NOPA NORDIC
member of the nopa nordic family

Nopa Nordic A/S

Havrevænget 13
DK-9500 Hobro

CVR no. 42 55 92 10

Annual report 2018/19

The annual report was presented and approved at the Company's annual general meeting
on 2.7 20 19

chairman of the annual general meeting

Contents

Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Nopa Nordic 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 Group's and the Parent Company's assets, liabilities and financial position at 30 April 2019 and of the results of the Group's and the Parent Company's operations and 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 activities and financial matters, of the results for the year and of the Group's and the Parent Company's financial position.

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

Hobro, 2 July 2019
Executive Board:

Henrik Karup Jørgensen	Bente Christensen	Mette Kolling Rothmann

Board of Directors:

Anders Jacob Gad Thostrup Chairman	Julie Gad Thostrup	Conradus Antonius Marie de Jong

Independent auditor's report

To the shareholders of Nopa Nordic A/S

Opinion

We have audited the consolidated financial statements and the parent company financial statements of Nopa Nordic A/S for the financial year 1 May 2018 – 30 April 2019 comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for the Group as well as for the Parent Company and a cash flow statement for the Group. The consolidated financial statements and parent company 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 Group's and the Parent Company's assets, liabilities and financial position at 30 April 2019 and of the results of the Group's and the Parent Company's operations and 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 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 company financial statements" section of our report. 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 the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility for the consolidated financial statements and the parent company 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 that Management determines is necessary to enable the preparation of consolidated financial statements and parent company financial statements that are free from material misstatement, whether due to fraud or error.

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

KPMG

Independent auditor's report

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

Our objectives are to obtain reasonable assurance as to whether the consolidated financial statements and the parent company 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 financial statement users made on the basis of these consolidated financial statements and parent company financial statements.

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 company 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 consolidated financial statements and the parent company 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 consolidated financial statements and the parent company 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 Company to cease to continue as a going concern.

- evaluate the overall presentation, structure and contents of the consolidated financial statements and the parent company financial statements, including the disclosures, and whether the consolidated financial statements and the parent company 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.

KPMG

Independent auditor's report

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the consolidated financial statements and the parent company 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 consolidated financial statements and the parent company 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 consolidated financial statements or the parent company 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.

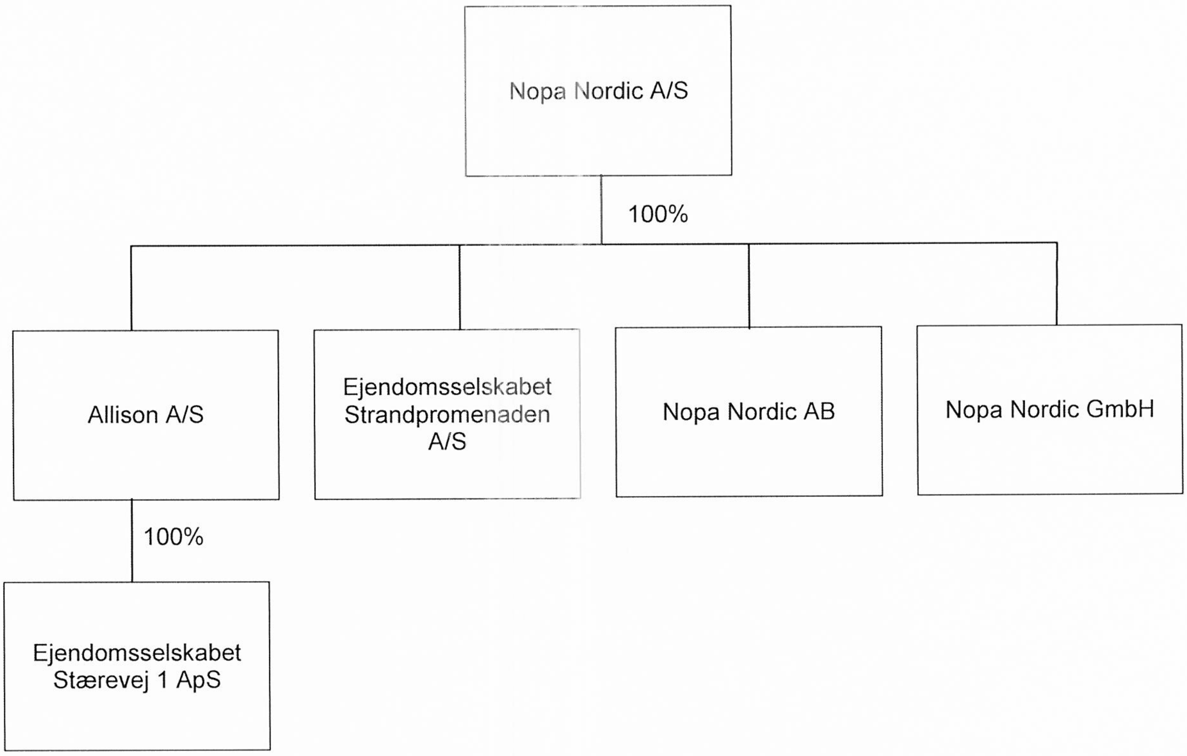
Based on the work we have performed, we conclude that the Management's review is in accordance with the consolidated financial statements and the parent company financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any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

