



CHRISTENSEN
KJÆRULFF

PERSONLIGT ENGAGEMENT

STATSAUTORISERET
REVISIONSAKTIESELSKAB

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manroland Nordic Danmark A/S

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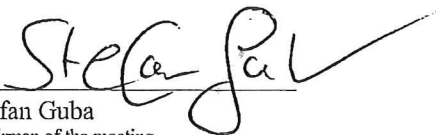
Company reg. no. 35 63 46 14

Annual report

1 January - 31 December 2017

The annual report has been submitted and approved by the general meeting on the

30. May 2018


Stefan Guba
Chairman of the meeting

Notes to users of the English version of this document:

- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points remain unchanged from the Danish version of the document. This means that for instance DKK 146.940 is the same as the English amount of DKK 146,940, and that 23,5 % is the same as the English 23.5 %.



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Management's report

The board of directors and the managing director have today presented the annual report of manroland Nordic Danmark A/S for the financial year 1 January to 31 December 2017.

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

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position as on 31 December 2017 and of the company's results of its activities in the financial year 1 January to 31 December 2017.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

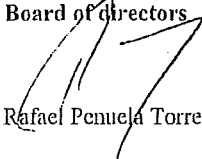
The annual report is recommended for approval by the general meeting.

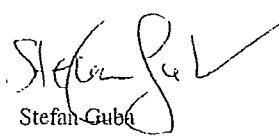
Ballerup, 28 May 2018

Managing Director


Björn Gustafsson

Board of directors


Rafael Penuela Torres


Stefan Guba


Björn Gustafsson



Independent auditor's report

To the shareholders of manroland Nordic Danmark A/S

Opinion

We have audited the annual accounts of manroland Nordic Danmark A/S for the financial year 1 January to 31 December 2017, which comprise accounting policies used, profit and loss account, balance sheet and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 December 2017 and of the results of the company's operations for the financial year 1 January to 31 December 2017 in accordance with the Danish Financial Statements Act.

Basis for opinion

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 below section "Auditor's responsibilities for the audit of the annual accounts". We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

The management's responsibilities for the annual accounts

The management is responsible for the preparation of annual accounts that give a true and fair view in accordance with the Danish Financial Statements Act. The management is also responsible for such internal control as the management determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the management is responsible for evaluating the company's ability to continue as a going concern, and, when relevant, disclosing matters related to going concern and using the going concern basis of accounting when preparing the annual accounts, unless the management either intends to liquidate the company or to cease operations, or if it has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report including an 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 may arise due to fraud or error and may be considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions made by users on the basis of the annual accounts.

As part of an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark, we exercise professional evaluations and maintain professional scepticism throughout the audit. We also:



Independent auditor's report

- Identify and assess the risks of material misstatement in the annual accounts, whether due to fraud or error, design and perform audit procedures in response 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 the risk of not detecting a misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the 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 company's internal control.
- Evaluate the appropriateness of accounting policies used by the management and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's preparation of the annual accounts being based on the going concern principle and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may raise significant doubt about the 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 annual accounts 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 company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the annual accounts, including the disclosures in the notes, and whether the annual accounts reflect the underlying transactions and events in a manner that gives a true and fair view.

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 the internal control that we identify during our audit.

Statement on the management's review

The management is responsible for the management's review.

Our opinion on the annual accounts does not cover the management's review, and we do not express any kind of assurance opinion on the management's review.

In connection with our audit of the annual accounts, our responsibility is to read the management's review and in that connection consider whether the management's review is materially inconsistent with the annual accounts or our knowledge obtained during the audit, or whether it otherwise appears to contain material misstatement.



Independent auditor's report

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

Based on the work we have performed, we believe that the management's review is in accordance with the annual accounts and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not find any material misstatement in the management's review.

