

PLUS PACK A/S
Energivej 40
5260 Odense S

CVR no. 37 75 40 13

Annual report 2018

The financial statements were presented
and approved at the Company's
annual general meeting on 12 of April 2019.

Chair of the Meeting

Jens Albert Harsaae

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CORPORATE INFORMATION

HEAD OFFICE

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Energivej 40
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Website: www.pluspack.com

CVR No. 37 75 40 13

Established: 13 December 1963

Registered office: Odense

Financial year: 1 January – 31 December

BOARD OF DIRECTORS

Jens Albert Harsaae, Chairman
Steen Hastrup
Torben Sørensen
Camilla Hastrup Hermansen
Jens Kristensen
Carsten Bo Pedersen
John Helmuth Madsen, Employee Representative
Torben Kähne Rasmussen, Employee Representative
Pia Lyneborg Andersen, Employee Representative

MANAGEMENT

Anders Top Hastrup, CEO

AUDITORS

Deloitte
State Authorised Public Accountants
Tværkajen 5
DK- 5000 Odense

STATEMENT BY MANAGEMENT AND THE BOARD OF DIRECTORS

The Board of Directors and the Management have today considered and approved the Annual Report of Plus Pack A/S for the financial year 1 January – 31 December 2018.

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

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31 December 2018 and of their financial performance and the cash flow for the Group for the financial year 1 January – 31 December 2018.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Odense, 12 of April 2019

Management

Anders Top Haustrup
CEO

Board of Directors

Jens Albert Harsaae
Chairman

Steen Haustrup

Torben Sørensen

Camilla Haustrup
Hermansen

Jens Kristensen

Carsten Bo
Pedersen

John Helmuth
Madsen
Employee
Representative

Torben Kähne
Rasmussen
Employee
Representative

Pia Lyneborg
Andersen
Employee
Representative

INDEPENDENT AUDITOR'S REPORT

To the shareholders of Plus Pack A/S

Opinion

We have audited the consolidated financial statements and the parent financial statements of Plus Pack A/S for the financial year 1 January – 31 December 2018, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31 December 2018, and of the results of their operations and the consolidated cash flows for the financial year 1 January – 31 December 2018 in accordance with the Danish Financial Statements Act.

Basis for opinion

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

Management's responsibilities for the consolidated financial statements and the parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent 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 consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent 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 the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and these parent financial statements.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

As part of an audit conducted in accordance with ISAs and the 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 consolidated financial statements and the parent 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's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the consolidated financial statements and the parent 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's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements and the parent 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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent 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 commentary

Management is responsible for the management commentary.

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

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

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

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Based on the work we have performed, we conclude that the management commentary is in accordance with the consolidated financial statements and the parent 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 commentary.

Odense, 12 of April 2019

Deloitte

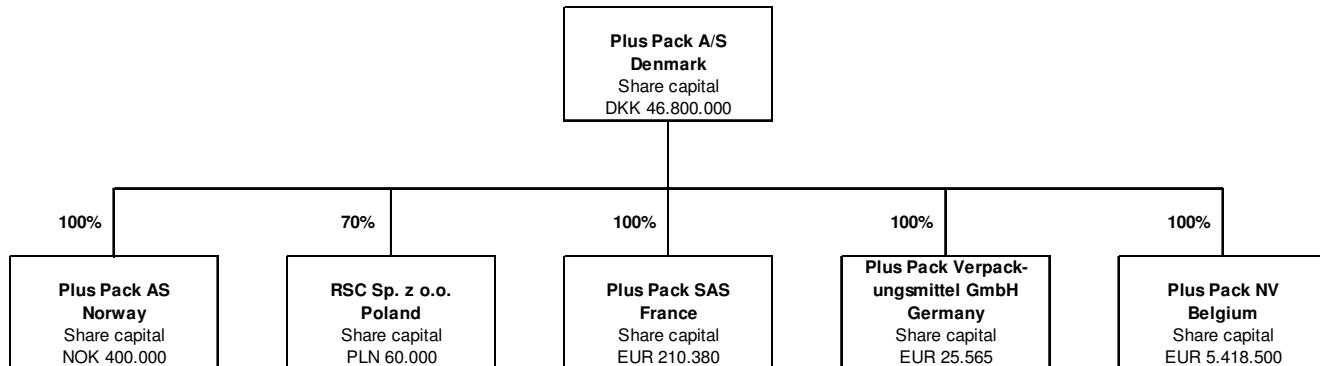
Statsautoriseret Revisionspartnerselskab
Business Registration No 33 96 35 56

Lars Knage Nielsen
State Authorised Public
Accountant
MNE no: mne10074

Allan Dydensborg Madsen
State Authorised Public
Accountant
MNE no: mne34144

MANAGEMENT'S REVIEW

GROUP CHART



PLUS PACK GROUP COMPANIES

Plus Pack A/S

Energivej 40
DK-5260 Odense S

Telephone: +45 6550 6000

CEO:
Anders Top Haustrup

Plus Pack SAS

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Telephone: +32 8932 99 10

CEO:
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Plus Pack AS

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Telephone: +45 6550 6000

CEO
Anders Top Haustrup

Plus Pack Verpackungsmittel GmbH

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CEO:
Anders Top Haustrup

RSC Sp. Z o.o.

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Telephone: +48 61652 9053

Sales Manager:
Jaroslaw Czerwinski

MANAGEMENT'S REVIEW (CONTINUED)**FINANCIAL HIGHLIGHTS FOR THE GROUP**

t.dkk	2018	2017	2016	2015	2014
Key figures					
Net turnover	593.785	583.627	565.483	546.571	547.310
Gross profit	159.168	168.703	167.262	152.805	139.376
Profit before financial items	29.125	34.045	38.276	30.377	21.735
Profit from financial items	-5.749	-5.905	-7.393	-9.312	-11.790
Profit for the year after tax	19.103	21.793	24.041	18.029	8.088
Balance sheet total	324.665	307.367	278.756	275.306	293.106
Investments in fixed assets	38.979	23.417	23.658	18.114	9.241
Equity	113.945	107.096	95.806	71.245	52.818
Subordinate loan capital	0	10.059	10.000	10.000	15.750
Cashflow from operating activities	45.631	10.708	49.160	44.212	28.998
Cashflow from investing activities	-38.708	-23.417	-22.987	-18.104	-8.678
Cashflow from financing activities	-8.684	-13.826	-1.314	-40.368	-15.389
Change in net cash funds	-1.761	-26.535	24.859	-14.260	4.931
Ratios					
Net turnover index	108	107	103	100	100
Gross profit margin	26,8 %	28,9 %	29,6 %	28,0 %	25,5 %
Net profit ratio	4,9 %	5,8 %	6,8 %	5,6 %	4,0 %
Return on investment	9,2 %	11,6 %	13,8 %	10,7 %	7,2 %
Equity ratio	35,1 %	34,8 %	34,4 %	25,9 %	18,0 %
Return on equity	17,3 %	21,5 %	28,8 %	29,1 %	16,3 %
Average number of employees	227	221	216	198	205

The key figures were calculated as follows:

- | | |
|----------------------|---|
| Gross profit margin | = Gross profit/net revenue x 100 |
| Net profit ratio | = Profit before financial items/net revenue x 100 |
| Return on investment | = Profit before financial items/average balance sheet x 100 |
| Equity ratio | = Equity as of 31 December/Assets as of 31 December x 100 |
| Return on equity | = Profit for the year after tax/average equity x 100 |

MANAGEMENT'S REVIEW (CONTINUED)

CORE ACTIVITIES

In Plus Pack, we promise to make food stand out. Plus Pack designs, develops, manufactures and sells packaging solutions for food with a special focus on fresh convenience food and meals.

