Stibo Complete A/S

Saturnvej 65, 8700 Horsens

CVR no. 35 84 41 20

Annual report 2018/19

Approved at the Company's annual general meeting on 21 June 2019

Chairman:

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Contents

Statement by Management

The Board of Directors and the Executive Board have today discussed and approved the annual report of Stibo Complete A/S for the financial year 1 May 2018 - 30 April 2019.

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

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 30 April 2019 and of the results of the Group's and the Parent Company's operations as well as the consolidated cash flows for the financial year 1 May 2018 - 30 April 2019.

Further, in our opinion, the Management's review gives a fair review of the development in the Group's and the Parent Company's operations and financial matters, the results for the year and the Group's and the Parent Company's financial position.

We recommend that the annual report be approved at the annual general meeting.

Horsens, den 21 June 2019
Executive Board:

Søren S. Henriksen
CEO

Board of Directors:

Carsten Christensen Chairman	Søren Hove	Søren S. Henriksen

Independent auditor's report

To the shareholders of Stibo Complete A/S

Opinion

We have audited the consolidated financial statements and the parent company financial statements of Stibo Complete A/S for the financial year 1 May 2018 - 30 April 2019, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for the Group and the Parent Company, and a consolidated cash flow statement. The consolidated financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 30 April 2019 and of the results of the Group's and the Parent Company's operations as well as the consolidated cash flows for the financial year 1 May 2018 - 30 April 2019 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 the parent company financial statements" (hereinafter collectively referred to as "the financial statements") section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

Management's responsibilities for the financial statements

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 and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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 financial statements unless Management either intends to liquidate the Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the 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 ISAs and 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 the financial statements.

Independent auditor's report

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 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 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 Parent Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the 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 performance 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.

Statement on the Management's review

Management is responsible for the Management's review.

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

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

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

Independent auditor's report

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Aarhus, 21 June 2019
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Jens Weiersøe Jakobsen
State Authorised
Public Accountant
mne30152

Søren Jensen
State Authorised
Public Accountant
mne34132

Management's review

Company details

Name	Stibo Complete A/S
Address	Saturnvej 65, DK-8700 Horsens
CVR no.	35 84 41 20
Established	23 April 2014
Registered office	Horsens
Financial year	1 May - 30 April
Board of Directors	Carsten Christensen, Chairman Søren Hove Søren S. Henriksen
Executive Board	Søren S. Henriksen, CEO
Audit	Ernst & Young Godkendt Revisionspartnerselskab Vaerkmestergade 25, DK-8000 Aarhus C

Management's review

Financial highlights for the Group

DKK'000	2018/19	2017/18	2016/17	2015/16	2014/15
Key figures					
Revenue	1,026,073	938,056	979,018	1,043,371	1,051,229
Gross margin	327,988	277,433	294,884	305,832	296,230
EBITDA	69,074	58,310	64,386	94,619	80,423
Operating profit/loss	9,551	2,893	5,519	29,965	27,463
Profit/loss before net financials	9,551	2,893	5,519	29,965	30,224
Profit/loss from net financials	-2,616	-14,119	-5,253	1,478	-7,247
Profit/loss before tax	6,935	-11,226	266	31,443	22,950
Profit/loss for the year	**5,643**	**-8,546**	**56**	**25,470**	**20,708**
Fixed assets	190,182	196,083	213,752	271,660	299,155
Current assets	307,123	330,292	290,026	298,672	263,409
Total assets	**497,305**	**526,375**	**521,778**	**570,332**	**562,564**
Share capital	25,000	25,000	25,000	25,000	25,000
Equity	**282,560**	**278,304**	**288,681**	**312,365**	**286,551**
Provisions	13,457	14,736	16,607	18,629	19,289
Non-current liabilities other than provisions	8,598	0	9,662	18,034	25,986
Current liabilities other than provisions	192,690	233,335	206,828	221,304	230,738
Investments for the year in property, plant and equipment	38,930	21,489	20,046	46,224	30,113
Financial ratios %					
Profit margin	0.9	0.3	0.6	2.9	2.6
Return on capital employed	2.3	0.7	1.1	5.7	5.0
Gross margin	32.0	29.6	30.1	29.3	28.2
Equity ratio	56.8	52.9	55.3	54.8	50.9
Return on equity	2.0	-3.0	0.0	8.5	7.5
Average number of employees	505	420	437	387	407

For terms and definitions, please see the accounting policies.

Management's review

Operating review

Stibo Complete A/S is the Parent Company of Scandinavia's largest manufacturer of physical marketing materials and is the owner of the companies: Color Print A/S, Stibo Graphic A/S and Distribution Plus A/S (70%-ownership) in Denmark and Sörmlands Printing Solutions AB, Stibo Media AB and Gigant Print AB in Sweden.

What we do

Stibo has existed as a printing house for more than 225 years, and today, we are one of the largest and strongest players in Scandinavia. There is still, and for many years to come will be a large market for graphic products in Scandinavia for players that are able to adjust to a changing market. And Stibo Complete is in the best possible position to take advantage of this market thanks to its market position, specialist expertise and solid, forward-looking ownership as a foundation-owned company.

Stibo Complete is undergoing a major restructuring process to keep in line with the market, which is also currently undergoing structural changes. There is a large market for printed matters in web offset, sheet fed offset and digital printing, but it is on the decrease. On the other hand, the market for productions for in-store, outdoor and event assignments is on the increase. We are therefore in the process of changing over from a large printing house with relatively few but very large order volumes to a graphic supermarket with a very wide and varied selection of products.

We offer design, development and production services and distribution of physical marketing materials as well as related storage and logistics services. We are working intensively to expand our position as the leading one-stop supplier of physical marketing materials for Scandinavian chain customers and retail outlets.