Aalborg, 2 July 2019
KPMG
Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

Steffen S. Hansen
State Authorised
Public Accountant
mne32737

Management's review

Group chart



Company details

Nopa Nordic A/S
Havrevænget 13
DK-9500 Hobro

Telephone:	+45 89 12 21 22
CVR no.	42 55 92 10
Established:	29 December 1972
Registered office:	Mariagerfjord
Financial year:	1 May – 30 April

Board of Directors

Anders Jacob Gad Thostrup (Chairman)
Julie Gad Thostrup
Conradus Antonius Marie de Jong

Executive Board

Henrik Karup Jørgensen
Bente Christensen
Mette Kolling Rothmann

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Østre Havnegade 18
DK-9000 Aalborg

Management's review

Financial highlights for the Group

DKK'000	2018/19	2017/18	2016/17	2015/16	2014/15
Revenue	627,796	616,105	589,051	432,279	446,476
Gross profit	152,385	165,938	144,401	107,991	113,751
Operating profit (EBIT)	24,226	40,641	27,859	22,050	25,812
Profit/loss from financial income and expenses	-927	-514	-921	10	-141
Profit for the year	**17,064**	**30,247**	**20,457**	**16,780**	**19,951**
Total assets	366,560	360,680	330,053	253,767	240,484
Equity	220,759	214,642	195,551	180,694	175,072
Cash flows from operating activities	33,025	-4,629	48,447	28,487	35,945
Cash flows from investing activities	-24,817	-5,605	-70,453	-18,648	-13,715
Hereof investment in property, plant and equipment	-24,260	-28,405	-18,083	-18,648	-13,715
Cash flows from financing activities	-2,928	-7,330	-5,440	-8,256	0
Total cash flows	**5,280**	**-17,564**	**-27,447**	**1,583**	**22,230**
Gross margin	24.3	26.9	24.5	25.0	25.5
Return on invested capital	8.9	14.8	8.3	5.1	5.8
Solvency ratio	60.6	59.5	59.2	71.2	72.8
Average number of full-time employees	214	216	203	160	169

Financial ratios are calculated in accordance with the latest Danish Society of Financial Analysts' guidelines on the calculation of financial ratios "Recommendations & Ratios". The financial ratios have been calculated as follows:

Gross margin $$\frac{\text{Gross profit x 100}}{\text{Revenue}}$$

Return on invested capital $$\frac{\text{Operating profit x 100}}{\text{Average invested capital}}$$

Solvency ratio $$\frac{\text{Equity ex. non-controlling interests at year end x 100}}{\text{Total equity and liabilities at year end}}$$

Management's review

Operating review

Principal activities of the Group and development

Nopa Nordic A/S' principal activities are to develop, produce and sell private-label detergents, cleaning products and products for personal care.

Nopa Nordic A/S' products are primarily sold on the European markets, but to an increasing extent also outside Europe. The continuous cultivation of our export markets paid off in the form of new customers in- and outside of the EU, including Central Europe and China. During 2018/19, the export share continued to increase. This trend is expected to continue in 2019/20.

Consumer insights and product innovation remain competitive differentiators for Nopa Nordic A/S, as we strive to continuously meet requirements of both consumers and customers. During the year, a considerable number of new products were developed and launched, and several of our products won quality or design awards.

During the year, we also realised several joint opportunities and synergies across the Nopa Nordic Group of Companies and expect to realise further such gains in future.

Over the last years, Nopa Nordic A/S has developed its supply chain management capability, so that we can optimise our production and subsequent deliveries to our customers based on almost real-time actual out-of-store sales data from the customer. We have implemented this capability with several customers, with the outcome being a higher order fulfilment rate due to the higher predictability of orders, compared to other customers who do not supply actual sales data and who call off goods more erratically. We hope to implement the system with more customers over the coming years.

Financial performance and position

The Group reported a profit of DKK 17.1 million for 2018/19, and at 30 April 2019 with equity valued at DKK 220.8 million.

Nopa Nordic A/S' results and financial performance for 2018/19 were above budget and considered satisfactory.

Revenue was up from DKK 616.1 million in 2017/18 to DKK 627.8 million corresponding to an increase of 1.90%.

Operating profit was down from DKK 40.6 million in 2017/18 to DKK 24.2 million. Results for 2017/2018 included a profit of DKK 23.8 million from the sale of a property. Disregarding this profit, operating profit improved by DKK 7.4 million.

Cash flows from operating activities were up from minus DKK 4.6 million to plus DKK 33.0 million

Outlook

For the 2019/20 financial year, consolidated revenue and profit are expected to increase due to the growth in export activities.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date that may influence the evaluation of this annual report.

Management's review

Operating review (continued)

Risks

Sales price risks

Nopa Nordic A/S constantly seeks to improve the competitive position of its clients by remaining cost-competitive. Inflation of raw materials and packaging costs pose the most significant commercial risk to the Company because these are the greatest cost drivers. During short periods of time and due to contractual commitments to our customers, price increases in raw materials and packaging may not be reflected in the sales prices charged for the final products. However, this risk is significantly reduced through indexing of sales prices to the price of raw materials and packaging.

Currency risks

Commercial currency risk is considered low.

Interest rate risks

Interest-bearing debt is limited, and moderate changes in interest rates are not expected to have a major impact on earnings.

Human resources

Nopa Nordic A/S makes use of state-of-the-art production technology and needs to attract and retain skilled labour to remain efficient and competitive. For example, it takes up to a year to train new operators to run the most advanced production lines. Nopa Nordic A/S therefore continuously invests in training and the development of skills of its employees.