The key business areas are customised and sustainable aluminium and plastic packaging solutions for ready-to-eat, ready-to-heat and ready-to-cook applications like hot and cold ready meals, snacks, take-away and food service.

Plus Pack has considerable insight into regional food markets and trends through local sales organizations in Europe and representatives globally.

THE YEAR 2018

Plus Pack remains committed to its leading position as a provider of customized, innovative and sustainable packaging solutions.

The Group's net revenue for the 2018 financial year was t.DKK 593.785, which is t.DKK 10.158 higher than in 2017. Profit before tax amounted to t.DKK 23.376, compared with a profit before tax of t.DKK 28.140 the year before. Profit of the year was t.DKK 19.103 in 2018, compared with DKK 21.793 in 2017. The result for 2018 was not satisfactory.

The financial result was negatively impacted by higher raw material costs, which increased substantially during 2018 and led to higher product costs. On the other hand, the result was positively impacted by an extraordinary income from the winning of a more than 10 year old legal case, equal to t.DKK 4.442.

Equity improved to t.DKK 113.945 at 31 December 2018, compared with t.DKK 107.096 at the beginning of the year.

In 2018, operations showed a positive cash flow of t.DKK 45.631. The Group's total investments during the 2018 financial year amounted to t.DKK 39.879 compared with t.DKK 23.417 million in 2017. The number of employees within the Plus Pack group averaged 227 in 2018, compared to 221 in 2017.

During 2018, Plus Pack invested in a variety of sustainable packaging solutions, which support a circular economy. The new Bistro™ Cold range contains recycled plastic and is designed for easy recycling. The Ready2Cook® Skin Packaging Solution is designed to prevent food waste and was awarded the global innovation award, WorldStar 2019.

EVENTS SINCE THE END OF THE FISCAL YEAR

From the reporting date until today, no events have taken place to change the assessments made in the annual report.

THE FUTURE

In 2019, Plus Pack will continue to strengthen the Group's position as a preferred partner for innovative and sustainable packaging solutions. During 2019, Plus Pack is launching its strategy for sustainable development. The focus is to grow a "fit for future" product assortment, which supports a circular economy, prevent waste and increase resource productivity, reduce CO₂ footprint in the value chain, and engage and inspire stakeholders in the sustainability agenda.

The activity level is expected to grow in line with previous years and the operational result is expected to improve in 2019. However due to the extra ordinary income in 2018, which is not expected to occur again in 2019, the financial result is only forecasted to be marginally higher than 2018. Investments are expected to be lower compared to 2018.

FINANCIAL RISKS

Plus Pack continually seeks to reduce the Group's risks in relation to commodity purchases and currency transactions through hedging within a specified timeframe. Interest rate risks relating to the Group's loan financing are hedged as far as this is deemed profitable.

MANAGEMENT'S REVIEW (CONTINUED)

Plus Pack does not pursue a policy of participating in speculative financial transactions, and hedging relating to commodities, interest and currencies is always founded on underlying business transactions.

Plus Pack is working proactively in partnership with existing financing partners to exercise diligence in relation to Plus Pack's financial risks and in such a way that the Company maintains its competitive engagement at all times.

SOCIAL RESPONSIBILITY

Plus Pack has established policies within social responsibility covering equality, working environment, human rights, suppliers and use of energy and resources.

For further information please visit the Plus Pack website:

<https://pluspack.com/wp-content/uploads/sites/4/2019/04/plus-pack-csr-report-2018.pdf>

OBJECTIVES AND POLICIES FOR THE UNDERREPRESENTED SEX

The aim of Plus Pack's equality policy is equal opportunities for men and women at Plus Pack's workplaces, covering all managerial levels.

It is Plus Pack's policy to:

- ensure equal career opportunities
- ensure equal access to skills development
- ensure equal pay for equal work
- strive to qualify and recruit employees of both sexes for committees, working groups, managerial positions, etc.

Equality is not about making men and women the same, but about benefitting from the different competencies and resources of men and women working alongside each other. Certain functions within Plus Pack's organisation are traditionally male- or female-dominated. It is therefore vital that specific initiatives are targeted at specific areas. Plus Pack works towards the goal of achieving equality between men and women on the Board of Directors. During 2018 there has been one female member in the board out of 6 and the ambition was to have two female members by 2020. This will be realized during 2019.

In 2018 Plus Pack promoted that whenever possible both male and female candidates were processed in internal and external recruitments. In 2018, 44 new employees were hired in the company, of which 11 were female. In total there are 21 leaders in Plus Pack, of which 5 are female.

FINANCIAL STATEMENTS 1 JANUARY – 31 DECEMBER 2018

ACCOUNTING PRINCIPLES

GENERAL

The financial statements of Plus Pack A/S are presented in accordance with the regulations relating to Class C, large companies, of the Danish Financial Statements Act.

The annual report for 2018 is compiled in DKK thousand.

The accounting principles applied for the annual report are consistent with those applied last year.

GENERAL INFORMATION ON INCLUSION ON CALCULATIONS AND MEASUREMENT

The accounts have been prepared based on the historical cost price principle.

Income is included in the income statement as it is earned. Adjustments in the value of financial assets and liabilities measured at fair value or amortised cost price are also included. The income statement also includes all the costs that have been paid to achieve the annual income, including amortisation and depreciation, write-downs and provisions as well as reversals as a result of the changed accounting estimates of amounts which were previously included in the income statement.

Assets are included in the balance sheet where it is likely that the Company will benefit from future economic advantages and the value of the asset can be measured reliably.

Liabilities are included in the balance sheet where it is likely that the Company will lose future economic advantages and the value of the liability can be measured reliably.

When first included, assets and liabilities are measured at cost price. Assets and liabilities are subsequently measured as described for each individual account item below.

Certain financial assets and liabilities are measured at amortised cost price where a constant effective interest over the maturity period is included. The amortised cost price is calculated as the original cost price less principal payments plus/minus the cumulative amortisation of the difference between the cost price and the nominal amount. In this way capital losses and gains are amortised over the maturity period.

When including and measuring, consideration is given to the foreseeable losses and risks that occur prior to the presentation of the financial statements and that confirm or invalidate circumstances on the balance sheet date.