The year's headlines:

1. Structural market changes with increasing digitalisation are affecting all businesses engaged in the printing industry. We are continually assessing the possibility to combine physical and digital marketing materials in order to provide effective solutions to our customers. We have strengthened our cooperation with our affiliated companies CCI Europe and Stibo Systems.
2. Stibo Complete is undergoing a restructuring process from a large printing house to a graphic supermarket. Through acquisition and integration of the large format printing company Gigant Print in Norrköping, we made a quantum leap in this transformation in 2018/19. Gigant Print is market leader in Sweden within the development and production of in-store, outdoor and event assignments for the largest Scandinavian retail chains and event organizers. Making customised marketing portals available for large customers has been a success. The marketing portal makes it easier for customers, reduces costs and provides more flexibility.
3. Several very large competitors within the heatset print industry in Europe have gone bankrupt because of the falling market and the heavy increase in the price of paper and distribution costs. We expect to see many bankruptcies in Europe in the coming period.
4. Our market share in Sweden grew again in 2018/19. Sweden is the largest and most interesting growth market for Stibo Complete, and we are still planning to expand our activities at the facilities in Katrineholm and Norrköping.
5. Distribution Plus purchased and installed three large packing lines in 2018 in order to provide customers with addressless distribution to 'Kontor & Butik' (Offices & Shops) under the name "Alt Til Erhverv" (a solution for mail distribution to the business sector) - a service that PostNord had dropped. The relaunch of the service and investments in a competitive set-up at the facility in Vadum have been well received by existing as well as new customers. Together with PostNord, we have further developed the magazine mailing service "Storindlevering" (large delivery of mail), which means that part of the major price increase for many magazines which were previously in the addressless segment has now been reversed to addressed distribution.

Management's review

Operating review

The fundamental and structural changes in the market are also reflected in the 2018/19 financial statements. The increase in revenue is attributable to the acquisition of Gigant Print. Without the acquisition of Gigant Print, revenue would have been in line with revenue in 2017/18, which is considered satisfactory in a decreasing market.

In the coming years, it is still important to invest in transforming our printing house into a graphic supermarket and that we continue the positive trend in Sweden and gain more market shares.

Stibo Complete's financial statements show a relatively high depreciation/amortisation level in the subsidiaries, and the subsidiaries overall generate, as in previous years, an acceptable EBITDA level and a considerable positive cash flow to the Group.

The financial statements for 2018/19 are considered satisfactory and are also better than expected. The profit for the year should be assessed in the light of the many bankruptcies within the industry and structural changes in the market as well as a continued weakening of the Swedish and the Norwegian krone. Norway and Sweden are the primary geographical market segments and together they account for more than 50% of total revenue.

Financial ratios (consolidated entities)

Revenue	DKK 1,026 million (2017/18: DKK 938 million)
Profit before tax:	DKK 7 million (2017/18: DKK -11 million)
EBITDA	DKK 69 million (2017/18: DKK 58 million)
Equity	DKK 283 million (2017/18: DKK 278 million)
Number of employees	505 (420 in 2017/18)

Events after the balance sheet date

Subsequent to the financial year end, Stibo Complete decided to make the following investments:

Stibo Complete invested a double-digit multi-million amount in new technology for the facilities in Horsens. The new sheet fed printing machine is expected to come into operation at the end of 2019. The circulation volume is decreasing and the number of orders is increasing. The new market conditions require fast turn-around between the different orders and a minimum consumption of resources (energy and paper), which is precisely one of the criteria for this investment.

Due to increasing demand in Sweden, we have decided to move a heatset printing machine from Denmark to our facilities in Katrineholm, which will come into operation around 1st of October 2019.

Outlook

Today, Stibo Complete is market leader in Scandinavia. We are still investing heavily in business development and in the consolidation of the industry. We offer a wide range of graphic services, and therefore our long-term expectations are positive.

Management expects that the described market trend will continue in the coming years. Measures already taken and investments made are expected to foster further growth of our market shares in Sweden and in particular growth in the sale of new graphic services. Thus, Management expects that Stibo Complete's results of operations in 2019/20 will be affected by the ongoing transformation, but its business will be strengthened. The Company expects to report results of operations in line with 2018/19, but with a positive effect if the Swedish and the Norwegian kroner increase vis-a-vis the Danish kroner.

Management's review

Operating review

Risks

Future market risks are currently related to high distribution prices for publishers, mainly due to changes in PostNord, and naturally, this may imply that they select other marketing solutions, resulting in a further decrease in market demand.

Statutory corporate social responsibility statement under section 99a of the Danish Financial Statements Act

The corporate social responsibility report for Stibo Complete A/S and its subsidiaries covers the financial reporting period 1 May 2018 - 30 April 2019. Stibo Complete A/S is a subsidiary in the Stibo A/S Group.

Stibo Complete is one of Scandinavia's leading players in the areas of designing, developing, producing and distributing physical marketing materials and provides publication and magazine solutions. The Company's vision is to provide marketing and communications services that generate maximum value for the customers. Stibo Complete offers services within the design, development, production and distribution of physical marketing materials and printed media as well as storage and logistics services.

The Company's core business is to purchase materials that are subsequently used for printing and finishing. Stibo Complete has production activities and employees at four locations in Denmark and at three locations in Sweden. Stibo Complete's suppliers of raw materials and services are located in Scandinavia and in Central Europe.

Corporate social responsibility policies

Stibo Complete operates with an integrated management system which is certified to ISO 14001 and quality certified to ISO 9001. Stibo Complete has incorporated corporate social responsibility policies in its quality and environmental strategy for the Company:

Vision

Stibo Complete's vision is to provide communications services that generate maximum value for the customers. Experience, professional qualifications and an understanding for customers' products and markets will enable us to always advise our customers on the optimum financial solution and at the same time live up to our customers' expectations of quality.

Environment and sustainability are of great importance to our business and our customers. We will therefore continue to be among the leading companies within environment, and together with our customers and suppliers, we will make a joint effort to reduce our environmental impact through new environmental initiatives.

Strategy

Stibo Complete works actively and targeted with environment and quality. We engage in open communication about the Company's environmental and quality-related matters and ensure by means of fixed procedures that the Company's quality and environmental strategy is incorporated in the employees' working day.

Management's review

Operating review

We live up to current legislation, and through continuous development and improvements, we work on the below main focus areas:

Environment

- Maintain the environmental certification to ISO 14001.
- Offer traceability certification according to FSC® and PEFC and well as ecolabelling according to the Swan Ecolabel and/or EU Ecolabel.
- Prepare ClimateCalc climate accounts
- Prevent pollution and reduce the environmental impact by continuously setting ambitious targets for future efforts.