In 2018/19, we enjoyed noticeable success with our Leadership Development Programme for "level 2 managers" in the Nopa Nordic Family.

Management's review

Operating review (continued)

Quality and environment

Since 1998, Nopa Nordic A/S has been certified to DS/EN ISO 9001 and ISO 14001. Accordingly, Nopa Nordic A/S is required to reduce the environmental impact of its activities to an absolute minimum and to ensure that health and safety of the individual employee remains a constant priority.

Furthermore, Nopa Nordic A/S has been certified to the A.I.S.E. charter for sustainable cleaning, focusing on the environment, work environment and consumer safety. The certification supports Nopa Nordic A/S' green profile and the commercial potential of its products.

In December 2015, a voluntary audit was conducted in accordance with the ISO 22716/GMP standard, and Nopa Nordic A/S was subsequently awarded a certificate of conformity confirming that our production processes and facilities are compliant with this standard.

Since January 2017, both heating fuel and electricity have been sourced from renewable resources (including certified Biogas).

All certificates are renewed on time as required by the individual standards.

Research and development

Nopa Nordic A/S continuously develops and optimises its production processes and products. Derived costs are regularly expensed.

In a market where requirements and expectations constantly change, an intense focus is maintained on optimising our products together with our customers. Nopa Nordic Family's Product and Business Development teams strive to stay on the forefront via the development of new, even greener, innovative products and concepts, and via the upgrading and enhancement of existing products.

The Company also makes significant investments in long-term research and development projects in cooperation with universities and suppliers.

Management's review

Operating review (continued)

Statutory report on corporate social responsibility (section 99 a of the Danish Financial Statements Act)

CSR policy, business model and risks

Business development and optimisation go hand in hand with corporate social responsibility (CSR), and therefore CSR is a high focus area at Nopa Nordic A/S. Nopa Nordic A/S has not established a separate CSR policy - and accordingly no separate policies for impact on environment, climate, social and staff matters, anti-corruption and bribery and human rights - but has instead integrated CSR into its business principles and strategy, because of a desire to contribute to a better and sustainable society by investing and engaging in human resources and environmental aspects.

Nopa Nordic has the top rating of gold level from the international CSR rating organisation, EcoVadis. EcoVadis assesses a company's initiatives within environment, supplier management and labour practices, and Nopa Nordic's performance has been ranked to be at the top of these initiatives.

Nopa Nordic A/S also places heavy demands on its suppliers, requiring them to comply with the UN World Declaration of human rights, including UN standards for human rights, work environment, health, safety, social standards and environmental standards. Our CSR certification helps us place heavy demands on our suppliers and their CSR efforts.

During the year under review, Nopa Nordic A/S has continued its efforts within sustainability and CSR.

Based thereon, Management has considered the related risk insignificant.

Environment and climate

Sustainability and CSR are reflected in our product and business development strategies. Nopa Nordic A/S constantly strives to develop and produce as effective products as possible with the least possible environmental and climate impact. Nopa Nordic A/S accounts for a high number of eco-labelled products launched on the Scandinavian markets each year and seeks to maintain leadership within these segments on our core markets. We also work actively on promoting awareness of eco-labelled products on our export markets outside Scandinavia and Europe. Nopa Nordic A/S makes it easier for the consumer to "go green" and to opt for eco-labelled products and thereby reduce environmental and climate impact.

Nopa Nordic A/S sources only RSPO-certified palm oil and offers our customers raw materials/derivatives made from mass balance-certified palm oil. Furthermore, Nopa Nordic A/S follows the megatrend of vegan products, and during the past years, we developed our cooperation with the Vegan Society. We offer a large number of vegan-certified products, and we have even launched the first vegetable-based products.

Nopa Nordic A/Shas also developed and launched new ranges of ecocert/cosmos products.

Sustainability is an integrated part of daily operations, as renewable sources of energy account for Nopa Nordic A/S' entire electricity and heating consumption. In its ongoing efforts to improve and optimise its processes, Nopa Nordic A/S strives to increase its rate of reuse and to reduce waste of materials and resources as well as energy consumption. Due to this focus, the use of electricity is now 100% supplied through wind energy, and since January 2017, our gas has come from a new biogas facility.

Management's review

Operating review (continued)

Social and staff matters

The quality of the workplace and internal work environment at Nopa Nordic A/S is given a high priority. Action plans have been drawn up based on input from our employees, and new measures have been implemented this year to further improve the work environment. We have, for instance, invested in production and office equipment to improve ergonomics and reduce health risks, and we strive to extend our certification to working environmental standards. Additionally, Nopa Nordic A/S considers it an obligation to offer positions respecting the needs of the individual with regard to duties, working hours and skills.

Nopa Nordic A/S is of the opinion that the Company has a special obligation to support the local community. Therefore, in line with our practice for several years, we continue to support the local Julemærkehjem in Hobro (centre for overweight children) and the organisation “Plan” (School Children in Kenya).

Furthermore, during the year under review, Nopa Nordic A/S supported Hobro Søndre Skole, a project in Gambia, Møldrup Gymnastikforening, KFUM Rosendal and Aars IK U13/U14 football. Our staff association decided on these five sponsorships.

Human rights

Focus is that all employees are treated equal without being exposed to religious, cultural and/or gender discrimination or harassment.

The protection of human rights is part of our Code of Conduct, which we hand out to all new suppliers and partners. Once a year, we give our existing suppliers and partners a new copy of our Code of Conduct in order for them to confirm that they still comply with our regulations.