DKK will be used as the measurement currency. All other currencies will be regarded as foreign currency.

LEASING

Leases where the Company bears all the significant risks and advantages associated with ownership (financial leasing) are included in the balance sheet at the fair value of the asset or the current value of lease payments, whichever is the lowest, calculated using the lease's internal interest rate or an approximate value thereof as a discount factor. Financially leased assets are amortised and written down using the same method laid down for the Company's other fixed assets.

The capitalised residual lease obligation is included in the balance sheet as a liability and the lease payment's interest rate component is charged on an on-going basis in the income statement.

All other leases are considered to be operating leases. Lease payments for operating leases are included directly in the income statement over the lease term.

FINANCIAL STATEMENTS 1 JANUARY – 31 DECEMBER 2018

ACCOUNTING PRINCIPLES

CONSOLIDATION

The consolidated financial statements include Plus Pack A/S (the Parent Company) and the companies (subsidiaries) in which the Parent Company directly or indirectly holds more than 50% of the voting rights or in some other way has a controlling influence. Companies in which the Group owns between 20% and 50% of the voting rights and has a significant, but not controlling, influence are regarded as associated companies. An overview of the Group is shown earlier in the annual report.

The consolidated financial statements are prepared as an amalgamation of the audited financial statements of the Parent Company and the individual subsidiaries, which are all prepared in accordance with the Group's accounting principles. Intragroup income and expenditure, shareholdings, balances and dividends are eliminated, as are unrealised internal gains and losses.

In the case of the acquisition of new companies the acquisition method is used, whereby the assets and liabilities of the newly acquired company are converted to market values at the time of acquisition. If the cost price exceeds the net asset value for accounting purposes calculated after revaluation, the remaining positive difference is capitalised as goodwill in the year of acquisition and is amortised systematically in the profit and loss account in accordance with an individual assessment of the economic lifetime of the asset, which shall not exceed 20 years.

TRANSLATION OF FOREIGN CURRENCIES

Transactions in foreign currencies are translated during the year at the exchange rate on the transaction date.

Unrealised and realised gains and losses on forward exchange contracts, which are hedging transactions, are included in the profit and loss account at the same time and under the same item as the exchange rate adjustment of the hedged transactions.

Receivables, debt and other items in foreign currency not settled on the balance sheet date are translated at the exchange rate on the balance sheet date.

To the extent that the value of receivables, debt and other items in foreign currency are hedged through forward exchange contracts, the items are translated at the hedged rates without accrual of premiums and discounts.

Other realised and unrealised exchange rate adjustments are included in the profit and loss account under financial items.

The balance sheet items of foreign subsidiaries are translated at the exchange rate on the balance sheet date. The profit and loss accounts are translated at the average exchange rates for the year. Exchange rate adjustments on investments in subsidiaries and associated companies are taken directly to equity.

DERIVATIVES

Derivative financial instruments are initially recorded on the balance sheet at their cost price and are subsequently assessed at their market value. Positive and negative market values of derivatives are included as accruals under assets or liabilities respectively.

Any changes in the market values of derivatives which are classified as, and meet the criteria for, the hedging of the market value of an included asset or liability are recorded in the profit and loss account together with any changes in the market value of the hedged asset or liability.

FINANCIAL STATEMENTS 1 JANUARY – 31 DECEMBER 2018

ACCOUNTING PRINCIPLES

DERIVATIVES (CONTINUED)

Any changes in the market value of derivatives which are classified as, and meet the criteria for, the hedging of expected future transactions relating to purchases and sales, foreign currency or the hedging of interest are included as accruals or as equity under retained earnings. If the expected future transaction results in the recording of an asset or liability, the amount which was deferred under shareholders' equity is transferred from shareholders' equity and is included in the cost price of the asset or liability. Amounts which are deferred in equity are transferred to the profit and loss account in the period in which the hedged item affects the profit and loss account.

SEGMENT INFORMATION

With reference to Danish Financial Statements Act § 96 3rd sentence, segment information is omitted, as the submission of this information could cause seriously damage to the company, which is justified by the relatively few competitors in the industry.

PROFIT AND LOSS ACCOUNT

NET REVENUE

Income from sale of packing solutions is recognized in revenue when most significant rewards and risks have been transferred to the buyer and provided the income can be measured reliably and payment is expected to be received.

Net revenue is measured at fair value of the agreed consideration exclusive VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognized in revenue.

PRODUCTION COSTS

Production costs comprises materials consumed and expenses incurred, including depreciation and wages, in order to achieve the net revenue for the year.

SALES AND DISTRIBUTION COSTS

Sales and distribution costs comprises expenses relating to shipping, sales staff, warehouse staff, advertising and exhibitions etc. and depreciation.

ADMINISTRATION COSTS

Administration costs comprises expenses relating to administrative staff, management, office premises and office expenses etc. and depreciation.

OTHER OPERATION INCOME/EXPENSES

Other operating income and other operating expenses cover accounting items of a secondary nature in relation to the Company's and Group's core activity.

PROFIT/LOSS FROM INVESTMENTS IN SUBSIDIARIES

The proportionate share of the profit/loss after tax of the individual subsidiaries is recognized in the income statement of the parent company after full elimination of intra-group profits/losses.

FINANCIAL INCOME AND EXPENSES

These items comprise interest income and expenses, the interest portion of finance lease payments, realised and unrealised capital gains and losses on securities, payables and transactions in foreign currencies, amortisation premium or allowance on mortgage debt etc

TAX

Tax on profits for the year comprises current year tax and deferred tax for the year and is included in the income statement to the extent that it can be attributed to the profit for the year, and is taken directly to equity to the extent that it can be attributed to items taken directly to equity.

FINANCIAL STATEMENTS 1 JANUARY – 31 DECEMBER 2018

ACCOUNTING PRINCIPLES

TAX (CONTINUED)

Any changes in deferred tax as a result of amendments to tax rates are included in the income statement.

The Group is jointly taxed with the Group's Danish and foreign subsidiaries (international joint taxation). The Group's subsidiaries are included in the joint taxation from the date on which they are recognised in the consolidated financial statements and until the date on which they cease to be recognised in such statements.

The relevant Danish corporation tax is distributed fully between the jointly taxed Danish subsidiaries according to their taxable income (full distribution).

C&A Invest A/S, the ultimate parent company, acts as a management company.

Current tax liabilities are included on the balance sheet under short-term debt to the extent that they have not been paid.

Deferred tax liabilities are included on the balance sheet as a provision. The deferred tax liability is included as tax on temporary differences with the exception of goodwill which does not qualify for a depreciation allowance. The deferred tax liability is calculated at 22%.

A provision for deferred tax is made at the tax rate expected in the country concerned. Changes in deferred tax as a result of changes in tax rates are included in the income statement.

BALANCE SHEET

INTANGIBLE ASSETS

Intangible assets are valued at their cost price less accumulated amortisation/depreciation and impairment losses. Amortisation and depreciation are applied on a straight-line basis over the expected lifetime of the asset, which is:

Goodwill	up to 20 years
Know-How.....	up to 20 years
Software	5 years

Assets with a short lifetime and low-value assets are charged to expenses in the year of acquisition.