Quality

- Maintain the quality certification to ISO 9001.
- Work on fixed procedures to ensure a uniform high quality in accordance with the individual customer's product quality requirements.
- Develop and improve processes, procedures and production methods by setting targets for future efforts.

Social

- To be acceded to and comply with the graphical CSR-code (*www.grakom.dk/csr*)
- Maintain social obligations in accordance with current collective agreements for employees for our activities in Denmark and Sweden.
- Make demands on and to the extent relevant check suppliers and other business partners nationally and internationally within the framework of corporate social responsibility.

Working environment

- Ensure a healthy and secure working environment for our employees.
- Involve our employees in the ongoing work to improve the working environment.
- Improve the working environment on a continuous basis through workplace assessments.

As stated in the strategy, Stibo Complete has acceded to the graphical CSR code, which is based on the ten principles of the UN Global Compact, but has been made more action-oriented for the graphic industry. The Graphic CSR code lays down the framework for Stibo Complete's work with the ten principles of the UN Global Compact.

Environment and climate

Stibo Complete has companies in Denmark and in Sweden, and the activities are subject to the respective national environmental legislative requirements. Stibo Complete has a management system which is environmentally certified to ISO 14001 and quality certified to ISO 9001. The production entities that print on paper are licensed to Nordic Swan Ecolabel and, as regards the Danish entities, also the EU Ecolabel. The entities also carry the traceability label according to FSC and PEFC, which documents that the wood fibres originate from well-managed forestry. Moreover, the entity is ClimateCalc certified to calculate the climate impact at entity level as well as at product level.

Management's review

Operating review

Based on the most important environmental impacts for the printed products seen in a life cycles perspective, Stibo Complete is continuously working on improving quality as well as environment. This means that the following targets and action plans for improvements have been set for the following areas:

- **Errors and complaints**
  We strive to always deliver high quality in accordance with customer expectations. Errors reduce the competitive power as costs will increase and customer satisfaction will decrease. Errors also implies a risk of increased direct and indirect environmental impacts as life cycle assessments show that paper, printing ink, printing plates and energy make up more than 90% of the total environmental impact when producing printed products. We will reduce the number of errors through regular follow-up and streamlining of procedures and production facilities. Errors imply an increased risk of losing customers and revenue.

- **Materials consumption**
  Consumption and waste of paper and other substrates make up the most significant environmental impact in the production of printed materials, and we will continuously work on reducing waste by efficiency measures and technical improvements.

- **Energy consumption**
  The consumption of energy is one of the main environmental impacts from printed products, and we continuously strive to map and measure the energy consumption in order to optimise energy consumption.

There is a direct correlation between the performance in the above-mentioned areas and the Company's carbon footprint as regards Stibo Complete's activities. As emissions vary according to the volumes produced, climate impact is reported as emission per produced product for the past three years as shown in the table below:

Categorisation of emissions	Unit	2016[b]	2017[b]	2018[b]
Direct emissions (Scope 1[a])	kg CO_2 eq/kg	0.09	0.09	0.09
Indirect emissions from the purchase of electricity and heating (Scope 2[a])	kg CO_2 eq/kg	0.18	0.10	0.09
Other indirect emissions relating to the activities (Scope 3[a])	kg CO_2 eq/kg	1.12	1.06	0.98
Total emission	**kg CO_2 eq/kg**	**1.39**	**1.25**	**1.15**

a: The emissions are categorised according to the GHG Protocol Corporate Accounting and Reporting Standard: www.ghgprotocol.org.

b: The climate calculation is stated according to the international calculation tool: www.climatecalc.eu. Data is based on the latest certified climate accounts in 2016, 2017 and 2018.

The table shows that the climate impact per produced product decreased by approx. 17% from 2016 to 2018. A climate impact of approx. 1.2 kg CO2 eq/kg is assessed to be low considering similar products on the market. The reduction is attributable to Stibo Complete's long-standing focus on the environment and the energy consumption of the Company's divisions.

In the 2018/19 financial year, energy savings were realised, which implied a reduction of a total of 2,102 MWh in heat consumption and 186 MWh in energy consumption. Specific goals for energy improvements have been initiated and will be evaluated in the coming financial year, corresponding to 589 MWh in heat consumption.

The main risks relating to environment and climate are assessed to be the many new materials and printing substrates in large format print. The environmental and climate impact from the production of the materials is not known to the same degree as it is with paper materials, and moreover, knowledge of the optimum disposal of materials after production and usage by the customer does not always suffice. Accordingly, an action plan has been initiated to analyse existing as well as alternative materials.

Risks relating to environment and climate in the supplier chain are described in the section "Risk management and due diligence".

Management's review

Operating review

Social and staff matters

Stibo Complete has companies in Denmark and in Sweden, and the activities are subject to the respective national environmental legislative requirements regarding freedom of association and working environment. The entities follow the collective agreements for graphic workers and salaried employees, and works councils have been formed in all entities to discuss terms and conditions of employment as well as working conditions.

All entities organise working environment activities, and working environment representatives have been elected, who together with Management carry out workplace assessments and lay down actions for improving the working environment. The management system in Stibo Complete has procedures for the working environment.

All employees are trained and receive instructions to ensure a sound and safe working environment, and protective equipment is available at the working stations where such equipment is relevant.

The most significant risks relate to industrial accidents. Preventive measures are taken to hinder industrial accidents in all entities, and procedures have been laid down for registration and handling near accidents within the framework of the working environment organisations.

Risks relating to social and staff matters in the supplier chain are described in the section "Risk management and due diligence".

Human rights

Stibo Complete has companies in Denmark and in Sweden, and the activities are subject to the respective national legislative requirements regarding human rights. Stibo Complete follows the collective agreements for graphic workers and salaried employees, and works councils have been formed in all entities to discuss terms and conditions of employment as well as to discuss any complaints made by the employees.

Due to the geographical location of the activities in Denmark and Sweden, no risks relating to human rights have been identified.

Risks relating to human rights in the supplier chain are described in the section "Risk management and due diligence". In 2018/19, no breach of human rights according the graphic CSR code was observed.