We have not met any irregularities internally at Nopa Nordic A/S or externally at our suppliers and partners.

Anti-corruption and bribery

Ethics and morality are important for Nopa Nordic A/S. Therefore, we also focus on anti-corruption and no instances of bribery. Our policies will be integrated into our Code of Conduct, which we hand out to all suppliers and partners. The policies will also be part of our employee manual.

In order to make sure that suppliers and partners live up to our regulations, we send them our Code of Conduct once a year. Our employee manual is handed out to all new employees. All employees who can bind Nopa Nordic A/S will be trained in our policies.

Our Code of Conduct including our new anti-corruption and bribery policy will be sent to all suppliers and partners by the end of 2019. Implementation in the employee manual as well as the training of our employees will also be carried out by the end of 2019.

It is important for us to highlight that in 2018/19, we have not had any suspicion of corruption or bribery.

Management's review

Operating review (continued)

Statutory report on targets and policies for the underrepresented gender (section 99 b of the Danish Financial Statements Act)

The general policy is to have an inclusive culture at all levels of the organisation, including the Board of Directors and leadership team.

In general we always prioritise to hire the most competent and skilled people/candidates.

Nopa Nordic A/S has set targets for the number of women to serve on its Board of Directors and well as its Executive Board.

For the Board of Directors, our target is to have at least one female board member. Two men and one woman serve on the Board of Directors, and therefore the target was met for 2018/19.

For the Executive Board, at least one female officer is set as target. The Executive Board consists of two women and one man, and therefore the target was met for 2018/2019.

The management team in Nopa Nordic A/S consists of four men and three women, and the management team in Allison consists of three women and three men.

50% of the participants in the Leadership Programme (see earlier section) were women.

Consolidated financial statements and parent company financial statements 1 May 2018 – 30 April 2019

Income statement

		Group		Parent Company	
DKK	Note	2018/19	2017/18	2018/19	2017/18
Revenue		627,796,158	616,105,274	500,305,157	478,828,372
Other operating income		0	23,784,550	70,000	65,000
Cost of raw materials and consumables		-416,307,897	-400,015,143	-333,477,719	-319,041,054
Other external costs		-59,102,411	-73,936,724	-53,034,670	-55,359,784
Gross profit		152,385,850	165,937,957	113,862,768	104,492,534
Staff costs	2	-105,842,833	-104,385,741	-78,570,735	-77,003,492
Depreciation of property, plant and equipment and amortisation of intangible assets		-22,316,908	-20,910,772	-15,484,265	-13,805,545
Operating profit (EBIT)		24,226,109	40,641,444	19,807,768	13,683,497
Income from investments in group entities		0	0	2,453,991	19,163,107
Loss from securities and equity investments		0	-6,000	0	0
Financial income		626,839	931,662	651,859	504,938
Financial expenses	3	-1,553,977	-1,445,351	-1,688,726	-999,964
Profit before tax		23,298,971	40,121,755	21,224,892	32,351,578
Tax on profit for the year	4	-6,235,169	-9,874,746	-4,161,090	-2,104,569
Profit for the year	5	17,063,802	30,247,009	17,063,802	30,247,009

Consolidated financial statements and parent company financial statements 1 May 2018 – 30 April 2019

Balance sheet

		Group		Parent Company	
DKK	Note	2018/19	2017/18	2018/19	2017/18
ASSETS					
Fixed assets					
Intangible assets	6				
Goodwill		10,167,377	15,047,511	0	0
		10,167,377	15,047,511	0	0
Property, plant and equipment	7				
Land and buildings		41,995,518	44,337,625	33,198,517	34,910,361
Plant and machinery		44,254,416	44,636,053	42,991,784	42,417,642
Fixtures and fittings, tools, equipment and software		12,688,802	15,815,803	11,466,069	14,293,073
Assets under construction		15,691,878	3,246,979	15,691,878	3,206,979
		114,630,614	108,036,460	103,348,248	94,828,055
Investments	8				
Investments in group entities		0	0	86,196,287	86,529,379
Other securities and equity investments		557,250	0	557,250	0
		557,250	0	86,753,537	86,529,379
Total fixed assets		125,355,241	123,083,971	190,101,785	181,357,434
Current assets					
Inventories					
Raw materials and consumables		49,004,201	51,096,827	36,113,026	38,475,699
Finished goods and goods for resale		74,887,931	72,723,492	56,657,728	50,288,918
Prepayments for goods		877,500	1,108,763	0	0
		124,769,632	124,929,082	92,770,754	88,764,617
Receivables					
Trade receivables		106,769,084	97,591,547	87,389,099	78,729,319
Corporation tax		0	0	0	8,417,960
Other receivables		6,124,192	12,651,596	6,001,513	12,435,981
Prepayments		1,899,204	1,295,365	1,186,114	683,144
		114,792,480	111,538,508	94,576,726	100,266,404
Cash at bank and in hand		1,642,264	1,128,621	39,098	32,222
Total current assets		241,204,376	237,596,211	187,386,578	189,063,243
TOTAL ASSETS		366,559,617	360,680,182	377,488,363	370,420,677

Consolidated financial statements and parent company financial statements 1 May 2018 – 30 April 2019