The amortisation period of up to 20 years for goodwill and know-how is determined on the basis of the Management's experience in the Group's areas of business and, in the Management's opinion, reflects the best estimate of the acquired company's economic lifetime.

PROPERTY, PLANT AND EQUIPMENT (PPE)

Property, plant and equipment (PPE) is assessed at its cost price less accumulated depreciation and impairment losses.

The cost price includes the cost of materials, components, services of external suppliers, direct wage costs and indirect production costs. Interest and other borrowing costs are not included in the cost price.

Property, plant and equipment (PPE) is depreciated on a straight-line basis over the expected lifetime of the asset to the expected residual value. The lifetime of major assets is determined on an individual basis, but the lifetime of other assets is determined for groups of assets of the same type.

FINANCIAL STATEMENTS 1 JANUARY – 31 DECEMBER 2018

ACCOUNTING PRINCIPLES

PROPERTY, PLANT AND EQUIPMENT (PPE) (CONTINUED)

The expected lifetimes of the latter assets is:

Land and buildings	10 - 20 years
Plant and machinery, aluminium prod.	10 - 20 years
Plant and machinery, plastic prod.	5 - 10 years
Tools for aluminium production.....	10 years
Tools for plastic production.....	5 years
Other plant, equipment and fixtures and fittings	3 - 8 years

Assets with a cost price of less than DKK 13,200 per unit are charged in the year of acquisition.

The costs of repair and maintenance of property, plant and equipment (PPE) is included in production costs in the profit and loss account.

Gains or losses on the disposal or scrapping of property, plant and equipment (PPE) are calculated as the difference between the sales price (less dismantling, sales and reinstatement costs) and the book value and are included in the profit and loss account as other operating income or other operating costs.

INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries are recognised and assessed in the Parent Company's financial statements in accordance with the net equity method.

The financial statements of the Parent Company include a pro rata share of the subsidiaries' profit after tax for the year less amortisation of goodwill under the item "Income from investments in subsidiaries".

A pro rata share of the companies' net asset values, calculated in accordance with the accounting principles of the Parent Company and adjusted for the share of unrealised intragroup profits or losses and for positive or negative goodwill, is recognised on the balance sheet under the item "Investments in subsidiaries".

Subsidiaries with negative net asset values are valued at DKK 0, and any receivables from these companies are written down by the Parent Company's share of the negative net asset value. If the negative net asset value for accounting purposes exceeds the value of receivables, the residual amount is recorded under "Negative investments in subsidiaries".

Net revaluations of investments in subsidiaries in excess of the dividend received from the company are taken to equity as "Reserve for net revaluation in accordance with the net equity method" under shareholders' equity.

OTHER SECURITIES AND HOLDINGS

Other securities and holdings are assessed at their market value. Unlisted securities are assessed at their estimated sales value.

DEPRECIATION OF FIXED ASSETS

The accounting values of intangible assets and property, plant and equipment (PPE) are reviewed annually to determine whether there is any indication of a reduction in value over and above that expressed by regular depreciation. Where this is the case, the asset is written down to its lowest recovery value. The recovery value of the asset is calculated as the greater of the net sales price and the capital value. If it is not possible to determine the recovery value of a particular asset, an assessment is made of the impairment losses requirement for the smallest group of assets for which it is possible to calculate the recovery value.

FINANCIAL STATEMENTS 1 JANUARY – 31 DECEMBER 2018

ACCOUNTING PRINCIPLES

DEPRECIATION OF FIXED ASSETS (CONTINUED)

Goodwill and other assets for which it is not possible to assess any capital value because the assets do not in themselves generate future cash flows are assessed for the purpose of their impairment loss requirements together with the group of assets to which they can be attributed.

INVENTORIES

Inventories are assessed at their cost price in accordance with the FIFO method or at the net realisable value (the expected sales price less any finishing costs and costs of sales) if this is lower.

The cost price of goods for resale, raw materials and ancillary materials includes the invoice price plus delivery costs.

The cost price of manufactured, finished goods and of work in progress includes the purchase price of the materials used and direct wage costs plus indirect production costs. Indirect production costs include indirect materials and wage costs, the maintenance and depreciation of machinery, factory buildings and equipment used in the production process, and factory administration and management costs. Any borrowing costs during the manufacturing period are not included.

RECEIVABLES

Receivable are assessed at their nominal value less impairment loss on the basis of individual assessments.

An impairment loss is recognized if there is evidence that a receivable or a group of receivables is impaired. If there is evidence that an individual receivable has been impaired, an impairment loss is recognized on an individual basis.

PREPAYMENTS

Prepayments comprises expenses incurred concerning subsequent financial years.

EQUITY

Reserves for net revaluation according to the equity method

Net revaluation of investments in subsidiaries is recognized at cost in the reserve for net revaluation according to the equity method.

The reserve can be eliminated in case of losses, realisation of investments or a change in accounting estimates. The reserve cannot be recognized at a negative amount.

Dividends

Dividends proposed for the year is recognized as a liability at the date when it is adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the year is disclosed as a separate item in the equity.

PROVISIONS

Provisions are included where the Company or Group has a legal or actual liability as a result of an event which occurred before or on the balance sheet date and it is likely that financial assets will have to be surrendered in order to meet the liability.

FINANCIAL STATEMENTS 1 JANUARY – 31 DECEMBER 2018

ACCOUNTING PRINCIPLES

FINANCIAL LIABILITIES

Fixed-interest loans such as mortgage loans and bank loans which are expected to be held to maturity are recorded at the raising of the loan as the funds received less transaction costs incurred. In subsequent periods the loans are assessed at their amortised cost price, which corresponds to the capitalised value on the basis of the effective interest rate, such that the difference between the funds received and the nominal value (the capital loss) is included in the profit and loss account over the term of the loan.

Other liabilities are assessed at their amortised cost price, which largely corresponds to the nominal value.

CASH FLOW STATEMENT

The cash flow statement shows the consolidated cash flow for the year and the Group's liquid assets at the beginning and end of the year.

CASH FLOW FROM OPERATING ACTIVITIES

The cash flow from operations is presented indirectly and is calculated as the profit for the year adjusted for non-liquid operating items, changes in working capital, financial and extraordinary items paid and corporate tax paid.

CASH FLOW FROM INVESTMENTS

The cash flow from investment activities includes payments in connection with the purchase and sale of fixed assets and payments in connection with the purchase and sale of companies.

CASH FLOW FROM FINANCING

The cash flow from financing activities includes payments to and from shareholders and the raising and repayment of secured debts and other long-term debt.

LIQUIDITY

Liquidity includes liquid funds and realisable securities with insignificant risk of value adjustments less short-term bank loans payable on demand which are included in the ongoing liquidity management.

