out with the consent of the Supervisory Board.

4.3.4 Members of the Board of Management should only take up a secondary occupation, in particular memberships of other supervisory boards outside the Enterprise, with the consent of the Supervisory Board of the Company.

## 5 Supervisory Board

### 5.1 Functions and responsibilities

5.1.1 The Supervisory Board has the function of regularly advising and monitoring the Board of Management in the management of the Enterprise. It should be integrated in any decisions of fundamental importance for the Enterprise.

5.1.2 The Supervisory Board appoints and dismisses the members of the Board of Management. The Supervisory Board should take diversity into account when making decisions relating to the composition of the Board of Management and in particular aim to take appropriate consideration of women. It should cooperate with the Board of Management to ensure long-term planning for succession. The Supervisory Board can delegate the preparations for the appointment of members of the Board of Management, as well as for the handling of the conditions of the employment contract including compensation, to committees.

When initially making appointments, the maximum possible period of appointment of five years should not be the rule. A reappointment before the end of the year prior to the end of the appointment period if the current appointment is simultaneously being discontinued should only be made under special circumstances. An age limit for members of the Board of Management should be defined.

5.1.3 The Supervisory Board should draw up rules of procedure.

### 5.2 Functions and powers of the Chairman of the Supervisory Board

One of the members of the Supervisory Board is appointed by the board as the Chairman of the Supervisory Board. He /she coordinates the work of the Supervisory Board, chairs its meetings and represents the Supervisory Board on any issues in the public domain.

The Chairman of the Supervisory Board should not hold the chair of the Audit Committee.

The Chairman of the Supervisory Board should maintain regular contact with the Board of Management between the meetings, in particular with the Chairman or Spokesperson of the Board of Management and should discuss with him / her issues relating to the strategy, the planning, the business development, the risk position,

the risk management and the compliance of the Company. The Chairman of the Supervisory Board must be informed immediately by the Chairman or Spokesperson of the Board of Management about any important events, which are of material significance for assessing the position and development of the Enterprise and for the management of the Enterprise. The Chairman of the Supervisory Board must then inform the Supervisory Board and should convene an extraordinary meeting of the Supervisory Board as appropriate.

### 5.3 Formation of committees

5.3.1 The Supervisory Board should form committees made up of appropriately qualified members, depending on the specific circumstances of the Enterprise and the number of members. The relevant committee chairpersons must submit regular reports to the Supervisory Board detailing the work of the committees.

5.3.2 The Supervisory Board should form an Audit Committee – if no other committee has been tasked with this issue – which addresses in particular issues relating to the monitoring of the accounting process, the effectiveness of the internal controlling system, the risk management system and the internal audit system, the audit of the annual financial statements, here in particular the necessary independence of the auditor, the additional services provided by the auditor, the engagement of the auditor by granting an audit mandate, the definition of the focuses of the audit and the agreement of the level of the audit fee, as well as compliance. The Chairman of the Audit Committee should have special knowledge and experience in the application of accounting principles and internal controlling procedures. The Chairman should be independent and should not be a former member of the Board of Management whose appointment ended less than two years previously.

5.3.3 The Supervisory Board should form a nomination committee composed exclusively of shareholder representatives which makes recommendations of suitable candidates for the election of members of the Supervisory Board to the Shareholders' Meeting.

### 5.4 Composition and compensation

5.4.1 The Supervisory Board should be composed in such a way as to ensure that its members as a group possess the knowledge, skills and expertise required to carry out its functions in a fit and proper manner.

The Supervisory Board should define concrete objectives for its composition which, while considering the specific situation of the Enterprise, take account of the international activities of the Enterprise, potential conflicts of interest, the number of independent members of the Supervisory Board pursuant to section 5.4.2., an age limit to be specified for the members of the Supervisory Board, and diversity.

The Supervisory Board should disclose the personal and the business relationships of each candidate to the Enterprise, the governance bodies of the Company and to a shareholder with a significant shareholding in the Company.

Before electing new members of the Supervisory Board, the shareholders should ensure from each individual candidate that

he/she can devote the amount of time that is expected for carrying out the duties associated with the office.