Anti-corruption

All financial activities in Stibo Complete are subject to Danish as well as Swedish accounting legislation, which among others include the obligation of auditor's reports on the financial statements.

The CEO of Stibo Complete approves all major purchasing agreements. Moreover, segregation of duties is established between purchaser, bookkeeper/payment creation as well as payment approver in Stibo Complete.

The Board of Directors in Stibo Complete always approves investments before any investments are made. The Board of Directors in Stibo A/S (parent company) approves major investments such as acquisition of entities and major machinery.

In the framework of Stibo A/S, a whistle-blower scheme has been set up under which employees may report their concerns regarding potential illegal activities or serious violations of internal policies that may affect the entity or that may have a significant impact on private individuals' life and health. No issues were reported under the whistle-blower scheme in the financial year.

Management's review

Operating review

Risk management and due diligence

Risk management of CSR matters in the supplier chain is an integral part of the procedure for supplier management in the Company's management system. Risk management is based on the principles described in the guidelines to DS 49001:2011 and in the framework laid down in the Graphic CSR code.

The risk assessment is made for the various types of suppliers by dividing the suppliers according to their geographical areas: Denmark/Sweden, inside and outside the EU.

Based on the risk assessment, the suppliers are categorised according to three levels that define risk monitoring.

- Low risk: Risk management is carried out through Ecolabels, certificates and publicly available registers.
- Medium risk: Risk management is carried out through questionnaires.
- High risk: Risk management is carried out through questionnaires and supplier audits or through the retrieval of independent third party documentation.

Current suppliers are assessed to be "low" or "medium" risk, and measures have been taken to manage the risks accordingly.

Goals and policies for the underrepresented gender under section 99b of the Danish Financial Statements Act

Target number for female members on the Board of Directors

Specific professional and personal skills, qualifications and experience are focal points when appointing new candidates for Stibo's Board of Directors. Stibo believes that diversity and versatility among the employees, including gender composition, contribute to an innovative organisation and a positive working environment.

Stibo Complete has set up a target of 33% for the underrepresented gender on the Board of Directors, which should be achieved before 2025, corresponding to one female member.

Status for the Stibo Complete Group's reportable companies is that the Boards of Directors in Stibo Complete A/S, Stibo Graphic A/S and Color Print A/S have three members elected by the general meeting, who are all men, which means that the target number has not been achieved. The reason is that the best qualified candidates in connection with the election for the Boards of Directors in 2018/19 were men.

Policy for increasing the share of the underrepresented gender on the Executive Board and at other levels of management

The Stibo Complete Group hires employees based on their professional competences, experience and personality and offers sound working conditions for all employees. The Stibo Group wishes to encourage everyone to realise their potential in accordance with personal ambitions and goals.

Today, female managers in the Stibo Complete Group are underrepresented at all levels of management. We must acknowledge that Stibo Complete's industry is relatively male dominated. It is apparent taking into consideration the relatively few women who choose an education within the graphic professions. Therefore, Stibo Complete has not laid down any specific target numbers for the share of future female managers, but basically, we will aim at a gender composition that reflects the gender composition among our employees.

The gender composition is a focal point in connection with internal recruitment of managers and discussions with recruitment agencies used for hiring managers. Our objective is to have male and female candidates among our candidates for new positions.

The share of the underrepresented gender on the Executive Board is the same as in the 2017/18 financial year.

Consolidated financial statements and parent company financial statements 1 May - 30 April

Income statement

Note	DKK'000	Group 2018/19	Group 2017/18	Parent Company 2018/19	Parent Company 2017/18
2	**Revenue**	1,026,073	938,056	0	0
	Changes in inventories of work in progress	232	25	0	0
3	Other operating income	23,014	24,580	0	0
		1,049,319	962,661	0	0
	Raw materials and consumables	-629,143	-598,671	0	0
	Other external expenses	-92,188	-86,557	-50	0
	Gross margin	327,988	277,433	-50	0
4	Staff costs	-257,993	-218,181	0	0
5	Depreciation, amortisation and impairment losses	-60,444	-56,359	0	0
	Other operating expenses	0	0	0	0
	Operating profit/loss	9,551	2,893	-50	0
11	Profit/loss after tax in group entities	0	0	4,094	-10,070
6	Financial income	1,222	529	253	0
7	Financial expenses	-3,838	-14,648	0	0
	Profit/loss before tax	6,935	-11,226	4,297	-10,070
8	Tax for the year	-1,292	2,680	-45	0
	Profit/loss for the year	5,643	-8,546	4,252	-10,070

Broken down as follows:

	2018/19	2017/18
Shareholders in Stibo Complete A/S	4,252	-10,070
Non-controlling interests	1,391	1,524
	5,643	-8,546

Proposed distribution of profit/loss

DKK'000

	2018/19	2017/18
Proposed dividend	0	0
Transfer to reserve for net revaluation according to the equity method	4,094	-10,070
Retained earnings	158	0
	4,252	-10,070

Consolidated financial statements and parent company financial statements 1 May - 30 April

Balance sheet

		Group		Parent Company	
Note	DKK'000	2018/19	2017/18	2018/19	2017/18
	ASSETS				
	Fixed assets				
9	**Intangible assets**				
	Goodwill	14,116	0	0	0
10	**Property, plant and equipment**				
	Land and buildings	19,896	0	0	0
	Plant and machinery	139,342	179,503	0	0
	Fixtures and fittings, tools and equipment	4,653	4,543	0	0
		163,891	184,046	0	0
	Investments				
11	Investments in group entities	0	0	341,920	310,635
	Deposits	12,175	12,037	0	0
		12,175	12,037	341,920	310,635
	Total fixed assets	190,182	196,083	341,920	310,635
	Current assets				
	Inventories				
	Raw materials and consumables	58,140	50,036	0	0
	Work in progress	10,879	10,647	0	0
		69,019	60,683	0	0
	Receivables				
	Trade receivables	137,632	146,858	0	0
	Receivables from group entities	0	46	0	0
13	Deferred tax asset	18	240	0	0
	Corporation tax	711	1,361	0	0
	Other receivables	14,618	3,551	0	0
	Prepayments	6,377	5,830	0	0
		159,356	157,886	0	0
	Cash	78,748	111,723	0	0
	Total current assets	307,123	330,292	0	0
	TOTAL ASSETS	497,305	526,375	341,920	310,635