FINANCIAL STATEMENTS 1 JANUARY – 31 DECEMBER 2018
INCOME STATEMENT

Notes	t.DKK	GROUP		PARENT COMPANY	
		2018	2017	2018	2017
	Net revenue	593.785	583.627	541.038	523.550
1	Production costs	-434.617	-414.924	-444.194	-418.512
	GROSS PROFIT	159.168	168.703	96.844	105.038
1	Sales and distribution costs	-94.105	-100.442	-52.090	-58.980
1	Administration costs	-40.124	-33.611	-30.265	-23.966
2	Other operation income	5.030	434	615	0
2	Other operating costs	-844	-1.039	-242	-497
	PROFIT BEFORE FINANCING	29.125	34.045	14.862	21.595
7	Income from investments in subsidiaries	0	0	11.886	9.214
3	Financial income	1.164	1.274	1.253	1.275
3	Financial expenses	-6.913	-7.179	-7.218	-7.105
	PROFIT BEFORE TAX	23.376	28.140	20.783	24.979
4	Tax for the year	-4.273	-6.347	-1.946	-3.503
	PROFIT FOR THE YEAR	19.103	21.793	18.837	21.476

Breakdown of the consolidated results

Shareholders of Plus Pack A/S	18.837	21.476
Minority interests	266	317
	19.103	21.793

FINANCIAL STATEMENTS 1 JANUARY – 31 DECEMBER 2018**BALANCE SHEET**

Notes	t.DKK	GROUP		PARENT COMPANY		
		2018	2017	2018	2017	
ASSETS						
FIXED ASSETS						
5	INTANGIBLE ASSETS					
	Goodwill	5.721	6.978	0	0	
	Other intangible assets	7.923	10.758	7.923	10.758	
		13.644	17.736	7.923	10.758	
6	PROPERTY, PLANT AND EQUIPMENT					
	Land and buildings	6.230	6.074	0	0	
	Tools and machinery	65.111	57.487	66.865	61.079	
	Process materials and fixtures and fittings	13.141	11.061	10.691	9.628	
	Fixed assets in process of construction	24.738	10.907	24.738	10.907	
		109.220	85.529	102.294	81.614	
FINANCIAL ASSETS						
7	Investments in subsidiaries	0	0	44.807	38.585	
8	Deposits	8.170	8.146	8.015	7.991	
8	Other securities and holdings	0	0	0	0	
		8.170	8.146	52.822	46.576	
TOTAL FIXED ASSETS						
CURRENT ASSETS						
INVENTORIES						
	Raw materials and consumables	34.595	33.031	34.022	32.457	
	Finished goods	49.611	46.901	48.912	46.238	
		84.206	79.932	82.934	78.695	
RECEIVABLES						
	Trade receivables	83.593	97.143	40.264	46.152	
	Receivables from related parties	131	41	15.615	12.051	
9	Deferred tax asset	6.185	6.663	0	0	
	Other receivables	6.187	2.643	4.414	2.640	
10	Prepayments	5.500	7.246	4.287	4.348	
		101.596	113.736	64.580	65.191	
CASH						
		7.829	2.288	124	0	
TOTAL CURRENTS ASSETS						
		193.631	195.956	147.638	143.886	
TOTAL ASSETS						
		324.665	307.367	310.677	282.834	

FINANCIAL STATEMENTS 1 JANUARY – 31 DECEMBER 2018
BALANCE SHEET

Notes	t.DKK	GROUP		PARENT COMPANY		
		2018	2017	2018	2017	
EQUITY AND LIABILITIES						
EQUITY						
11	Share capital	46.800	46.800	46.800	46.800	
	Retained earnings	54.850	47.941	54.850	47.941	
	Proposed dividend	12.000	12.000	12.000	12.000	
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF PLUS PACK A/S						
	Minority interest	295	355	0	0	
	TOTAL EQUITY	113.945	107.096	113.650	106.741	
PROVISIONS						
9	Deferred tax	4.453	3.989	4.453	3.989	
7	Negative investments in subsidiaries	0	0	209	116	
	Other provisions	4.142	3.899	0	0	
		8.595	7.888	4.662	4.105	
LIABILITIES OTHER THAN PROVISIONS						
NON-CURRENT LIABILITIES						
12	Leasing	20.100	6.844	19.722	6.725	
		20.100	6.844	19.722	6.725	
CURRENT LIABILITIES						
12	Current part of non-current liabilities	4.514	4.108	4.425	4.067	
	Bank loans	69.175	61.873	57.426	45.876	
	Subordinate loan capital	0	10.059	0	10.059	
	Trade payables	70.860	61.160	63.331	53.641	
	Payables to related parties	3.062	0	24.344	18.663	
	Corporate tax liabilities	1.739	3.696	1.485	3.062	
	Other payables	32.675	44.643	21.632	29.895	
		182.025	185.539	172.643	165.263	
	TOTAL LIABILITIES	202.125	192.383	192.365	171.988	
	TOTAL EQUITY AND LIABILITIES	324.665	307.367	310.677	282.834	
13	Provision of collateral					
14	Contingent liabilities					
15	Events since the end of the fiscal year					
16	Staff					
17	Fee for auditors elected by the annual general meeting					
18	Exchange rate risk and financial instruments					
19	Related parties					
20	Appropriation of profit and loss					

FINANCIAL STATEMENTS 1 JANUARY – 31 DECEMBER 2018
STATEMENT OF EQUITY (GROUP)

t.DKK	GROUP					
	SHARECAPITAL	RETAINED EARNINGS	PROPOSED DIVIDIND	TOTAL	MINORITY INTEREST	TOTAL EQUITY
EQUITY AT 1 JANAUARY 2017	46.800	36.742	12.000	95.542	264	95.806
Transfer through appropriation of profit	0	9.476	12.000	21.476	317	21.793
Payment of dividend	0	0	-12.000	-12.000	0	-12.000
Payment of dividend minority interest	0	0	0	0	-215	-215
Exchange rate adjustments	0	-129	0	-129	-11	-140
Adjustment of market value on financial instruments	0	2.374	0	2.374	0	2.374
Tax on equity transactions	0	-522	0	-522		-522
EQUITY AT 31 DECEMBER 2017	46.800	47.941	12.000	106.741	355	107.096
Transfer through appropriation of profit	0	6.837	12.000	18.837	266	19.103
Payment of dividend	0	0	-12.000	-12.000	0	-12.000
Payment of dividend minority interest	0	0	0	0	-314	-314
Exchange rate adjustments	0	56	0	56	-12	44
Adjustment of market value on financial instruments	0	21	0	21	0	21
Tax on equity transactions	0	-5	0	-5	0	-5
EQUITY AT 31 DECEMBER 2018	46.800	54.850	12.000	113.650	295	113.945

FINANCIAL STATEMENTS 1 JANUARY – 31 DECEMBER 2018
STATEMENT OF EQUITY (PARENT COMPANY)

t.DKK

EQUITY AT 1 JANUARY 2017

Transfer through appropriation of profit
 Payment of dividend
 Exchange rate adjustments
 Adjustment of market value on financial instruments
 Tax on equity transactions