5.4.2 The Supervisory Board should include an adequate number of independent members according to its assessment. A member of the Supervisory Board pursuant to this recommendation should in particular not be regarded as independent if the person has a personal or business relationship with the Company, its governance bodies or a controlling shareholder, or if he/she is associated with an affiliated company which might constitute a reason for a material and not only temporary conflict of interest. Not more than two former members of the Board of Management should be members of the Supervisory Board. Members of the Supervisory Board should not exercise any governance function or carry out advisory functions for important competitors of the Enterprise.

5.4.3 Proposed candidates for the Chair of the Supervisory Board should be announced to the shareholders.

5.4.4 Members of the Board of Management may not become members of the Supervisory Board of the Company within two years after the end of their appointment unless they are appointed on the basis of a proposal by shareholders holding more than 25% of the voting rights in the Company. In the latter case, appointment to the chairmanship of the Supervisory Board shall be an exception to be justified at the Shareholders' Meeting.

5.4.5 Every member of the Supervisory Board must ensure that he/she has sufficient time available to exercise his/her mandate. Members of the management board of a company listed on the stock exchange should not accept more than a total of three Supervisory Board mandates in listed companies outside the Group or in supervisory bodies of external companies with similar requirements.

The members of the Supervisory Board shall independently take responsibility for ensuring they undertake the necessary basic and advanced training measures necessary to carry out their functions. They should receive appropriate support from the Company for such training.

5.4.6 The compensation for the members of the Supervisory Board is defined by resolution of the Shareholders' Meeting or in the Articles of Association. It should take into account the positions of chairman and deputy chairman on the Supervisory Board and the chair and membership of committees.

The members of the Supervisory Board shall receive compensation which is commensurate with their functions and the position of the Company. If the members of the Supervisory Board are awarded performance-related compensation, this should be geared to the long-term development of the Enterprise.

The Shareholders' Meeting can pass a resolution such that the compensation paid to each of the members of the Supervisory Board shall be reported individually in the notes to the consolidated financial statements or in the Group management report and shall be shown subdivided into its constituent components. It

can also pass a resolution such that compensation payments paid by the Enterprise to the members of the Supervisory Board or advantages extended for the individual provision of services, in particular advisory or mediation services, shall be listed separately on an individual basis.

5.4.7 If a member of the Supervisory Board has only attended half or less than half of the meetings of the Supervisory Board and the committees of which he / she is a member in a business year, this shall be noted in the report of the Supervisory Board. Participation is also deemed to be taking part in telephone or video conferences; however, this should not be the rule.

## 5.5 Conflicts of interest

5.5.1 Each member of the Supervisory Board has a duty to act in the interests of the Enterprise. When members of the Supervisory Board make decisions, they must not pursue personal interests or make use of business opportunities available to the Enterprise for the benefit of themselves.

5.5.2 Each member of the Supervisory Board must disclose to the Supervisory Board any conflicts of interest, especially such conflicts of interest that may arise as a result of holding a consultancy or a function as an executive officer with customers, suppliers, lenders or other third parties.

5.5.3 The Supervisory Board will provide information in its report to the Shareholders' Meeting about any conflicts of interest that arise and will indicate how they are dealt with. If a member of the Supervisory Board is subject to substantial conflicts of interest which are not simply of a temporary nature, it will be necessary for that member to resign from his / her office as a member of the Supervisory Board.

5.5.4 Consultancy contracts and other contracts for work and services to be held by a member of the Supervisory Board with the Company require the consent of the Supervisory Board.

## 5.6 Efficiency audit

The Supervisory Board should review the efficiency of its activities on a regular basis.

## 6 Transparency

6.1 The Company will treat all shareholders of the Company equally in respect of the provision of information, subject to the same prerequisites. All material new facts made known to financial analysts and similar addressees shall also be disclosed to the shareholders without delay.

6.2 not applicable

6.3 The dates of essential regular publications (including the Annual Report, interim financial reports) and the dates of the Shareholders' Meeting and of balance sheet press conferences may be published sufficiently in advance in a "financial calendar".

## 7 Accounting and auditing

### 7.1 Accounting

7.1.1 Shareholders and third parties are mainly informed by the consolidated financial statements and the Group management report. They are also provided with information in the half-year report during the course of the business year. The consolidated financial statements are drawn up on the basis of the relevant internationally recognised accounting principles.

7.1.2 The consolidated financial statements are prepared by the Board of Management. They are audited by the auditor and by the Supervisory Board.

