Vissing Holding A/S
Rævevej 1
7800 Skive

CVR no. 42 95 89 13

Annual report 2015

Approved at the Company's annual general meeting on 14th of April 2016
Chairman of the meeting

Contents

Company details

Company

Vissing Holding A/S
Rævevej 1
DK-7800 Skive
CVR No.: 42 95 89 13
Municipality: Skive

Board of Directors

Poul Erik Vennekilde, Chairman
Niels Hermansen, Vice chairman
Torben Voss

Executive Board

Torben Voss

Auditors

Ernst & Young P/S
Englandsgade 25
DK-5000 Odense C
CVR No.: 30 70 02 28

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 Vissing Holding A/S for the financial year 1 January to 31 December 2015.

The annual report is 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 financial position at 31 December 2015 and of the results of the Group's and the parent company's operations and the consolidated cash flows for the financial year 1 January – 31 December 2015.

Further, in our opinion, the Management's review gives a fair presentation of the matters discussed in the Management's review.

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

Skive, 14th of April 2016

Executive Board

Torben Voss
CEO

Board of Directors

Poul Erik Vennekilde Chairman	Niels Hermansen Vice chairman	Torben Voss

Independent auditors' report

To the shareholders of Vissing Holding A/S

Independent auditors' report on the consolidated financial statements and the parent company financial statements

We have audited the consolidated financial statements and the parent company financial statements of Vissing Holding A/S for the financial year 1 January – 31 December 2015, with comprise accounting policies, income statement, balance sheet, statement of changes in equity and notes for the Group as well as for the parent company and consolidated cash flow statement. The consolidated financial statements and the parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

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. Management is also responsible 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.

Auditors' responsibility

Our responsibility is to express an opinion on the consolidated financial statements and the parent company financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the consolidated financial statements and the parent company financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements and the parent company financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements and the parent company financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control relevant to the Company's preparation of consolidated financial statements and parent company financial statements that provide a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the consolidated financial statements and the parent company financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.
Our audit has not resulted in any qualification.

Conclusion

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 financial position at 31 December 2015 and of the results of the Group's and the parent company's operations and consolidated cash flows for the financial year 1 January – 31 December 2015 in accordance with the Danish Finansial Statements Act.

Statement on the Management's review

Pursuant to the Danish Financial Statements Act, we have read the Management's review. We have not performed any further procedures in addition to the audit of the consolidated financial statements and the parent company financial statements. On this basis, it is our opinion that the information provided in the Management's review is consistent with the consolidated financial statements and the parent company financial statements.

Odense, 14th of April 2016
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

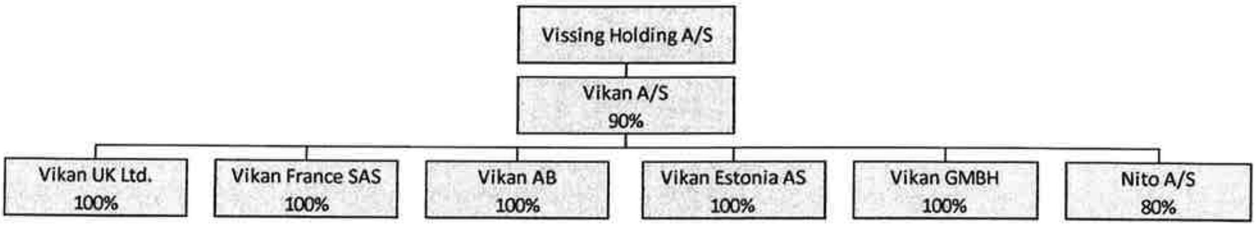
Brian Skovhus Jakobsen
State Authorised
Public Accountant

Michael Sig
State Authorised
Public Accountant

Management's review

Hereby, the Board of Directors and the Executive Board of Vissing Holding A/S have prepared the annual report and the Management's review for 2015.

Group chart



The activities of the companies comprise production, sale and distribution.