Consolidated financial statements and parent company financial statements 1 May - 30 April

Balance sheet

Note	DKK'000	Group 2018/19	Group 2017/18	Parent Company 2018/19	Parent Company 2017/18
	EQUITY AND LIABILITIES				
	Equity				
12	Share capital	25,000	25,000	25,000	25,000
	Reserve for net revaluation acc. to the equity method	0	0	41,414	38,859
	Retained earnings	250,720	248,007	209,306	209,148
	Proposed dividend	0	0	0	0
	Shareholders in Stibo Compete A/S' share of equity	275,720	273,007	275,720	273,007
	Non-controlling interests	6,840	5,297	0	0
	Total equity	282,560	278,304	275,720	273,007
	Provisions				
13	Deferred tax	13,457	14,736	0	0
	Total provisions	13,457	14,736	0	0
	Liabilities other than provisions				
14	**Non-current liabilities other than provisions**				
	Mortgage credit institutions (lease liabilities)	2,005	0	0	0
	Other payables	6,593	0	6,593	0
		8,598	0	6,593	0
	Current liabilities other than provisions				
14	Current portion of non-current liabilities other than provisions	1,701	9,662	0	0
	Prepayments from customers	1,253	1,692	0	0
	Trade payables	28,268	31,805	0	0
	Payables to group entities	110,784	143,567	59,512	37,628
	Corporation tax	5,191	136	45	0
	Other payables	45,493	46,473	50	0
		192,690	233,335	59,607	37,628
	Total liabilities other than provisions	201,288	233,335	66,200	37,628
	Total equity and liabilities	497,305	526,375	341,920	310,635

1 Accounting policies
15 Charges, collateral and contingent liabilities
16 Rental and lease commitments
17 Currency risks and use of derivative financial instruments
18 Related parties

Consolidated financial statements and parent company financial statements 1 May - 30 April

Statement of changes in equity

Group

DKK'000	Share capital	Retained earnings	Proposed dividend	Total	Non-controlling interests	Total equity
	Shareholders in Stibo Complete A/S					
Equity at 1 May 2017	25,000	259,898	0	284,898	3,773	288,671
Profit/loss for the year	0	-10,070	0	-10,070	1,524	-8,546
Exchange rate adjustments resulting from translation of foreign entities	0	-1,658	0	-1,658	0	-1,658
Value adjustments for the year of hedging instruments	0	-163	0	-163	0	-163
Distributed dividend	0	0	0	0	0	0
Equity at 30 April 2018	25,000	248,007	0	273,007	5,297	278,304
Profit/loss for the year	0	4,252	0	4,252	1,391	5,643
Exchange rate adjustments resulting from translation of foreign entities	0	-1,492	0	-1,492	-2	-1,494
Value adjustments for the year of hedging instruments	0	-58	0	-58	0	-58
Additions related to acquisitions	0	0	0	0	172	172
Changed ownership interest, non-controlling interest	0	11	0	11	-18	-7
Equity at 30 April 2019	25,000	250,720	0	275,720	6,840	282,560

Parent Company

DKK'000	Share capital	Retained earnings	Net revaluation according to the equity method	Proposed dividend	Total
Equity at 1 May 2017	25,000	209,148	50,750	0	284,898
Profit/loss for the year	0	0	-10,070	0	-10,070
Exchange rate adjustments resulting from translation of foreign entities	0	0	-1,658	0	-1,658
Value adjustments for the year of hedging instruments	0	0	-163	0	-163
Distributed dividend	0	0	0	0	0
Equity at 30 April 2018	25,000	209,148	38,859	0	273,007
Profit/loss for the year	0	158	4,094	0	4,252
Exchange rate adjustments resulting from translation of foreign entities	0	0	-1,492	0	-1,492
Value adjustments for the year of hedging instruments	0	0	-58	0	-58
Changed ownership interest, non-controlling interest	0	0	11	0	11
Equity at 30 April 2019	25,000	209,306	41,414	0	275,720

Consolidated financial statements and parent company financial statements 1 May - 30 April

Cash flow statement

Note	DKK'000	Group 2018/19	Group 2017/18
	Operating profit/loss	9,551	2,893
	Adjustment for non-cash operating items, etc.:		
5	Depreciation, amortisation and impairment losses	59,523	55,417
	Adjustment of profits on the sale of non-current assets	-3,345	-4,273
	Cash generated from operations before changes in working capital	65,729	54,037
	Changes in working capital	-13,255	-17,929
	Cash generated from operations	52,474	36,108
6	Financial Income, paid	1,222	529
7	Financial expenses, paid	-3,838	-14,648
	Other adjustments	-393	499
	Cash generated from operations (ordinary activities)	49,465	22,488
	Corporation tax paid	1,441	-2,684
	Cash flows from operating activities	50,906	19,804
10	Acquisition of property, plant and equipment	-7,352	-21,489
	Disposal of property, plant and equipment	4,147	4,597
	Changes in non-current receivables	-138	-194
	Acquisition of entities	-21,864	0
	Acquisition of non-controlling interest	-7	0
	Cash flows from investing activities	-25,214	-17,086
	Changes in receivables from group enterprises	-32,783	48,344
	Changes in non-current liabilities	-24,698	-8,373
	Cash flows from financing activities	-57,481	39,971
	Cash flows for the year	-31,789	42,689
	Cash and cash equivalents, beginning of year	111,723	69,599
	Exchange rate adjustments, cash, beginning of year	-1,186	-565
	Cash and cash equivalents, year end	78,748	111,723

The cash flow statement cannot be directly derived from the other components of the consolidated financial statements and the parent company financial statements.

Consolidated financial statements and parent company financial statements 1 May - 30 April

Notes

1 **Accounting policies**

The annual report of Stibo Complete A/S for 2018/19 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to large reporting class C entities.

In accordance with section 96 of the Danish Financial Statements Act, the Company does not disclose information on fees to the auditors appointed at the annual general meeting as the Company is included in Stibo-Fonden's audit note.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Consolidated financial statements

The consolidated financial statements comprise the Parent Company, Stibo Complete A/S, and subsidiaries in which Stibo Complete A/S - directly or indirectly - holds more than 50 % of the voting rights or otherwise has a controlling interest.

