

PricewaterhouseCoopers AG  
Mr Maja Milasevic Debenjak  
Birchstrasse 160  
8050 Zürich

Glattpark (Opfikon) 17 June 2021

## REPRESENTATION LETTER

In connection with your audit of the financial statements of Mondelez Europe Services GmbH for the financial year ending 31 December 2020, we submit to you this representation letter.

We have approved these financial statements for submission to the Partner's Meeting. We acknowledge our responsibility for these financial statements as well as for designing, implementing and operating the accounting system and an internal control system, including measures to prevent and detect fraud and material errors.

1. These financial statements comply with Swiss law and the company's articles of incorporation and are free from material misstatements (e.g. inaccurate recognition, assessment, presentation and disclosure of business transactions or incomplete or missing information).
2. We have provided you with all accounting records, receipts and business correspondence, as well as the minutes of all Partner's Meetings, meetings of Management and meetings of Management' committees. There are no resolutions which could have a material impact on the financial statements of which we have not informed you.
3. The financial statements submitted to you and approved by us include all business transactions and all assets and liabilities which we are required to record in the financial year under review. Information on the hidden reserves and changes to them has been provided to you in accordance with article 960a para. 4, article 960e para. 3 and 4 Code of Obligations. In particular, the following have been fully and properly recorded and, if required, adequately disclosed in these financial statements:
  - Assets pledged as collateral. The company has satisfactory legal title to all assets and there are no liens or encumbrances on the company's assets, except those disclosed in the notes to the financial statements.
  - Liabilities and disclosures in the notes to the financial statements, in particular current liabilities, impairments, provisions, anticipated losses arising from sale and purchase obligations, liabilities in connection with the recapitalisation of a potential pension plan deficit, guarantees or other contingent liabilities as well as comparable guarantees in favour of third parties.
  - Balances and transactions with related parties – the information provided regarding the identification of related parties is also complete.
  - In our opinion, the methods, data and material assumptions used in making accounting estimates and their related disclosures are appropriate in the context of the applied accounting standards.
4. Contracts, credit arrangements, litigations or disputes which are not disclosed in the financial statements but are material for the assessment of the financial statements of the company do not exist.
5. We confirm there were no breaches of the legal or other requirements (e.g. with regard to direct taxes, VAT, social security provisions, environmental protection) or we have informed you of all (actual or suspected) breaches of the legal and other requirements of which we are aware. The company has fulfilled all of the contractual obligations and legal requirements that could have had a material impact on the financial statements had they not been fulfilled.

6. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated due to fraud. We confirm that we are not aware of any (actual or suspected) fraud or fraud involving members of the Management or employees with an important role in the internal controls.
7. We are not aware of any allegations of fraud which could have a material impact on our financial statements. Such allegations could be made, for example, by employees or third parties.
8. We confirm the existence of an internal control system for the preparation of financial statements designed in accordance with our instructions.
9. When using derivative financial instruments, we complied with the requirements of the Financial Market Infrastructure Act or we confirm that we did not use any derivative financial instruments during the financial year and that no such transactions remained open as of the year-end.
10. Management is aware of its responsibility for compliance with the legal provisions in connection with the Federal Act on the Implementation of the Revised Recommendations of the Financial Action Task Force (FATF). In particular, management has ensured, in accordance with article 790 para. 3 CO, that no Partners in breach of their reporting obligations exercise their rights (e.g., General Meeting voting rights, dividend rights).
11. We have no plans or intentions and we are not aware of any events
  - which could pose substantial doubts on the ability of Mondelez Europe Services GmbH to continue its activities (going concern);
  - which could materially alter the carrying value or the disclosure of assets or liabilities in the financial statements;
  - which will result in excess or obsolete inventory or an impairment of non-current assets. Inventories are not stated in excess of net realisable value nor are any non-current assets valued above the value in use or net selling price.
12. All known events up to the date of the completion of your audit which have to be disclosed are adequately considered in in these financial statements. We will inform you immediately of all events of which we become aware up to the date of the Partner's Meeting that affect the accompanying financial statements.
13. We have informed you of all ongoing tax audits involving a branch location of Mondelez Europe Services GmbH as of the date of this letter. In our opinion, based on the status and nature of all ongoing tax audits, no incremental provisions need to be recorded as of the balance sheet date.