	2015	2014	2013	2012	2011
	DKK'000	**DKK'000**	**DKK'000**	**DKK'000**	**DKK'000**
Financial highlights for the Group					
Key figures					
Revenue	347,100	327,945	310,640	298,338	312,108
Gross profit	151,849	137,671	130,063	116,419	117,422
Operating profit	46,712	39,967	36,551	30,615	28,679
EBITDA	59,174	51,393	47,311	40,887	40,842
Financial income and financial expenses	-4,350	-2,612	-3,256	-3,388	-4,270
Profit/loss before tax	42,362	37,355	33,295	27,227	24,409
Profit/loss for the year	28,680	24,899	22,957	19,283	15,019
Investments in property, plant and equip.	10,448	17,337	11,876	15,518	9,948
Inventories	60,091	64,492	59,422	57,701	62,199
Trade receivables	52,535	47,092	43,862	48,734	45,576
Equity	83,673	73,265	71,040	88,518	68,878
Net interest-bearing debt	54,074	54,222	52,149	49,754	74,774
Total assets	212,922	206,869	199,350	221,183	211,294
Cash flows from operating activities	43,416	25,656	48,549	38,668	32,445
Financial ratios	**2015**	**2014**	**2013**	**2012**	**2011**
Gross margin (%)	43.7	42.0	41.9	39.0	37.6
Operating margin (%)	13.5	12.2	11.9	10.3	9.2
Return on capital employed (%)	23.4	19.7	19.4	14.2	13.6
Debt leverage	1.4	1.1	1.1	1.2	1.8
Return on equity (%)	36.4	39.2	28.6	24.5	23.0
Solvency ratio (%)	39.3	36.1	35.6	40.0	32.6

Management's review

Principal activities

The principal activities of Vissing Holding A/S is taking place in the Vikan Group which are to develop, manufacture and market hygiene cleaning tools based on the needs of our customers and statutory requirements. Vikan markets a broad range of cleaning tools and solutions which are primarily intended for the following sectors:

- Food & beverage
- Kitchens & restaurants
- Healthcare
- Education & local authorities
- Retail & supermarkets
- Transport

Vikan offers a wide range of products and solutions which ensure both hygienic and effective cleaning which contribute to ensuring that our customer's growing hygienic standards are being met. For further information please visit the Vikan website www.vikan.com

Development in activities and financial position in the financial year

Consolidated revenue totalled DKK 347 million in the year under review against DKK 328 million in 2014. Vikan A/S continued to grow its core business areas under the Vikan brand umbrella, whereas revenue from private label products was reduced in accordance with the Company's strategy.

The growth realised, a favourable mix of products and currency rates as well as improved internal efficiencies supported an increase in the consolidated results after tax which totalled DKK 33 million in 2015 against DKK 28 million in 2014. The realised result in 2015 is considered satisfactory.

Vikan remains committed to its leading position as a provider of the most innovative hygiene cleaning tools. In 2015 the company introduced a number of new products including an innovative range of products for hygienic critical cleaning operations based upon the Ultra Safe Technology (UST).

Total investments amounted to DKK 12 million. Significant investments was completed in new products, sales and marketing as well as product development activities and an update of the IT systems. All investments are expected to support further growth in sale in the years ahead.

Management's review

The Group realised positive cash flows from operations totalling DKK 43 million.

Outlook 2016

Based on the Group's strategy, continued growth and positive earnings are expected.

Cash resources and capital structure

At 31 December 2015, equity amounted to DKK 84 million. Solvency ratio totalled 39.3 % at the end of the financial year. Net interest-bearing debt has been decreased by DKK 0,1 million to DKK 54 million. Consequently, the debt leverage (relation between net interest-bearing debt and EBITDA) totalled 1.4 at the end of 2015.

Particular risks

In relation to operations, financing, foreign exchange, interest and credit conditions, there are no commercial uncertainties or risks other than those considered usual for the industry which are expected to have a considerable impact on future earnings.

Management is aware that fluctuation in raw material prices and market development as well as foreign exchange fluctuations may impact consolidated results for 2016 significantly.

Corporate social responsibility

Vikan Group has not drawn up an overall policy for corporate social responsibility. However a number of activities is carried out within social, environmental and ethical responsibility. During 2015, the Company took several measures to improve the work environment, environmental impact and social responsibility.

Transactions with the Company's most important suppliers are made in accordance with guide lines regarding employee and environmental conditions and are in compliance with applicable legislation. During 2015 the Company have been audited and approved by major international customers with strict requirement.