EQUITY AT 31 DECEMBER 2017

Transfer through appropriation of profit
 Payment of dividend
 Exchange rate adjustments
 Adjustment of market value on financial instruments
 Tax on equity transactions

EQUITY AT 31 DECEMBER 2018

PARENT COMPANY			
SHARECAPITAL	RETAINED EARNINGS	PROPOSED DIVIDIND	TOTAL EQUITY
46.800	36.742	12.000	95.542
0	9.476	12.000	21.476
0	0	-12.000	-12.000
0	-129	0	-129
0	2.374	0	2.374
	-522		-522
46.800	47.941	12.000	106.741
0	6.837	12.000	18.837
0	0	-12.000	-12.000
0	56	0	56
0	21	0	21
0	-5	0	-5
46.800	54.850	12.000	113.650

FINANCIAL STATEMENTS 1 JANUARY – 31 DECEMBER 2018
CASH FLOW STATEMENT

	GROUP	
t.DKK	2018	2017
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before financing		
Depreciations incl. gain/loss on disposals of fixed assets	29.125	34.045
Provisions and other adjustments	19.179	19.150
	-154	328
	48.150	53.523
CASH FLOW BEFORE CHANGES IN WORKING CAPITAL		
Changes in inventories and receivables	7.478	-23.538
Changes in trade payables and other payables	-2.025	-11.018
Changes in intercompany receivables and payables	2.972	0
	56.575	18.967
CASH FLOW FROM PRIMARY ACTIVITIES		
Financial interests, paid	1.164	1.274
Financial expenses, paid	-6.913	-7.179
	50.826	13.062
Corporate tax, paid	-5.195	-2.354
	45.631	10.708
CASH FLOW FROM INVESTMENT		
Purchase of intangible assets	0	-11.481
Purchase of property plant and equipment	-38.979	-11.936
Disposals of fixed assets	271	0
	-38.708	-23.417
CASH FLOW FROM FINANCING		
Payment of dividend	-12.000	-12.000
Payment of dividend to minority interests	-314	0
Received subordinate loan	0	59
Established new loan/leasing agreements	18.779	0
Repayment of subordinate loan	-10.059	0
Repayment of borrowing from financial and credit institutions	-5.111	-4.259
Changes in market value on financial instruments	21	2.374
	-8.684	-13.826
CASH FLOW FOR THE YEAR		
Cash and cash equivalents at 31 December 2017	-1.761	-26.535
Cash and cash equivalents at 31 December 2018	-59.585	-33.050
	-61.346	-59.585
Cash and cash equivalents at 31 December 2018 are specified as followed:		
Cash	7.829	2.288
Bank loans	-69.175	-61.873
Cash and cash equivalents at 31 December 2018	-61.346	-59.585

The cash flow statement cannot be derived directly from financial statements.

FINANCIAL STATEMENTS 1 JANUARY – 31 DECEMBER 2018

NOTES

1 DEPRECIATIONS

Depreciation of intangible and tangible fixed assets for the year are included in the income statement as follows:

	GROUP		PARENT COMPANY	
	2018	2017	2018	2017
t.DKK				
Production costs	12.999	14.247	14.138	15.242
Sales and distribution costs	388	28	0	0
Administration costs	5.579	4.378	3.791	2.921
	18.966	18.653	17.929	18.163

2 OTHER OPERATING INCOME AND EXPENSES

	GROUP		PARENT COMPANY	
	2018	2017	2018	2017
t.DKK				
Gain/loss from disposals of fixed assets	-213	-497	347	-497
Gain from legal case	4.442	0	0	0
Other operating income	365	434	26	0
Other operating expenses	-408	-542	0	0
	4.186	-605	373	-497
Other operating income	5.030	434	615	0
Other operating expenses	-844	-1.039	-242	-497
	4.186	-605	373	-497

3 FINANCIEL INCOME/EXPENSES

	GROUP		PARENT COMPANY	
	2018	2017	2018	2017
t.DKK				
Interest from intercompany receivables	0	0	318	374
Other financial income	1.164	1.274	935	901
	1.164	1.274	1.253	1.275
Interest from intercompany payables	162	0	2.513	2.226
Other financial expenses	6.751	7.179	4.705	4.879
	6.913	7.179	7.218	7.105

4 TAX FOR THE YEAR

	GROUP		PARENT COMPANY	
	2018	2017	2018	2017
t.DKK				
Current tax charges for the year	3.356	2.867	1.487	573
Deferred tax adjustments in the year	942	4.002	464	3.452
Tax adjustments, prior years	-20	0	0	0
	4.278	6.869	1.951	4.025
Tax for the year comprises the following:				
Tax on profit of the year	4.273	6.347	1.946	3.503
Tax on changes on the equity	5	522	5	522
	4.278	6.869	1.951	4.025

FINANCIAL STATEMENTS 1 JANUARY – 31 DECEMBER 2018

NOTES

5 INTANGIBLE ASSETS

	GROUP		PARENT COMPANY	
	Goodwill	Other intangible assets	Goodwill	Other intangible assets
t.DKK				
Cost at 1 January 2018	40.246	24.432	2.700	24.432
Exchange rate adjustment	108	0	0	0
Additions in the year	0	0	0	0
Disposals in the year	-2.700	0	-2.700	0
Cost at 31 December 2018	37.654	24.432	0	24.432
Impairment losses at 1 January 2018	2.287	0	0	0
Impairment losses at 31 December 2018	2.287	0	0	0
Amortisation at 1 January 2018	30.981	13.674	2.700	13.674
Exchange rate adjustment	80	0	0	0
Amortisation/depreciation in the year	1.285	2.835	0	2.835
Amortisation on disposals in the year	-2.700	0	-2.700	0
Amortisation at 31 December 2018	29.646	16.509	0	16.509
Carrying amount at 31 December 2018	5.721	7.923	0	7.923

The amortisation period of 20 years for goodwill is determined on the basis of the Management's experience in the Group's areas of business and, in the Management's opinion, reflects the best estimate of the acquired company's economic lifetime.