Yours sincerely



Andreas Liechti  
Mondelez Europe Services GmbH

  
Jens-Ulf Hinze (Jun 17, 2021 08:40 GMT+2)

Jens-Ulf Hinze  
Mondelez Europe Services GmbH

Enclosure:

- Signed financial statements (balance sheet, income statement and notes)

**Mondelez Europe Services GmbH**

Lindbergh-Allee 1  
CH-8152 Opfikon  
Switzerland



Enclosure I/1

**BALANCE SHEET**

(in CHF)

	12/31/2020	12/31/2019
<b>ASSETS</b>		
<b>Cash and cash equivalents</b>	<b>2,697,749</b>	<b>2,231,134</b>
Trade receivables due from third parties	330,631	904,537
<b>Trade receivables</b>	<b>330,631</b>	<b>904,537</b>
Other current receivables due from third parties	23,724,542	19,992,356
Other current receivables due from group companies	435,354,698	477,947,674
<b>Other receivables</b>	<b>459,079,240</b>	<b>497,940,030</b>
<b>Inventories and uninvoiced services</b>	<b>485,011</b>	<b>512,748</b>
<b>Accrued income and prepaid expenses</b>	<b>18,077,686</b>	<b>14,797,826</b>
<b>Total current assets</b>	<b>480,670,316</b>	<b>516,386,276</b>
<b>Financial assets</b>	<b>694,561</b>	<b>480,837</b>
<b>Property, plant and equipment</b>	<b>20,733,424</b>	<b>24,431,257</b>
<b>Intangible assets</b>	<b>-</b>	<b>21,454</b>
<b>Total non-current assets</b>	<b>21,427,985</b>	<b>24,933,548</b>
<b>Total assets</b>	<b>502,098,301</b>	<b>541,319,824</b>

Andreas Liechti

A handwritten signature in blue ink, appearing to read "Liechti".

Jens-Ulf Hinze

A handwritten signature in blue ink, appearing to read "Jens-Ulf Hinze".  
Jens-Ulf Hinze (Jun 17, 2021 08:40 GMT+2)

**Mondelez Europe Services GmbH**

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Switzerland



Enclosure I/2

**BALANCE SHEET**

(in CHF)

	12/31/2020	12/31/2019
<b>LIABILITIES</b>		
Trade payables due to third parties	97,160,878	90,109,586
<b>Trade payables</b>	<b>97,160,878</b>	<b>90,109,586</b>
Other short-term liabilities due to third parties	6,601,073	6,063,727
Other short-term liabilities due to group companies	194,579,302	255,361,319
<b>Other short-term liabilities</b>	<b>201,180,375</b>	<b>261,425,046</b>
Accrued payroll	60,364,983	52,585,678
Accrued trade promotion	4,104,883	8,878,233
Accrued taxes	1,243,311	885,284
Accrued liabilities other	55,425,843	52,622,232
Deferred gain from translating to reporting currency	-	18,555
<b>Accrued expenses and deferred income</b>	<b>121,139,020</b>	<b>114,989,982</b>
<b>Total short-term liabilities</b>	<b>419,480,272</b>	<b>466,524,614</b>
Other long-term liabilities due to third parties	32,551,749	35,647,890
<b>Other long-term liabilities</b>	<b>32,551,749</b>	<b>35,647,890</b>
<b>Total long-term liabilities</b>	<b>32,551,749</b>	<b>35,647,890</b>
<b>Total liabilities</b>	<b>452,032,021</b>	<b>502,172,503</b>
<b>Share Capital</b>	<b>1,300,000</b>	<b>1,300,000</b>
<b>Legal Reserves</b>	<b>700,000</b>	<b>700,000</b>
Profit brought forward from prior years	37,147,321	26,636,930
Profit /(Loss) for the year	10,918,959	10,510,390
<b>Retained Earnings</b>	<b>48,066,279</b>	<b>37,147,321</b>
<b>Quotaholders' equity</b>	<b>50,066,279</b>	<b>39,147,321</b>
<b>Total liabilities and quotaholders' equity</b>	<b>502,098,301</b>	<b>541,319,824</b>