Balance sheet

		Group		Parent Company	
DKK	Note	2018/19	2017/18	2018/19	2017/18
EQUITY AND LIABILITIES					
Equity					
Share capital	9	1,000,000	1,000,000	1,000,000	1,000,000
Net revaluation according to the equity method		0	0	23,514,862	23,847,953
Retained earnings		219,758,626	213,641,906	196,243,764	189,793,953
Total equity		220,758,626	214,641,906	220,758,626	214,641,906
Provisions					
Provisions for deferred tax	10	8,932,113	9,233,488	7,831,795	8,069,967
Total provisions		8,932,113	9,233,488	7,831,795	8,069,967
Liabilities other than provisions					
Non-current liabilities other than provisions					
Mortgage debt		20,625,101	4,393,018	16,617,118	0
		20,625,101	4,393,018	16,617,118	0
Current liabilities other than provisions					
Mortgage debt, short term		2,289,378	388,984	1,900,000	0
Bank loans		29,481,906	34,248,704	28,795,953	28,329,303
Trade payables		53,687,220	63,456,839	44,778,854	56,933,624
Payables to group entities		0	0	35,158,591	36,472,938
Corporation tax		4,739,173	359,705	4,520,142	0
Other payables		26,046,100	33,957,538	17,127,284	25,972,939
		116,243,777	132,411,770	132,280,824	147,708,804
Total liabilities other than provisions		136,868,878	136,804,788	148,897,942	147,708,804
TOTAL EQUITY AND LIABILITIES		366,559,617	360,680,182	377,488,363	370,420,677

Consolidated financial statements and parent company financial statements 1 May 2018 – 30 April 2019

Statement of changes in equity

	Group			
DKK	Share capital	Retained earnings	Proposed dividends	Total
Equity at 1 May 2017	1,000,000	182,550,677	12,000,000	195,550,677
Distributed dividends	0	840,000	-12,000,000	-11,160,000
Transferred; see the profit appropriation	0	30,247,009	0	30,247,009
Exchange rate adjustment, foreign subsidiaries	0	38,849	0	38,849
Value adjustment of hedging instruments	0	-34,629	0	-34,629
Equity at 1 May 2018	1,000,000	213,641,906	0	214,641,906
Distributed extraordinary dividends	0	-11,160,000	0	-11,160,000
Transferred over the profit appropriation	0	17,063,802	0	17,063,802
Exchange rate adjustment, foreign subsidiaries	0	-4,445	0	-4,445
Value adjustments of hedging instruments	0	217,363	0	217,363
Equity at 30 April 2019	1,000,000	219,758,626	0	220,758,626

Consolidated financial statements and parent company financial statements 1 May 2018 – 30 April 2019

Statement of changes in equity

	Parent Company				
DKK	Share capital	Net revaluation reserve according to the equity method	Retained earnings	Proposed dividends	Total
Equity at 1 May 2017	1,000,000	6,450,536	176,100,142	12,000,000	195,550,678
Distributed dividends	0	0	840,000	-12,000,000	-11,160,000
Transferred; see the profit appropriation	0	17,393,198	12,853,811	0	30,247,009
Exchange rate adjustment,	0	38,848	0	0	38,848
Value adjustments of hedging instruments	0	-34,629	0	0	-34,629
Equity at 1 May 2018	1,000,000	23,847,953	189,793,953	0	214,641,906
Distributed extraordinary dividend	0	0	-11,160,000	0	-11,160,000
Transferred over the profit appropriation	0	-546,009	17,609,811	0	17,063,802
Exchange rate adjustment, foreign subsidiary	0	-4,445	0	0	-4,445
Value adjustments of hedging instruments	0	217,363	0	0	217,363
Equity at 30 April 2019	1,000,000	23,514,862	196,243,764	0	220,758,626

Consolidated financial statements and parent company financial statements 1 May 2018 – 30 April 2019

Cash flow statement (Group)

DKK	Note	2018/19	2017/18
Profit for the year		17,063,802	30,247,009
Other adjustments	14	29,703,397	3,037,778
Cash generated from operations before changes in working capital		46,767,199	33,284,787
Changes in working capital	15	-10,657,588	-22,072,448
Cash generated from operations		36,109,611	11,212,339
Interest income		626,839	931,662
Interest expense		-1,553,977	-1,445,351
Corporation tax paid		-2,157,076	-15,328,037
Cash flows from operating activities		33,025,397	-4,629,387
Acquisition of equity investments		-557,250	0
Acquisition of property, plant and equipment		-24,260,183	-28,404,982
Disposals of property, plant and equipment		0	22,800,152
Cash flows from investing activities		-24,817,433	-5,604,830
Distributed dividends		-21,900,000	-7,785,345
Thereof dividends on treasury shares		840,000	840,000
Instalments of mortgage debt		-1,492,779	-384,303
Additional mortgage loan		19,625,256	0
Cash flows from financing activities		-2,927,523	-7,329,648
Cash flows for the year		5,280,441	-17,563,865
Cash and cash equivalents at the beginning of the year		-33,120,083	-15,556,218
Cash and cash equivalents at year end		-27,839,642	-33,120,083
Presented as follows in the financial statements:			
Cash at bank and in hand		1,642,264	1,128,621
Bank loans		-29,481,906	-34,248,704
		-27,839,642	-33,120,083

Consolidated financial statements and parent company financial statements 1 May 2018 – 30 April 2019

Notes

1 Accounting policies

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

Apart from the above, the accounting policies used in the preparation of the consolidated financial statements and the parent company financial statements are consistent with those of last year.

Consolidated financial statements

The consolidated financial statements comprise the Parent Company, Nopa Nordic A/S, and subsidiaries in which Nopa Nordic A/S directly or indirectly holds the majority of the votes.