7.1.3 not applicable

7.1.4 The consolidated financial statements should also include explanations of any relationships with shareholders who qualify as related parties in accordance with the applicable accounting regulations.

### 7.2 Auditing

7.2.1 Before putting forward any proposals to a vote, the Supervisory Board and / or the Audit Committee should obtain a declaration by the designated auditor stating whether, and where applicable, which business, financial, personal, or other relationships exist between the auditor and its executive officers and audit managers on the one hand and the Enterprise and its executive officers on the other hand, that could cast doubt on the auditor's independence. The declaration should also define the extent to which other services were provided in the previous business year for the Enterprise, in particular in the field of consultation, and / or have been agreed contractually for the following year.

The Supervisory Board should agree with the auditor that the Chairman of the Supervisory Board and / or the Audit Committee should be immediately informed about any grounds relating to the exclusion or bias that emerge during the course of the audit, if these are not immediately eliminated.

7.2.2 The Supervisory Board commissions the auditor to carry out the audit and concludes the agreement on fees with the auditor.

7.2.3 The Supervisory Board should further agree that the auditor must immediately report important assessments and events which emerge from performance of the audit of the financial statements and which affect the functions of the Supervisory Board.

The Supervisory Board should further agree that the auditor must inform the Supervisory Board and / or make reference in the audit opinion if the auditor uncovers facts in the course of performing the audit of the financial statements which indicate that the declaration provided by the Board of Management and the Supervisory Board in relation to the Corporate Governance Code is incorrect.

7.2.4 The auditor participates in the deliberations of the Audit Committee of the Supervisory Board relating to the annual financial statements and consolidated financial statements and reports on the main results of the audit.

# Declaration by the Board of Management and Supervisory Board of Lekkerland AG & Co. KG on the German Corporate Governance Code

The German Corporate Governance Code (“Code”) presents key statutory regulations for the management and supervision of German companies listed on the stock exchange and includes recognised standards for good and responsible corporate governance. The code is primarily directed towards companies listed on the stock exchange and companies with access to the capital markets pursuant to Article § 161 Section 1 Sentence 2 of the German Stock Corporation Act (Aktiengesetz). Implementation of the Code is also recommended for companies not traded on the stock exchange, and the Board of Management and Supervisory Board of Lekkerland AG & Co. KG have therefore passed a resolution to apply the content of the Code for purposes of corporate governance, taking account of the specific legal circumstances of Lekkerland AG & Co. KG and of the Group companies affiliated with it (together “Lekkerland Group”).

The Board of Management and the Supervisory Board have therefore adopted a Lekkerland Corporate Governance Code (“Lekkerland Code”) closely based on this Code. It takes into account the fact that Lekkerland AG & Co. KG is managed in the legal form of a German commercial partnership (Kommanditgesellschaft, KG) with a general partner (Komplementärin) in the legal form of an Austrian joint-stock company (Aktiengesellschaft, AG) and is not listed on the stock exchange. When the Lekkerland Code was adopted, particular emphasis was placed on maximum possible correspondence with the Code. The following company-specific characteristics were taken into account when the Lekkerland Code was drawn up:

The terminology of the Code based on companies listed on the stock exchange and publicly traded companies, and the regulations of the Code directed towards a broadly based audience of stock traders, was harmonised with the legal form and company structure of Lekkerland AG & Co. KG.

Differences between the Austrian regulations applicable to Lekkerland AG and the German Stock Corporation Act (Aktiengesetz) and divergences in the regulatory treatment of reporting on accounting were taken into account in the Lekkerland Code.

Furthermore, in individual cases the Lekkerland Code includes company-specific regulations under the applicable statutory powers.

The Lekkerland Code and a description of its linguistic and substantive deviations from the Code are presented on the Internet site of the Lekkerland Group and can be accessed by going to <http://www.lekkerland.com>.