Copenhagen, 28 May 2018

Christensen Kjarulff
Statsautoriseret Revisionsaktieselskab
Company reg. no. 15 91 56 41


Iver Haugsted
State Authorised Public Accountant
MNE-nr. 10678



Company data

The company	manroland Nordic Denmark A/S Lautruphøj 1-3 2750 Ballerup
	Company reg. no. 35 63 46 14 Established: 2 March 1972 Domicile: Ballerup Financial year: 1 January - 31 December
Board of directors	Rafael Penuela Torres Stefan Guba Björn Gustafsson
Managing Director	Björn Gustafsson
Auditors	Christensen Kjærulff Statsautoriseret Revisionsaktieselskab Store Kongensgade 68 1264 København K



Management's review

The principal activities of the company

The Company's activities consist of trade and agency business within the graphic business sector.

Development in activities and financial matters

The gross profit for the year is DKK 1,0m against DKK 0,9m last year. The results from ordinary activities after tax are DKK -0,2m against DKK -0,3m last year.

The management consider based on the improvement the result as satisfactory and does aim to reach breakeven during 2018.

Further information to the provision in the amount of DKK 483.940 (on page 9)

The provision 31 December 2017 in the amount of 483.940 is for the remaining warranty obligation term (initially warranty term was 12 month) regarding the two new manroland sheetfed machines sold in 2017. The warranty provision is set up according the group policy for warranty obligation.



Profit and loss account 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2017</u>	<u>2016</u>
Gross profit	992.784	893.293
1 Staff costs	<u>-1.154.918</u>	<u>-1.194.152</u>
Operating profit	-162.134	-300.859
Other financial income	8	9.372
Other financial costs	<u>-46.349</u>	<u>-58.358</u>
Results before tax	-208.475	-349.845
Tax on ordinary results	<u>0</u>	<u>0</u>
Results for the year	-208.475	-349.845
Proposed distribution of the results:		
Allocated from results brought forward	<u>-208.475</u>	<u>-349.845</u>
Distribution in total	-208.475	-349.845



Balance sheet 31 December

All amounts in DKK.

Assets	2017	2016
<u>Note</u>	<u>2017</u>	<u>2016</u>
Fixed assets		
Other debtors	2.980	2.980
Financial fixed assets in total	2.980	2.980
Fixed assets in total	2.980	2.980
Current assets		
Manufactured goods and trade goods	533.507	880.299
Inventories in total	533.507	880.299
Trade debtors	496.733	553.308
Amounts owed by group enterprises	2.218.473	1.775.137
Deferred tax assets	200.000	200.000
Accrued income and deferred expenses	0	7.920.220
Debtors in total	2.915.206	10.448.665
Available funds	324.139	891.161
Current assets in total	3.772.852	12.220.125
Assets in total	3.775.832	12.223.105



Balance sheet 31 December

All amounts in DKK.

Equity and liabilities			
<u>Note</u>		<u>2017</u>	<u>2016</u>
Equity			
2	Contributed capital	2.000.000	2.000.000
3	Results brought forward	-1.392.282	-1.183.807
	Equity in total	<u>607.718</u>	<u>816.193</u>
Provisions			
	Provisions for pensions and similar obligations	483.940	0
	Provisions in total	<u>483.940</u>	<u>0</u>
Liabilities			
	Trade creditors	357.741	337.597
	Debt to group enterprises	1.381.191	748.483
	Other debts	945.242	10.250.832
	Accrued expenses and deferred income	0	70.000
	Short-term liabilities in total	<u>2.684.174</u>	<u>11.406.912</u>
	Liabilities in total	<u>2.684.174</u>	<u>11.406.912</u>
	Equity and liabilities in total	<u>3.775.832</u>	<u>12.223.105</u>



Notes

All amounts in DKK.