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 subsidiaries' fair value of net assets and liabilities at the date of acquisition.

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 rates at the transaction date and 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.

Upon recognition of foreign subsidiaries which are independent entities, the income statements are translated into Danish kroner at average exchange rates for the month, and balance sheet items are translated at the exchange rates at the balance sheet date. Foreign exchange differences arising upon translation of foreign subsidiaries' opening equity and results at the exchange rates at the balance sheet date are recognised directly in equity.

Consolidated financial statements and parent company financial statements 1 May 2018 – 30 April 2019

Notes

1 Accounting policies (continued)

Income statement

Revenue

Income from the sale of goods for resale and finished goods is recognised in revenue when delivery and transfer of risk to the buyer have taken place, the income may be reliably measured and is expected to be received.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts granted are recognised in revenue.

Other operating income

Other operating income comprises items secondary to the activities of the entities.

Cost of raw materials and consumables

Cost of raw materials and consumables comprise of costs incurred directly or indirectly to generate revenue for the year.

Other external costs

Other external costs comprise costs related to distribution, sales, advertising, administration, lease costs, etc.

Staff costs

Staff costs comprise salaries and wages, including holiday allowance, pension, other social security costs, etc. to the Company's employees.

Financial income and expenses

Financial income and expenses comprise interest income and expense, realised and unrealised gains and losses on payables and transactions denominated in foreign currencies, and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Income from investments in group entities

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

Consolidated financial statements and parent company financial statements 1 May 2018 – 30 April 2019

Notes

1 Accounting policies (continued)

Tax on profit for the year

The Parent Company is comprised by the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. The subsidiaries are included in the joint taxation from the date on which they are included in the consolidated financial statements and up to the date on which they are excluded from the consolidation.

The Parent Company is the administrative company for the joint taxation and accordingly settles all payments of corporation tax to the tax authorities.

On payment of joint taxation contributions, current Danish corporation tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have used the losses to reduce their own taxable profit.

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

Financial income and expenses

Financial income and expenses comprise interest income and expense, financial costs regarding finance leases, 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.

In case of indication of impairment, an impairment test is conducted. Indication of impairment exists if distributed dividends exceeds profit for the year or if the carrying amount of equity investments exceeds the consolidated carrying amounts of the net assets in the subsidiary.

Balance sheet

Intangible assets

Patents, licences and trademarks

Patents, licences and trademarks are measured at cost less accumulated amortisation and impairment losses. Patents and trademarks are amortised on a straight-line basis over the remaining life of the patent or trademark, and licences are amortised over the contract period, however, not exceeding 5 years.

Software

Software recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

Upon completion of software, software is amortised on a straight-line basis over the estimated useful lives. The amortisation period is usually 3-5 years, however, not exceeding 10 years.

Goodwill

Goodwill is amortised on a straight-line basis over the estimated useful life determined on the basis of Management's experience within the individual business areas. The amortisation period is fixed at 5 years.

Consolidated financial statements and parent company financial statements 1 May 2018 – 30 April 2019

Notes

1 Accounting policies (continued)

Gains and losses on the disposal of intangible assets are determined as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

Property, plant and equipment

Land and buildings, plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use. Indirect production overheads and borrowing costs are not recognised in cost.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Buildings	25 years
Plant and machinery	3-12 years
Fixtures and fittings, tools and equipment and software	3-12 years

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Land is not depreciated.

Fixed assets under construction are recognised and measured at cost at the balance sheet date. Upon entry into service, the cost is transferred to relevant group of property, plant and equipment

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

Investments

Investments in group entities are measured at the proportionate share of the entities' net asset value calculated in accordance with the Group's accounting policies plus or minus unrealised intra-group gains or losses and plus or minus the residual value of positive and negative goodwill calculated in accordance with the acquisition method.

Consolidated financial statements and parent company financial statements 1 May 2018 – 30 April 2019

Notes

1 Accounting policies (continued)

Investments in group entities with negative net asset values are measured at DKK 0, and any receivables from these entities are written down by an amount equivalent to the negative net asset value. To the extent that the negative net asset value exceeds the receivable, the residual amount is recognised under provisions.

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

Goods for resale and raw materials and consumables are measured at cost, comprising purchase price plus delivery costs.

Finished goods and work in progress are measured at cost, comprising the cost of raw materials, consumables, direct wages and salaries as well as indirect production overheads. Indirect production overheads comprise indirect materials and wages and salaries as well as the maintenance of depreciation of production machinery, buildings and equipment as well as factory administration and management. Borrowing costs are not included in cost.

The net realisable value of inventories is calculated as the sales amount less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and development in expected selling price.

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable or a portfolio of receivables has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Consolidated financial statements and parent company financial statements 1 May 2018 – 30 April 2019

Notes

1 Accounting policies (continued)

Prepayments and deferred income

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

Equity

Net revaluation reserve according to the equity method

Net revaluation reserve according to the equity method comprises net revaluation of equity investments in group entities and associates.

Proposed dividends are recognised as a liability at the date on which they are adopted at the annual general meeting (declaration date). The expected dividend payment for the year is disclosed as a separate item under equity.

Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with 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.

Liabilities other than provisions

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

Finance lease obligations comprise the capitalised residual lease obligation on finance leases.

Other liabilities are measured at net realisable value.

Consolidated financial statements and parent company financial statements 1 May 2018 – 30 April 2019

Notes

1 **Accounting policies (continued)**

Cash flow statement

The cash flow statement shows the Group'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.