Andreas Liechti

Jens-Ulf Hinze

Jens-Ulf Hinze (Jun 17, 2021 08:40 GMT+2)

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Enclosure II

**INCOME STATEMENT**

(in CHF)

	<b>01.01.2020 to 31.12.2020</b>	<b>01.01.2019 to 31.12.2019</b>
Net proceeds from sales of goods and services	1,135,496,333	1,135,677,175
Cost of materials	(7,487,217)	(10,918,697)
Staff costs	(223,251,743)	(225,902,979)
Other operating income / (expenses)	(10,143,609)	(10,786,629)
Depreciation and amortization	(10,381,854)	(10,316,185)
Marketing and selling expenses	(267,255,019)	(293,011,595)
Administration expenses	(597,919,552)	(561,125,358)
<b>Operating Profit before interest and taxes</b>	<b>19,057,339</b>	<b>23,615,733</b>
Financial income	101,934	941,775
Financial expense	(1,336,440)	(975,228)
<b>Operating Profit before taxes</b>	<b>17,822,834</b>	<b>23,582,280</b>
Unrealized loss from currency translation	(976,988)	-
<b>Profit before taxes</b>	<b>16,845,846</b>	<b>23,582,280</b>
Direct taxes	(5,926,887)	(13,071,890)
<b>Profit / (Loss) for the year</b>	<b>10,918,959</b>	<b>10,510,390</b>

Andreas Liechti

Jens-Ulf Hinze

  
Jens-Ulf Hinze (Jun 17, 2021 08:40 GMT+2)

**NOTES TO THE FINANCIAL STATEMENTS**

(in CHF)

**1. Accounting principles applied in the preparation of the financial statements**

These financial statements have been prepared in accordance with the provisions of commercial accounting as set out in the Swiss Code of Obligations (Art. 957 to 963b CO, effective since 1 January 2013). Mondelez Europe Services GmbH provides services to affiliates that are part of the Mondelez International family of companies. Significant balance sheet items are accounted for as follows:

**Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

**Trade and other receivables**

Trade receivables and other short-term receivables are carried at their nominal value. Impairment charges are calculated for these assets on an individual basis.

**Intangible assets**

Intangible assets comprises goodwill related to the purchase of business. Goodwill is amortized over a life time of 5 years in the books.

**Depreciation**

Items of property, plant and equipment are stated at cost or manufacturing cost less depreciation and impairment. Depreciation is calculated on the basis of the following useful lives and in accordance with the following methods:

Plant,	Useful live / years	Method
Buildings	34	Linear
Manufacturing machines	20	Linear
Furniture	10	Linear
Hardware	5	Linear
Vehicles	3	Linear

**Provisions**

The Company recognizes provisions when it has a present legal or constructive obligation to transfer economic benefits as a result of past events. Provisions are measured at the value of the expenditures expected to be required to settle the obligation.

**Recognition of revenue**

Revenues comprise proceeds from the provision of services performed to Mondelez Europe Services GmbH.

**Quota Holders Capital**

As of 31st of December 2019 the quota holders capital amounts to 3 300 000 CHF (2018: CHF 3 300 000) and consist of 33 000 nominal shares of CHF 100 each, fully paid.