On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends, and realised and unrealised gains and losses on intra-group transactions are eliminated.

Investments in subsidiaries are set off against the proportionate share of the subsidiaries' fair value of net assets and liabilities at the acquisition date. Newly acquired or formed entities are recognised in the consolidated financial statements from the date of acquisition. Entities sold or otherwise disposed of are recognised in the consolidated income statement until the date of disposal. Comparative figures are not restated in respect of recently acquired or sold entities.

Gains or losses on disposal of subsidiaries are stated as the difference between the sales amount and the carrying amount of net assets at the date of disposal, including unamortised goodwill, and anticipated disposal costs.

Acquisitions of entities are accounted for using the acquisition method according to which the acquired entities' identifiable assets and liabilities are measured at fair value at the acquisition date.

Any excess of the cost over the fair value of the identifiable assets and liabilities acquired (goodwill), including restructuring provisions, is recognised as intangible assets and amortised on a systematic basis in the income statement based on an individual assessment of the useful life of the asset, not exceeding 20 years.

Business combinations

Newly acquired entities are recognised in the consolidated financial statements from the acquisition date.

The acquisitiondate is the date when the Group actually obtains control of the acquiree.

The purchase method is applied to acquisitions of new businesses over which the Group obtains control. The acquired businesses' identifiable assets, liabilities and contingent liabilities are measured at fair value at the acquisition date. Identifiable intangible assets are recognised if they are separable or arise from a contractual right. Deferred tax on revaluations is recognised.

Non-controlling interests

The subsidiaries' financial statement items are included 100% in the consolidated financial statements. The non-controlling interests' proportionate shares of the subsidiaries' results and equity are adjusted annually and recognised separately in the income statement and balance sheet.

Consolidated financial statements and parent company financial statements 1 May - 30 April

Notes

1 **Accounting policies (continued)**

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rate at the transaction date and the rate at the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Foreign subsidiaries are considered separate entities. Items in the income statements are translated at the exchange rates at the transaction date, and balance sheet items are translated at the exchange rates at the balance sheet date. Foreign exchange differences arising on translation of the opening equity of foreign subsidiaries at the exchange rates at the balance sheet date and on translation of the income statements from average exchange rates to closing rates are taken directly to equity. Foreign exchange adjustments which are considered part of the net investment in foreign operations with another functional currency than DKK are taken directly to equity. Correspondingly, foreign exchange gains and losses on the portion of loans and derivative financial instruments which are designated as hedges of investments in foreign operations are taken to equity.

Derivative financial instruments

On initial recognition, derivative financial instruments are recognised in the balance sheet at cost and are subsequently measured at fair value.

Fair value adjustments of derivative financial instruments designated and qualifying as hedging of the fair value of a recognised asset or liability are recognised in the income statement together with fair value adjustments of the hedged asset or liability.

Fair value adjustments of derivative financial instruments designated and qualifying as hedging of future assets or liabilities are recognised in other receivables or other payables and in equity. Income and expenses relating to such hedging transactions are transferred from equity on the realisation of the hedged item and recognised in the same accounting item as the hedged item.

Income statement

Revenue

Revenue from the sale of goods and services is recognised in the income statement provided that delivery and transfer of risk to the buyer have taken place before year end and that the income can be measured reliably and is expected to be received. Revenue is measured ex. VAT and taxes charged on behalf of third parties.

Changes in inventories of work in progress

Changes in inventories of work in progress include the changes in the year of work in progress.

Consolidated financial statements and parent company financial statements 1 May - 30 April

Notes

1 **Accounting policies (continued)**

Other operating income

Other operating income comprises items secondary to the Company's activities.

Raw materials and consumables

Raw materials and consumables include the year's purchase and the changes in the year of inventories of raw materials and consumables.

Other external expenses

Other external expenses comprise cost for the year primary to the activities of the Company, including costs of premises, administrative expenses, sale, etc.

Staff costs

Staff costs comprise wages and salaries, remuneration, pension and other staff costs regarding the Company's employees, including members of the Executive Board and the Board of Directors.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses comprise depreciation for the year on property, plant and equipment, amortisation of intangible assets and impairment losses.

The basis of depreciation is based on the residual value of the asset at the end of its useful life and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the acquisition date and are reassessed annually. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

In the case of changes in the depreciation period or the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Profit/loss from investments in group entities

The proportionate share of the results after tax of the individual group entities is recognised in the Parent Company's income statement after full elimination of intra-group profits/losses and amortisation of goodwill.

The proportionate share of the results after tax of the associates is recognised in the income statement after elimination of the proportionate share of intra-group profits/losses.

Financial income and expenses

Financial income and expenses comprise interest income and expenses, gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc. Interest expenses are not capitalised.

Tax for the year

The Company is covered by the Danish rules on compulsory joint taxation of the Stibo Group's Danish companies. Subsidiaries are included in the joint taxation from the date when they are included in the consolidated financial statements and up to the date when they are excluded from the consolidation.

Consolidated financial statements and parent company financial statements 1 May - 30 April

Notes

1 **Accounting policies (continued)**

The Parent Company Stibo Holding A/S is the administration company under the joint taxation and accordingly pays all corporation taxes to the tax authorities.

The current Danish corporate income tax charge is allocated between the jointly taxed entities in proportion to their taxable income upon settlement of joint taxation contributions. Loss-making entities receive joint taxation contributions from entities which have been able to apply the losses to reduce their own taxable income.

Tax for the year comprises the year's current tax charge and changes in deferred tax. The tax expense is recognised in profit or loss. The portion attributable to changes in equity is recognised directly in equity.

Balance sheet

Goodwill

Goodwill is amortised over the expected economic life of the asset, measured by reference to Management's experience in the individual business segments. Goodwill is amortised on a straight-line basis over the amortisation period, which is between 8 and 10 years. The amortisation period is fixed on the basis of the expected repayment horizon, longest for strategically acquired business enterprises with strong market positions and long-term earnings profiles.