The cash flow effect of acquisitions and divestment of entities is shown separately in cash flows from investing activities. Cash flows relating to acquired entities are recognised in the cash flow statement from the date of acquisition, and cash flows relating to divested entities are recognised up to the date of divestment.

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 entities and activities, intangible assets, property, plant and equipment and investments.

Cash flows from financing activities

Cash flows from financing activities comprise changes in size or composition of the Company's share capital and costs in this respect as well as raising of loans, instalments on interest-bearing debt and distribution of dividends to owners.

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term marketable securities with a term of three months or less which are easily convertible into cash and which are subject to only an insignificant risk of changes in value.

Segment information

In accordance with section 96 of the Danish Financial Statements Act, segment information is not disclosed, as this information may cause significant damage to the entities' competitive position.

Consolidated financial statements and parent company financial statements 1 May 2018 – 30 April 2019

Notes

		Group		Parent Company	
	DKK	2018/19	2017/18	2018/19	2017/18
2	**Staff costs and incentive schemes**				
	Wages and salaries	96,962,418	96,666,788	72,093,973	69,273,954
	Pensions	6,745,325	6,459,318	4,856,766	4,870,262
	Other social security costs	2,135,090	1,259,635	1,619,996	2,859,276
		105,842,833	104,385,741	78,570,735	77,003,492
	Executive Board	6,646,640	6,219,873	6,646,640	6,219,873
	Board of Directors	149,000	454,949	149,000	454,949
		6,795,640	6,674,822	6,795,640	6,674,822
	Average number of full-time employees	214	216	154	156

The Executive Board is remunerated in the form of both fixed remuneration and bonus plans. Bonus plans depend on certain goals, which have been decided beforehand. Part of the remuneration of the Executive Board is paid out through subsidiary.

3	**Financial expenses**				
	Interest expense to group entities	0	0	576,244	452,475
	Other interest expense	1,553,977	1,445,351	1,112,482	547,489
		1,553,977	1,445,351	1,688,726	999,964

4	**Tax on profit for the year**				
	Current tax for the year	6,577,418	1,665,246	4,399,262	-190,938
	Deferred tax adjustment for the year	-301,375	7,908,446	-238,172	1,911,039
	Adjustment of current and deferred tax in respect of prior years	-6,408	301,054	0	384,468
	Tax effect of equity adjustments	-34,466	0	0	0
		6,235,169	9,874,746	4,161,090	2,104,569

5 **Proposed profit appropriation**

	Parent Company	
	2018/19	2017/18
Net revaluation reserve according to the equity method	-546,009	17,393,198
Retained earnings	17,609,811	12,853,811
	17,063,802	30,247,009

Consolidated financial statements and parent company financial statements 1 May 2018 – 30 April 2019

Notes

6 Intangible assets

DKK	Group Goodwill
Cost at 1 May 2018	24,384,567
Transferred	0
Additions	0
Cost at 30 April 2019	24,384,567
Amortisation at 1 May 2018	-9,337,082
Amortisation	-4,880,108
Amortisation at 30 April 2019	-14,217,190
Carrying amount at 30 April 2019	10,167,377

7 Property, plant and equipment

	Group				
DKK	Land and buildings	Plant and machinery	Fixtures and fittings, tools, equipment and software	Assets under construction	Total
Cost at 1 May 2018	101,875,064	286,784,109	40,232,200	3,206,979	432,098,352
Transferred	0	2,447,767	468,445	-2,916,212	0
Additions	355,721	7,889,939	613,412	15,401,111	24,260,183
Disposals	0	0	-1,261,380	0	-1,261,380
Cost at 30 April 2019	102,230,785	297,121,815	40,052,677	15,691,878	455,097,155
Depreciation at 1 May 2018	-57,537,439	-242,108,056	-24,416,397	0	-324,061,892
Depreciation	-2,697,828	-10,759,343	-3,979,629	0	-17,436,800
Depreciation of disposals	0	0	1,032,151	0	1,032,151
Depreciation at 30 April 2019	-60,235,267	-252,867,399	-27,363,875	0	-340,466,541
Carrying amount at 30 April 2019	41,995,518	44,254,416	12,688,802	15,691,878	114,630,614

Consolidated financial statements and parent company financial statements 1 May 2018 – 30 April 2019

Notes

7 Property, plant and equipment (continued)

	Parent Company				
DKK	Land and buildings	Plant and machinery	Fixtures and fittings, tools, equipment and software	Assets under construc-tion	Total
Cost at 1 May 2018	88,054,431	282,442,735	37,842,658	3,206,979	411,546,803
Transferred	0	2,447,767	468,445	-2,916,212	0
Additions	355,721	7,634,212	613,412	15,401,111	24,004,456
Cost at 30 April 2019	88,410,152	292,524,714	38,924,515	15,691,878	435,551,259
Depreciation at 1 May 2018	-53,144,068	-240,025,060	-23,549,586	0	-316,718,714
Depreciation	-2,067,567	-9,507,870	-3,908,860	0	-15,484,297
Depreciation at 30 April 2019	-55,211,635	-249,532,930	-27,458,446	0	-332,203,011
Carrying amount at 30 April 2019	33,198,517	42,991,784	11,466,069	15,691,878	103,348,248