	<u>2017</u>	<u>2016</u>
1. Staff costs		
Salaries and wages	1.150.375	1.189.115
Pension costs	0	-1.115
Other costs for social security	4.543	4.543
Other staff costs	0	1.609
	<u>1.154.918</u>	<u>1.194.152</u>
Average number of employees	<u>2</u>	<u>2</u>
2. Contributed capital		
Contributed capital 1 January	<u>2.000.000</u>	<u>2.000.000</u>
	<u>2.000.000</u>	<u>2.000.000</u>
The share capital consists of 4 shares, each with a nominal value of DKK 500 thousand. No shares hold particular rights.		
3. Results brought forward		
Results brought forward 1 January	-1.183.807	-833.962
Profit or loss for the year brought forward	-208.475	-349.845
	<u>-1.392.282</u>	<u>-1.183.807</u>



Accounting policies used

The annual report for manroland Nordic Denmark A/S is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises.

The accounting policies used are unchanged compared to last year, and the annual accounts are presented in Danish kroner (DKK).

Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

Translation of foreign currency

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials.

Debtors, creditors, and other monetary items in foreign currency are translated by using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or the recognition in the latest annual accounts of the amount owed or the liability is recognised in the profit and loss account under financial income and expenses.

The profit and loss account

Gross profit

The gross profit comprises the net turnover, changes in inventories of finished goods and work in progress, work performed for own purposes and capitalised, other operating income, and external costs.



Accounting policies used

The net turnover comprises the value of services provided during the year, including outlay for customers less VAT and price reductions directly associated with the sale.

The turnover is recognised in the profit and loss account when the sale has been completed. This is generally considered to be the case when:

- The service has been provided before the end of the financial year
- There is a binding sales agreement
- The sales price has been determined
- The payment has been received, or it can with reasonable assurance be expected to be received.

Hereby, it is ensured that recognition does not take place until the total income and costs as well as the scope of completion on the balance sheet date can be determined reliably, and when it is likely that the economic benefits, including payments, will be received by the enterprise.

Costs of sales includes costs for the purchase of raw materials and consumables less discounts and changes in inventories.

Other external costs comprise costs for distribution, sales, advertisement, administration, premises and loss on debtors..

Staff costs

Staff costs include salaries and wages including holiday allowances, pensions and other costs for social security etc. for staff members. Staff costs are less public reimbursements.

Net financials

Net financials comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the profit and loss account with the amounts that concerns the financial year.

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The balance sheet

Inventories

Inventories are measured at cost on basis of measured average prices. In case the net realisable value is lower than the cost, writedown takes place at this lower value.

Inventories are measured at cost on basis of the FIFO method. In case the net realisable value of the inventories is lower than the cost, writedown takes place to this lower value.



Accounting policies used

The cost for trade goods, raw materials, and consumables comprises the acquisition cost with the addition of the delivery costs.

The net realisable value for inventories is recognised as the market price with deduction of completion costs and selling costs. The net realisable value is determined taking into consideration the negotiability, obsolescence, and development of the expected market price.

Debtors

Debtors are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedown takes place at the net realisable value.

Accrued income and deferred expenses

Accrued income and deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

Available funds

Available funds comprise cash at bank and in hand.

Corporate tax and deferred tax

Current tax receivable and tax liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

Deferred tax assets, including the tax value of tax losses eligible for carry-over, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax.

Other provisions

Provisions comprise expected costs for guarantee liabilities, loss on work in progress, restructuring, etc. Provisions are recognised when the company has a legal or actual liability which is due to a previous event and when it is likely that the settlement of the liability will result in expenditure of the financial resources of the company.

If the settlement of the liability is expected to take place in some remote future, provisions are measured at the net realisable value or at fair value.



Accounting policies used

Guarantee liabilities comprise liabilities for repairs within the guarantee period of 1-5 years. The provisions are measured at the net realisable value and recognised on basis of the obtained experience with guarantee work. If provisions have an expected due date later than 1 year from the balance sheet date, they are discounted at the average bond interest.

Liabilities

Other liabilities are measured at amortised cost which usually corresponds to the nominal value.

Accrued expenses and deferred income

Received payments concerning income during the following years are recognised under accrued expenses and deferred income.