FINANCIAL STATEMENTS 1 JANUARY – 31 DECEMBER 2018

NOTES

6 PROPERTY, PLANT AND EQUIPMENT

	GROUP		
	Land and buildings	Tools and machinery	Process materials and fixtures and fittings
			Fixed assets in process of construction
t.DKK			
Cost at 1 January 2018	7.915	290.007	58.653
Changes to value 1 January 2018	0	0	-100
Adjusted cost at 1 January 2018	7.915	290.007	58.553
Exchange rate adjustment	124	58	5
Additions in the year	585	19.374	5.189
Disposals in the year	0	-2.823	-1.816
Cost at 31 December 2018	8.624	306.616	61.931
Depreciations at 1 January 2018	1.841	232.520	47.592
Changes to value 1 January 2018	0	0	-100
Adjusted cost at 1 January 2018	1.841	232.520	47.492
Exchange rate adjustment	106	0	33
Depreciation in the year	446	11.321	3.079
Depreciations on disposals in the year	0	-2.336	-1.814
Depreciations at 31 December 2018	2.393	241.505	48.790
Carrying amount at 31 December 2018	6.230	65.111	13.141
Assets held under financial lease	0	18.992	691
			24.738
			14.401

FINANCIAL STATEMENTS 1 JANUARY – 31 DECEMBER 2018

NOTES

6 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	PARENT COMPANY		
	Tools and machinery	Process materials and fixtures and fittings	Fixed assets in process of construction
t.DKK			
Cost at 1 January 2018	275.470	41.776	10.907
Changes to value 1 January 2018	27	-27	0
Adjusted cost at 1 January 2018	275.497	41.749	10.907
Additions in the year	18.927	3.572	36.330
Disposals in the year	-5.235	-1.410	-22.499
Cost at 31 December 2018	289.189	43.911	24.738
Depreciations at 1 January 2018	214.391	32.148	0
Depreciation in the year	12.614	2.480	0
Depreciations on disposals in the year	-4.681	-1.408	0
Depreciations at 31 December 2018	222.324	33.220	0
Carrying amount at 31 December 2018	66.865	10.691	24.738
Assets held under financial lease	18.992	0	14.401

FINANCIAL STATEMENTS 1 JANUARY – 31 DECEMBER 2018

NOTES

7 INVESTMENTS IN SUBSIDIARIES

	PARENT COMPANY	
	2018	2017
t.DKK		
Cost at 1 January 2018	129.590	129.590
Cost at 31 December 2018	129.590	129.590
Adjustments at 1 January 2018	-101.037	-105.401
Exchange rate adjustment	58	-129
Profit for the year	11.886	9.214
Dividends	-5.095	-4.721
Adjustments at 31 December 2018	-94.188	-101.037
Carrying amount at 31 December 2018	35.402	28.553

Carrying amount of investments in subsidiaries is presented in the balance sheet as follows:

Fixed financial assets	44.807	38.585
Write-downs on receivables	-9.196	-9.916
Negative investments in subsidiaries	-209	-116
	35.402	28.553

Investments in subsidiaries are specified as follows:

t.DKK	<u>Ownership</u>	<u>Nominal value</u>	<u>Equity at 31 December</u>	<u>Profit/loss for the year</u>
Plus Pack NV, Belgium	100 %	5.419 t.eur	39.859	6.718
Plus Pack SAS, France	100 %	210 t.eur	2.390	2.468
Plus Pack AS, Norway	100 %	400 t.nok	1.869	1.424
Plus Pack Verpackungsmittel GmbH, Germany	100 %	26 t.eur	-9.405	655
RSC Sp. Z o.o., Poland	70 %	60 t.pln	689	621
			35.402	11.886

FINANCIAL STATEMENTS 1 JANUARY – 31 DECEMBER 2018

NOTES

8 OTHER FINANCIAL ASSETS

	PARENT COMPANY	
	Deposits	Other securities and holdings
t.DKK		
Cost at 1 January 2018	8.000	420
Cost at 31 December 2018	8.000	420
Adjustments at 1 January 2018	-9	-420
Exchange rate adjustment	24	0
Adjustments at 31 December 2018	15	-420
Carrying amount at 31 December 2018	8.015	0

9 DEFERRED TAX

	GROUP		PARENT COMPANY	
	2018	2017	2018	2017
t.DKK				
Deferred tax is made up of the following items:				
Intangible assets	-1.729	-3.347	-1.729	-3.347
Property, plant and equipment	-2.631	76	-2.510	122
Inventories	-669	-812	-669	-812
Other debt	506	124	455	48
Losses to be carried forward	6.255	6.633	0	0
	1.732	2.674	-4.453	-3.989
Carrying amount of investments in subsidiaries is presented in the balance sheet as follows:				
Deferred tax asset	6.185	6.663	0	0
Deferred tax liability	-4.453	-3.989	-4.453	-3.989
	1.732	2.674	-4.453	-3.989
Movements for the year are specified as follows:				
Deferred tax at 1 January	2.674	6.674	-3.989	-537
Deferred tax on the equity	407	-48	407	-48
Adjustments for the year	-1.349	-3.952	-871	-3.404
	1.732	2.674	-4.453	-3.989
Deferred tax assets not reported in the balance sheet	24.802	27.402	0	0

Plus Pack A/S is part of an international joint taxation. At 31 December 2018, the group has recognized a deferred tax asset totalling 6.255 t.DKK regarding losses to be carried forward in the Plus Pack NV and Plus Pack Verpackungsmittel GmbH. Based on budgets, Management considers it likely that there will be future taxable income against which non-utilised tax losses can be offset.

FINANCIAL STATEMENTS 1 JANUARY – 31 DECEMBER 2018

NOTES

10 PREPAYMENTS

Accrued costs comprises prepayment for rent of office, IT, insurance, subscription, etc.

11 SHARE CAPITAL

t.DKK	GROUP		PARENT COMPANY	
	2018	2017	2018	2017
Share capital comprises the following:				
A-shares – nominal DKK 100 per share	23.400	23.400	23.400	23.400
B-shared – nominal DKK 100 per share	23.400	23.400	23.400	23.400
	46.800	46.800	46.800	46.800

Each A-share is assigned 10 votes and each B-share is assigned 1 vote. Shareholders are assigned right of first refusal in respect of share issues of the same class of shares. In raising capital, priority subscription rights exist in respect of both A- and B-shares. Holders of B-shares are entitled to a non-cumulative preference dividend of up to 8 %. In all other respects, holders of shares of both classes have the same rights.

12 NON-CURRENT LIABILITIES

t.DKK	GROUP			Total
	< 1 year	1 <> 5 years	> 5 years	
Lease contract	4.514	13.714	6.386	24.614
t.DKK	PARENT COMPANY			Total
	< 1 year	1 <> 5 years	> 5 years	
Lease contract	4.425	13.336	6.386	24.147

13 PROVISION OF COLLATERAL

GROUP

A factoring agreement has been made with Fortis Factoring of 500 t.EUR for trade receivables in Plus Pack NV. The carrying amount at 31 December 2018 of the receivables totals 996 t.EUR. A factoring agreement has been made with Fortis Factoring of 2.000 t.EUR for trade receivables in Plus Pack SAS. The carrying amount at 31 December 2018 of the receivables totals 3.412 t.EUR.

The Group has granted an absolute guarantee for credits and bank loans at a total amount of t.DKK 63.360.

PARENT COMPANY

As security for the Company's debt to banks and other credit institutions the Company has provided security or other collateral in its assets for a total amount of 100.000 t.DKK. The securities comprises of a business mortgage at 75.000 t.DKK and a chattel mortgage at 25.000 t.DKK. The carrying amount of the assets totals 222.152 t.DKK. Furthermore, the banks and other credit institutions are secured for their engagement by certain fixed and current assets as further pledges cannot be made without the banks approval.