Property, plant and equipment

Plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Individual components of property, plant and equipment that have different useful lives are accounted for as separate items, which are depreciated separately.

Depreciation is provided on a straight-line basis over the expected useful lives.The expected useful lives are as follows:

Buildings	10-20 years
Plant and machinery	3-15 years
Fixtures and fittings, tools and equipment	3-10 years

The basis of depreciation is based on the residual value of the asset at the end of its useful life and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the acquisition date and are reassessed annually. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

In the case of changes in the depreciation period or the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Gains and losses on the disposal of property, plant and equipment are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. The gains or losses are recognised in the income statement as other operating income or other operating costs, respectively.

Consolidated financial statements and parent company financial statements 1 May - 30 April

Notes

1 **Accounting policies (continued)**

Investments in group entities

Investments in group entities are measured according to the equity method.

Investments in group entities and associates are measured in the balance sheet at the proportionate share of the entities' net asset value according to the Parent Company's accounting policies minus or plus unrealised intra-group gains and losses plus goodwill on consolidation.

Group entities and associates with a negative net asset value are measured at DKK 0, and any receivable is written down by the Parent Company's share of the negative net asset value insofar as it is considered irrecoverable. If the negative net asset value exceeds the amounts owed, the remaining amount is recognised under provisions if the Parent Company has a legal or a constructive obligation to cover the subsidiary's deficit.

Net revaluation of investments in group entities and associates is recognised in the reserve for net revaluation according to the equity method in equity to the extent that the carrying amount exceeds cost.

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value.

Raw materials and consumables are measured at cost, comprising purchase price plus delivery costs.

The cost of finished goods and work in progress includes the cost of raw materials, consumables, manufacturing costs and production overheads.

Receivables

Receivables are measured at amortised cost. Write-down is made for expected losses.

Prepayments

Prepayments comprise costs incurred concerning subsequent financial years.

Dividend

Proposed dividend is recognised as a liability at the date when it is adopted at the annual general meeting (declaration date). Dividend expected to be distributed for the year is presented as a separate line item in equity.

Joint taxation contribution and deferred tax

Joint taxation contribution payable and receivable are recognised in the balance sheet as a separate line item.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax.

Changes in deferred tax resulting from changed tax rates are recognised in the income statement

Consolidated financial statements and parent company financial statements 1 May – 30 April

Notes

1 Accounting policies (continued)

Liabilities other than provisions

Debt to banks is recognised at the date of borrowing at the proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Other liabilities are measured at net realisable value.

Cash flow statement

The cash flow statement shows the Company's cash flows from operating, investing and financing activities for the year, the year's changes in cash and cash equivalents as well as the Group's cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities

Cash flows from operating activities are calculated as the profit/loss for the year adjusted for non-cash operating items, changes in working capital and corporation tax paid.

Cash flows from investing activities

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of intangible assets, property, plant and equipment and investments.

Cash flows from financing activities

Cash flows from financing activities comprise changes in the size or composition of the Company's share capital and related costs as well as the raising of loans, repayment of interest-bearing debt and payment of dividends to shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term bank loans.

Segment information

Stibo Complete only operates within one business segment. Information is provided on geographical markets.

Consolidated financial statements and parent company financial statements 1 May - 30 April

Notes

1 **Accounting policies (continued)**

Financial ratios

The financial ratios stated under "Financial highlights" have been calculated as follows:

Profit margin	$\frac{\text{Operating profit x 100}}{\text{Revenue}}$
Return on capital employed	$\frac{\text{Operating profit x 100}}{\text{Average operating assets}}$
Operating assets	Operating assets comprise total assets less cash and securities
Gross margin	$\frac{\text{Gross profit x 100}}{\text{Revenue}}$
Equity ratio	$\frac{\text{Equity, year-end x 100}}{\text{Total equity and liabilities, year-end}}$
Return on equity	$\frac{\text{Profit/loss for the year x 100}}{\text{Average equity}}$

2 **Segment information**

DKK'000	2018/19	2017/18
Geographical breakdown of revenue		
Denmark	403,900	411,288
Other Scandinavian countries	609,018	516,675
Rest of world	13,155	10,093
	1,026,073	938,056

3 **Other operating income**

The item in the consolidated financial statements mainly includes income on the sale of paper shredder as well as gains on the sale of non-current assets.

	Group		Parent Company	
DKK'000	2018/19	2017/18	2018/19	2017/18
4 **Staff costs**				
Wages and salaries	217,565	188,615	0	0
Pensions	14,930	14,503	0	0
Other social security costs	25,498	15,063	0	0
	257,993	218,181	0	0
Average number of employees	505	420	0	0

Pursuant to sections 98b, part 3, of the Danish Financial Statements Act, there is no information about the remuneration to the Executive Board.

Consolidated financial statements and parent company financial statements 1 May - 30 April

Notes

DKK'000	Group 2018/19	Group 2017/18	Parent Company 2018/19	Parent Company 2017/18
5 Depreciation, amortisation and impairment losses				
Goodwill	1,757	0	0	0
Land and buildings	1,233	0	0	0
Plant and machinery	54,554	53,487	0	0
Fixtures and fittings, tools and equipment	1,979	1,930	0	0
	59,523	55,417	0	0
Minor acquisitions	921	942	0	0
	60,444	56,359	0	0

	Group 2018/19	Group 2017/18	Parent Company 2018/19	Parent Company 2017/18
6 Financial income				
Other financial income	1,222	529	253	0

	Group 2018/19	Group 2017/18	Parent Company 2018/19	Parent Company 2017/18
7 Financial expenses				
Interest expenses to group entities	1,944	1,791	0	0
Other financial expenses	1,894	12,857	0	0
	3,838	14,648	0	0

	Group 2018/19	Group 2017/18	Parent Company 2018/19	Parent Company 2017/18
8 Tax for the year				
Current tax	5,618	-1,072	45	0
Deferred tax	-3,627	-1,608	0	0
Adjustment of tax in respect of previous years	-699	0	0	0
	1,292	-2,680	45	0