Andreas Liechti



Jens-Ulf Hinze

  
Jens-Ulf Hinze (Jun 17, 2021 08:40 GMT+2)

**Translation of foreign currencies to the presentation currency CHF**

- Accounting records are being held in the functional currency of each of the branches of the company.
- At year end, financial statements are presented in CHF, which is the presentation currency.
- Items are translated into CHF according to the following categories:

Translation of assets and liabilities at the closing rate

Translation of quota holders' equity at historical rates

Translation of the income statement at the annual average rate

In accordance to the prudence principle, translation differences are recognized into the income statement in case of a net loss or provisioned into the balance sheet in case of a net gain.

Rates for 2020:

Curr	BS Rate	Pnl Rate
EUR	1.0814	1.0702
CHF	1.0000	1.0000
USD	0.8852	0.9384
DKK	0.1453	0.1436
GBP	1.2101	1.2040
NOK	0.1032	0.0998
SEK	0.1076	0.1022
PLN	0.2371	0.2410
CZK	0.0412	0.0405
BGN	0.5529	0.5475
HUF	0.0030	0.0030
HRK	0.1432	0.1420
RON	0.2225	0.2215
RSD	0.0092	0.0091
XOF	0.0017	0.0016

Rates for 2019:

Curr	BS Rate	Pnl Rate
EUR	1.0838	1.1122
CHF	1.0000	1.0000
USD	0.9666	0.9936
DKK	0.1451	0.1490
GBP	1.2815	1.2687
NOK	0.1100	0.1129
SEK	0.1032	0.1052
PLN	0.2548	0.2590
CZK	0.0426	0.0434
BGN	0.5541	0.5687
HUF	0.0033	0.0034
HRK	0.1457	0.1500
RON	0.2265	0.2346
RSD	0.0092	0.0094
XOF	0.0017	0.0017

**Simplification due to consolidated accounts in accordance with a recognised financial reporting standard**

According to Art. 961d par. 1 of the Swiss Code of Obligations, the Company is dispensed from disclosing additional information in the notes and from presenting cash flow statements and a management report as the ultimate holding company prepares financial statements in accordance with a recognised financial reporting standard (US GAAP).

**2. Details, analyses and explanations to the financial statements**

**Pension liabilities**

On 31. December 2020 the liability due to the pension fund amounted to 22 882 741CHF. On 31. December 2019 the liability due to the pension fund amounted to 26 909 106CHF.

**Number of employees**

The number of full-time equivalents exceeded 250 on an annual average basis.

**Contingent liabilities**

Mondelez Europe Services GmbH is currently not involved in claims, legal disputes, regulatory and tax audits, investigations and other legal matters.

**Collateral for third-party liabilities**

Guarantee obligation

Joint liability for current and future VAT-liabilities from a group-taxation point of view relating to the group year-end date.

**Dividend distribution**

Mondelez Europe Services GmbH will distribute the dividend to Kraft Foods Schweiz Holding GmbH in amount of CHF 40 MM as of July 27, 2021.

**Subsequent Events**

The Coronavirus strain has continued to spread around the world in 2020 and the first quarter of 2021. In view of the ongoing nature of the situation, the extent of the overall impact on our business in 2020 was not significant. The Board of Directors continue to monitor the situation and will take the corresponding action when necessary.

Andreas Liechti



Jens-Ulf Hinze



Jens-Ulf Hinze (Jun 17, 2021 08:40 GMT+2)

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Enclosure IV

<b>Retained earnings carried forward</b>	<b>2020</b>	<b>2019</b>
(in CHF)		
Retained earnings at the beginning of the period	37,147,321	26,636,930
Appropriations of retained earnings resolved by general meeting		
- Profit for the year	10,918,959	10,510,390
<b>Retained earnings available to the partners' meeting</b>	<b><u>48,066,279</u></b>	<b><u>37,147,321</u></b>

**Motion of the Managing Partners on the allocation of retained earnings**

Retained earnings available to the partners' meeting	48,066,279	37,147,321
- Distributed to quotaholders	-	-
<b>Carried forward</b>	<b><u>48,066,279</u></b>	<b><u>37,147,321</u></b>

An appropriation to legal reserves according to Art. 801 CO is not required as the legal reserve already reaches 50% of the stated capital.

Andreas Liechti

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