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8 Investments

DKK	Parent Company 30/4 2019	Parent Company 30/4 2018
Equity investments in subsidiaries		
Cost at 1 May 2018	62,681,426	62,681,426
Cost at 30 April 2019	62,681,426	62,681,426
Value adjustments at 1 May 2018	23,847,953	6,193,644
Equity adjustments, currency rate, etc.	-4,446	-34,738
Adjustment of hedging on equity in subsidiaries	217,363	38,848
Dividends from subsidiaries	-3,000,000	-6,000,000
Profit for the year from investments	7,334,099	28,530,281
Amortisation, goodwill	-4,880,108	-4,880,082
Value adjustments at 30 April 2019	23,514,861	23,847,953
Carrying amount at 30 April 2019	86,196,287	86,529,379
Hereof goodwill	10,167,377	15,047,511

Group entities

Name/legal form	Registered office	Voting rights and ownership interest
Allison A/S	Bramming	100%
Ejendomsselskabet Stærevej 1 ApS	Bramming	100%
Ejendomsselskabet Strandpromenaden A/S	Hobro	100%
Nopa Nordic AB	Kunges Kurva	100%
Nopa Nordic GmbH	Bielefeld	100%

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Notes

9 Share capital

The share capital has not been changed during the past five years. The share capital consists of:

DKK	30/4 2019	30/4 2018
48 shares, of nom. DKK 10,000	480,000	480,000
8 shares, of nom. DKK 2,500	20,000	20,000
46 shares, of nom. DKK 10,000	460,000	460,000
4 shares, of nom. DKK 5,000	20,000	20,000
18 shares, of nom. DKK 1,000	18,000	18,000
8 shares, of nom. DKK 250	2,000	2,000
	1,000,000	1,000,000

Out of the share capital, DKK 500,000 are A-shares with total voting rights of 20,000, and DKK 500,000 are B-shares with total voting rights of 2,000.

The Company's treasury shares can be specified as follows:

A shares, 2, of nom. DKK 10,000
B shares, 4, of nom. DKK 10,000
B shares, 2, of nom. DKK 5,000

The total amount of treasury shares accounts for 7% of the total share capital.

Consolidated financial statements and parent company financial statements 1 May 2018 – 30 April 2019

Notes

10 Deferred tax

DKK	Group 30/4 2019	Group 30/4 2018	Parent Company 30/4 2019	Parent Company 30/4 2018
Deferred tax at 1 May 2018	9,233,488	2,279,758	8,069,967	931,002
Deferred tax adjustment for the year	-301,375	1,725,804	-238,172	1,911,039
Deferred tax adjustment for prior years	0	-367,180	0	-367,180
Deferred tax adjustment relating to disposal of property	0	6,173,641	0	6,173,641
Reversal of write-down of tax asset	0	-578,535	0	-578,535
	8,932,113	9,233,488	7,831,795	8,069,967

11 Mortgage and collateral

For the Parent Company, land and buildings with a carrying amount of DKK 33,199 thousand at 30 April 2019 have been provided as collateral of DKK 18,517 thousand for amounts owed to mortgage institutions.

For the Group, land and buildings with a carrying amount of DKK 41,996 thousand at 30 April 2019 have been provided as collateral of DKK 22,914 thousand for amounts owed to mortgage institutions.

The Parent Company and the Group have provided a joint and several guarantee as collateral for all amounts owed to Danske Bank A/S by the Group.

12 Contractual obligations, contingencies, etc.

Operating lease obligations

Operating lease obligations for the Parent Company and the Group at 30 April 2019 represented DKK 4,597 thousand, of which DKK 1,496 thousand falls due within the initial year and DKK 562 thousand after five years.

The Group has entered into interest swap agreements hedging future interest payments. The value of the interest swap agreements at 30 April 2019 was negative at DKK 227 thousand after tax.

Consolidated financial statements and parent company financial statements 1 May 2018 – 30 April 2019

Notes

12 Contractual obligations, contingencies, etc. (continued)

Contingent liabilities

The Group's Danish entities are jointly and severally liable for tax on the Group's jointly taxed income and for certain withholding taxes such as dividend tax and royalty tax as well as for the joint VAT registration. Any subsequent corrections of the taxable income subject to joint taxation or withholding taxes on dividends, etc. may entail an increase in the entities' liability. The Group as a whole is not liable to any other parties.

		Group	
	DKK'	2018/19	2017/18
13	**Fees to auditor appointed at the general meeting**		
	Statutory audit	282,000	262,000
	Tax assistance	59,306	140,934
	Other assurance engagements	5,200	28,150
	Non-audit services	30,000	58,622
		376,506	489,706
14	**Other adjustments**		
	Depreciation and amortisation	22,316,908	20,910,772
	Gain on sale of property	229,228	-28,271,642
	Financial income	-626,839	-931,662
	Financial expenses	1,553,977	1,445,351
	Tax for the year	6,235,169	9,874,745
	Other adjustments	-5,046	10,214
		29,703,397	3,037,778
15	**Changes in working capital**		
	Change in inventories	159,450	-4,705,356
	Change in receivables	-734,191	-19,961,918
	Change in trade and other payables	-10,082,847	2,594,826
		-10,657,588	-22,072,448

Consolidated financial statements and parent company financial statements 1 May 2018 – 30 April 2019

Notes

16 Related party transactions

The Company has chosen only to disclose transactions that are not carried out on an arm's length basis in accordance with section 98c(7) of the Danish Financial Statements Act.

17 Events after the balance sheet date

No events have occurred after the balance sheet date to this date that may influence the evaluation of this annual report.