Frechen, October 2015

## **Lekkerland AG & Co. KG**

The Board of Management

The Supervisory Board

# Corporate bodies

## Supervisory Board

**Lorenz Bresser**  
Rottach-Egern  
Chairman

**Eugen Kohm**  
Karlsruhe

**Stephan Reißmann**  
Chambésy (Switzerland)  
(since 15.06.2017)

**Hassan Ben Djemia**  
Herne

**Hanns-Joachim Pagel**  
Braak

**Marc Rüede**  
Geneva (Switzerland)

**John Fales Eckerberg**  
Geneva (Switzerland)  
(till 15.06.2017)

**Samuel Pelichet**  
Geneva (Switzerland)  
(till 01.05.2017)

**Jörg Veil**  
Cologne

**Peter Kilburg**  
Trier  
(since 01.05.2017)

## Management Board

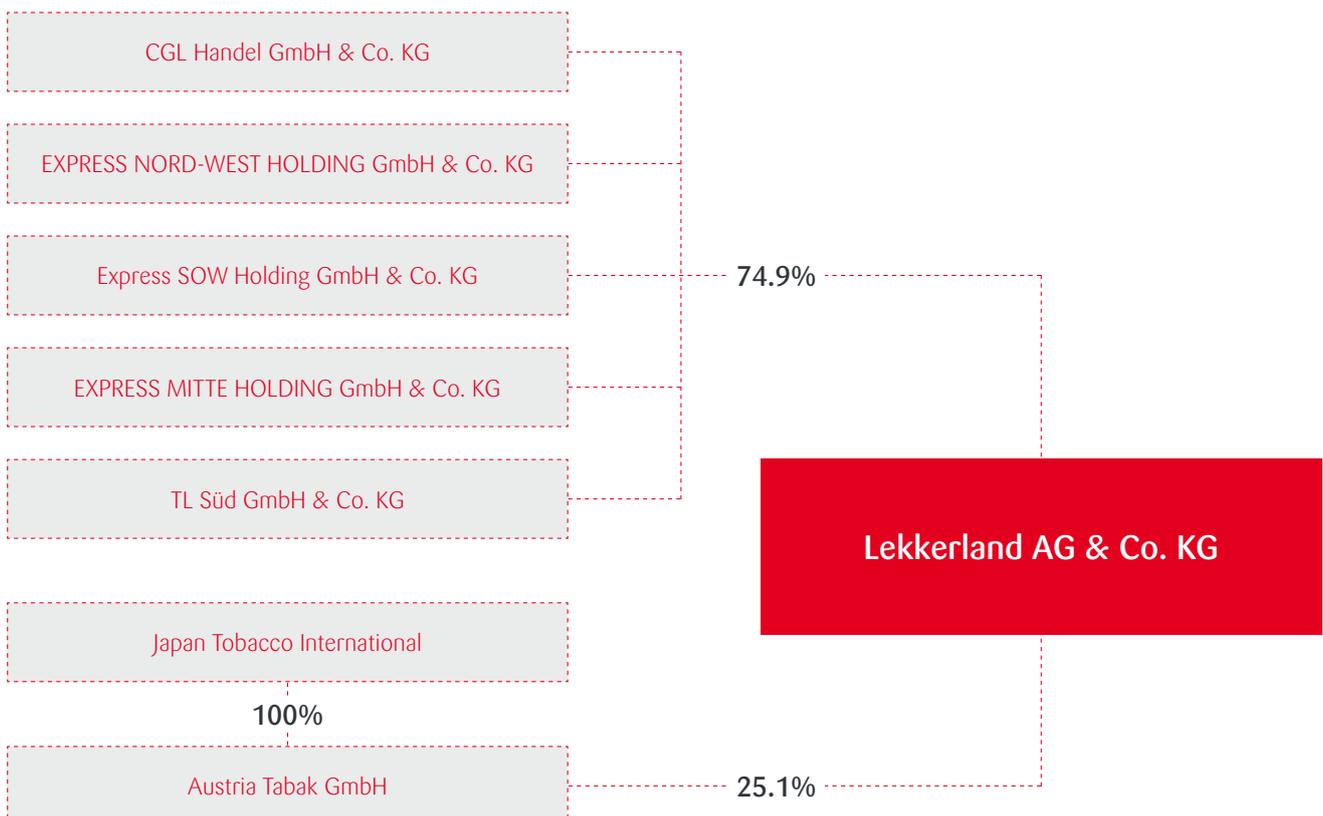
**Patrick Steppe**  
Stabroek (Belgium)  
Chairman

**Dr Edgar C. Lange**  
Munich

**Dr Jochen Großpietsch**  
Cologne  
(since 23.10.2017)

**Kay Schiebur**  
Cologne  
(till 22.09.2017)

# Company structure



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