9 Intangible assets

DKK'000	Group Goodwill
Cost at 1 May 2018	0
Additions related to acquisitions	16,403
Foreign exchange adjustments	-571
Disposals	0
Cost at 30 April 2019	15,832
Amortisation at 1 May 2018	0
Foreign exchange adjustments	41
Amortisation	-1,757
Disposals for the year	0
Amortisation at 30 April 2019	-1,716
Carrying amount at 30 April 2019	14,116
Amortised over	8-10 years

Consolidated financial statements and parent company financial statements 1 May - 30 April

Notes

10 Property, plant and equipment

DKK'000	Group: Land and buildings	Plant and machinery	Fixtures and fittings, tools and equipment	Total
Cost at 1 May 2018	0	643,556	81,686	725,242
Exchange rate adjustment relating to foreign entities	-424	-338	-10	-772
Additions related to acquisitions	21,524	9,643	411	31,578
Additions	0	5,647	1,705	7,352
Disposals	0	-13,738	-1,741	-15,479
Cost at 30 April 2019	21,100	644,770	82,051	747,921
Depreciation at 1 May 2018	0	-464,053	-77,143	-541,196
Exchange rate adjustment relating to foreign entities	29	216	10	255
Depreciation	-1,233	-54,554	-1,979	-57,766
Disposals	0	12,963	1,714	14,677
Depreciation at 30 April 2019	-1,204	-505,428	-77,398	-584,030
Carrying amount at 30 April 2019	19,896	139,342	4,653	163,891
Amortised over	10-20 years	3-15 years	3-10 years	
Property, plant and equipment include assets held under finance leases totalling		3,682		

Consolidated financial statements and parent company financial statements 1 May - 30 April

Notes

11 Investments in group entities

	Parent Company	
DKK'000	2018/19	2017/18
Cost at 1 May	271,776	271,776
Additions	28,730	0
Disposals	0	0
Cost at 30 April	300,506	271,776
Adjustments at 1 May	38,859	50,750
Dividend	0	0
Changed ownership interest, non-controlling interest	11	0
Exchange rate adjustment regarding foreign group entities	-1,492	-1,658
Value adjustments of hedging instruments	-58	-163
Profit/loss after tax	4,094	-10,070
Adjustments at 30 April	41,414	38,859
Carrying amount at 30 April	341,920	310,635

Name	Registered office	Voting rights and ownership interest
Stibo Graphic A/S	Denmark	100%
Stibo Media AB	Sweden	100%
Distribution Plus A/S	Denmark	70%
Color Print A/S	Denmark	100%
Stibo Norge AS	Norway	100%
Sörmlands Printing Solutions AB	Sweden	100%
Sörmlands Grafiska AB	Sweden	100%
Gigant Print AB	Sweden	100%
Gigant Print AS	Norway	56%
Gigant Print Norge AS	Norway	100%

Proposed dividends in the subsidiaries total DKK 0 million (2017/18: DKK 0 million).

Consolidated financial statements and parent company financial statements 1 May - 30 April

Notes

12 Share capital

The share capital comprises 25.000 shares of nom. DKK 1,000 thousand each. No shares carry special rights. The share capital has remained unchanged for the past five financial years.

Proposed distribution of profit/loss

DKK'000	2018/19	2017/18
Proposed dividend to Stibo A/S	0	0
Transfer to reserve for net revaluation according to the equity method	4,094	-10,070
Retained earnings	158	0
	4,252	-10,070

13 Deferred tax asset/liability

	Group		Parent Company	
DKK'000	2018/19	2017/18	2018/19	2017/18
Deferred tax at 1 May	-14,496	-16,130	0	0
Exchange adjustments for the year	92	-29	0	0
Adjustment in respect of previous years	-200	0	0	0
Additions related to acquisitions	-2,479	0	0	0
Changes in the year, see note 8	3,627	1,608	0	0
Changes in the year re. equity adjustments	17	55	0	0
Deferred tax at 30 April	-13,439	-14,496	0	0
Recognised as:				
Deferred tax asset	18	240	0	0
Deferred tax liabilities	-13,457	-14,736	0	0
	13,439	-14,496	0	0

14 Non-current liabilities other than provisions

The Group's non-current liabilities at 30 April 2019 comprise lease commitments. Instalments falling due within five years total DKK 3.7 million (30 April 2018: DKK 9.7 million).

15 Charges, collateral and contingent liabilities

The Company is jointly taxed with the other Danish consolidated entities. As a consolidated entity, the Company has joint and several unlimited liability, together with other consolidated entities, for all Danish income taxes and withholding taxes on dividend, interest and royalties within the joint taxation group.

The jointly taxed entities' total known net liabilities to the Danish Customs and Tax Administration are stated in the financial statements of the administration company Stibo Holding A/S. Any subsequent corrections of income subject to joint taxation and withholding taxes, etc. could entail an increase in the entity's tax liability.

Consolidated financial statements and parent company financial statements 1 May - 30 April

Notes

16 Rental and lease commitments

Group

The Group has rental commitments totalling DKK 146.4 million with a term of 1-7 years (30 April 2018: DKK 169.4 million).

Other lease commitments (operating leases) fall due within 5 years at an amount of DKK 6.1 million (30 April 2018: DKK 8.9 million).

17 Currency risks and use of derivative financial instruments

At 30 April 2019, the Group has not entered into any forward exchange contracts.

18 Related parties

Control

Stibo-Fonden, Axel Kiers Vej 11, DK-8270 Højbjerg.

Stibo Complete A/S is wholly-owned by Stibo A/S, Aarhus, whose ultimate parent company is Stibo-Fonden, Aarhus.

Stibo Complete A/S is included as subsidiary in the consolidated financial statements of Stibo A/S, Aarhus.

Related party transactions

Related parties include Stibo-Fonden and subsidiaries in which Stibo-Fonden directly or indirectly exercises control.

Related party transactions in 2018/19:

DKK'000	Group	Parent Company
Income[1]	0	0
Expenses[1]	5,321	0
Financial income and expenses, net[2]	-1,944	0
Receivables from group entities[3]	0	0
Payables to group entities[3]	110,784	59,512

[1] Include purchase and sale of goods and services.
[2] Include financial income or financial expenses in relation to intra-group financing.
[3] Include receivables and payables in connection with purchase and sale of goods and services as well as intra-group financing.