The Company has granted an absolute guarantee for its subsidiaries 'credits and bank loans at a total amount of t.DKK 63.360.

FINANCIAL STATEMENTS 1 JANUARY – 31 DECEMBER 2018

NOTES

14 CONTINGENT LIABILITIES

Annual leasing payment under operational leasing contracts:

t.DKK	GROUP		PARENT COMPANY	
	2018	2017	2018	2017
Leasing contracts expiring in 2018	0	1.718	0	947
Leasing contracts expiring in 2019	2.166	1.312	1.313	870
Leasing contracts expiring in 2020	1.088	550	631	438
Leasing contracts expiring in 2021	838	248	545	205
Leasing contracts expiring in 2022	351	35	246	0
	4.443	3.863	2.735	2.460

GROUP

The Group has entered into two leasing contracts for the lease of the Group's premises in Denmark and Belgium. The total amortized leasing liability at 31 December 2018 amounts to a total of 95.067 t.DKK.

Besides the lease liability for the Group's premises, a total rent liabilities currently amounts to 92 t.DKK

PARENT COMPANY

The Company has entered into a leasing contract for the lease of the Company's premises in Denmark. The total amortized leasing liability at 31 December 2018 amounts to a total of 74.437 t.DKK.

The Company is jointly taxed with Danish Companies, with C&A Invest A/S as the administration company. The Company is therefore held liable under the Corporation Tax Act rules accordingly for any obligations to withholding tax, tax on interests, royalties and dividends for the jointly taxed companies.

15 EVENTS SINCE THE END OF THE FISCAL YEAR

From the reporting date until today, no events have taken place to change the assessments made in the annual report.

16 STAFF

Total costs in respect of wages and salaries are specified as follows:

t.DKK	GROUP		PARENT COMPANY	
	2018	2017	2018	2017
Wages and salaries	111.163	106.638	81.273	81.128
Pensions	8.075	7.770	6.462	6.302
Other social costs	3.660	3.558	1.491	1.595
	122.898	117.966	89.226	89.025
Average number of full-time employees	227	221	159	161

FINANCIAL STATEMENTS 1 JANUARY – 31 DECEMBER 2018

NOTES

16 STAFF (CONTINUED)

Remuneration to board of directors and management specified as follows:

t.DKK	GROUP		PARENT COMPANY	
	2018	2017	2018	2017
Management*	4.718	4.793	4.718	4.793
Board of directors	1.445	1.145	1.445	1.145
	6.163	5.938	6.163	6.163

Cars and phones are made available to management.

*In 2017, Management comprised of two managers. In October 2018, one manager stopped in Plus Pack. From November 2018 Management comprises of one manager.

17 FEE FOR AUDITORS ELECTED BY THE ANNUAL GENERAL MEETING

Total fee to auditors are specified as follows:

t.DKK	GROUP		PARENT COMPANY	
	2018	2017	2018	2017
Audit	564	506	262	230
Other declarations	8	28	0	0
Tax consultancy services	112	51	56	5
Other fees	42	247	27	201
	726	832	345	436

18 EXCHANGE RATE RISK AND FINANCIAL INSTRUMENTS

As part of the hedge of recognized transactions, the Group uses hedging instruments in form of forward exchange contracts and hedge of LME. The group has secured sales of 1.950 t.PLN against DKK, 15.000 t.NOK against DKK and 2.802 tons of LME. Hedge of recognized transactions comprise receivables and payables. The Group also use interest rate swap to secure fixed interest on liabilities. The Group has hedged 4.000 t.EUR to 4,07 % with expiration in 2021.

At 31 December 2018 unrealized net losses in derivative financial instruments for currency hedging and interest rate swaps totals to 5.319 t.DKK. The amount is recognized in the balance sheet under other debt and other receivables.

FINANCIAL STATEMENTS 1 JANUARY – 31 DECEMBER 2018

NOTES

19 RELATED PARTIES

SHAREHOLDERS

At the end of the year, the following shareholders were registered as holding at least 5% of the votes or share capital (the shareholders' ownership interest and voting shares are identical).

HAUSTRUP HOLDING A/S

Energivej 40
DK-5260 Odense S

Telephone: +45 6550 6000

Chairman:
Steen Haustrup

OVERALL PARENT COMPANY

The Company's immediate and overall parent company, which prepares the consolidated accounts in which the company is included as a subsidiary is C&A Invest A/S,
CVR-no. 37 27 37 83.

TRANSACTIONS WITH RELATED PARTIES

Section 98c(7) of the Danish Financial Statement Act is applied regarding related parties transactions. It is the assessment of the Management, that all transactions has been carried out at marked terms.

20 APPROPRIATION OF PROFIT AND LOSS

t.DKK
Proposed dividend
Transferred to next year

	PARENT COMPANY	
	2018	2017
Proposed dividend	12.000	12.000
Transferred to next year	6.837	9.476
	18.837	21.476

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Carsten Bo Pedersen

Bestyrelsesmedlem

Serienummer: PID:9208-2002-2-972685546330

IP: 185.17.xxx.xxx

2019-04-15 14:11:09Z

NEM ID 

Allan Dydensborg Madsen

Revisor

Serienummer: CVR:33963556-RID:26667352

IP: 83.151.xxx.xxx

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NEM ID 

Jens Kristensen

Bestyrelsesmedlem

Serienummer: PID:9208-2002-2-084300289993

IP: 188.181.xxx.xxx

2019-04-15 14:55:41Z

NEM ID 

John Helmuth Madsen

Bestyrelsesmedlem

Serienummer: PID:9208-2002-2-410697527673

IP: 80.62.xxx.xxx

2019-04-15 16:23:15Z

NEM ID 

Steen Haustrup

Bestyrelsesmedlem

Serienummer: PID:9208-2002-2-049561903286

IP: 87.48.xxx.xxx

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NEM ID 

Torben Kähne Rasmussen

Bestyrelsesmedlem

Serienummer: PID:9208-2002-2-974813229002

IP: 188.176.xxx.xxx

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NEM ID 

Pia Lyneborg Andersen

Bestyrelsesmedlem

Serienummer: PID:9208-2002-2-605984274418

IP: 195.143.xxx.xxx

2019-04-16 09:37:15Z

NEM ID 

Anders Top Haustrup

Adm. direktør

Serienummer: PID:9208-2002-2-149663696060

IP: 80.62.xxx.xxx

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Lars Knage Nielsen

Revisor

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Camilla Hastrup Hermansen

Bestyrelsesmedlem

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IP: 195.143.xxx.xxx

2019-04-17 12:35:16Z

NEM ID 

Torben Sørensen

Bestyrelsesmedlem

Serienummer: PID:9208-2002-2-628719846279

IP: 85.191.xxx.xxx

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NEM ID 

Jens Albert Harsaae

Bestyrelsesformand

Serienummer: PID:9208-2002-2-115794368707

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Jens Albert Harsaae

Dirigent

Serienummer: PID:9208-2002-2-115794368707

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