Intellectual capital and gender quotation on the Management Board

The Company constantly invests in the training of its employees. A number of training programs has been completed throughout the organisation in 2015. Vikan A/S operates from the principle that diversity among its employees, including gender balance, contributes positively to the work environment and strengthens the Company's performance and competitiveness. The Company thus has a clear policy regarding discrimination and intends at all times to employ and retain its employees based on qualifications and competences. At the end of 2015, more than half of Vikan A/S' employees are women. Vikan A/S has as an objective that the underrepresented gender accounts for at least 25% of the Company's executive management and Board of

Management's review

Directors. Both objectives are attained in the accounting year 2015 and a new objective of at least 40% is now set to be reached in 2019.

Research and development

Continuous product development takes place within the Company's business areas. Based on the continuous development, the Company aims at being market leader within its product areas. Development activities are based on both customer-specific projects as well as internally defined projects.

Environment

Vikan A/S is committed to operate in an environmental friendly manner. The Company continuously strives at improving its environmental impact, which among other things is achieved through the Company's environmental management system ISO 14001 and its focus on any potential for minimising the consumption of raw materials and other scarce resources.

Vikan A/S regularly optimises its energy consumption both in terms of production and administration in order to ensure low operating costs and to obtain the most optimum environmental impact.

All production sites are certified to the ISO standards ISO 9001 for quality and ISO 14001 for environment.

Reference is made to the Company's website for more details on the Company's environmental policy.
http://www.vikan.com/uk/environment/

Events after the balance sheet date

No events have occurred after the balance sheet date affecting the evaluation of the annual report.

Accounting policies

The annual report has been prepared in accordance with the provisions applying to reporting class C large enterprises under the Danish Financial Statements Act.

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 Vissing Holding A/S (parent company) and the enterprises (group enterprises) over which the parent company exercises control, see the group chart on page 5. Control is obtained in companies in which the parent company directly or indirectly holds more than 50% of the voting rights or which it, in some other way, controls. Enterprises in which the Group holds directly or indirectly between 20% and 50% of the voting rights and over which it exercises significant influence, but which it does not control, are considered associates.

Consolidation principles

The consolidated financial statements are based on the financial statements of Vissing Holding A/S and its subsidiaries. The consolidated financial statements are prepared by adding together financial statement items of similar nature. On consolidation, intra-group income and expenses, intra-group balances and dividends, and gains and losses on intra-group transactions are eliminated. The financial statements applied for consolidation purposes are prepared in accordance with the Group's accounting policies.

In the consolidated financial statements, the items of subsidiaries are recognised in full. The proportionate share of the non-controlling interests' results and net assets are recognised as separate items in the income statement and the balance sheet, respectively.
Investments in group enterprises are recognised after tax in one separate line item in the income statement.

Investments in subsidiaries are set off against the proportionate share of the subsidiaries' fair value of net assets at the acquisition date.

Accounting policies

Non-controlling interests

On initial recognition, non-controlling interests are measured at fair value or at the proportionate share of the fair value of the acquired business' identifiable assets, liabilities and contingent liabilities. Measurement of non-controlling interests is chosen transaction by transaction Non-controlling interests are subsequently adjusted for the proportionate share of changes in the subsidiary's equity. Comprehensive income is allocated to non-controlling interests notwithstanding that the non-controlling interest thereby is negative.

Acquisition of non-controlling interests in a subsidiary and the sale of non-controlling interests in a subsidiary which do not imply any termination of control are recognised in the consolidated financial statements as an equity transaction, and the difference between the consideration and the carrying amount is allocated to the parent company's share of equity.

Business combinations

Enterprises acquired or formed during the year are recognised in the consolidated financial statements from the date of acquisition or formation. Enterprises disposed of are recognised in the consolidated income statement until the date of disposal.

Acquisitions of enterprises are accounted for using the purchase method, according to which the identifiable assets and liabilities acquired are measured at their fair values at the date of acquisition. Provision is made for costs related to adopted and announced plans to restructure the acquired enterprise in connection with the acquisition. The tax effect of the restatement of assets and liabilities is taken into account.

Any excess of the cost over the equity interest acquired and the fair value of assets and liabilities acquired (goodwill), is recognised as intangible assets and amortised on a systematic basis in the income statement based on an individual assessment of the useful life of the asset, not exceeding 20 years. Any excess of the fair values of the identifiable assets and liabilities acquired over the cost of the acquisition (negative goodwill), representing an anticipated adverse development in the acquired enterprises, is recognised separately in the balance sheet as deferred income and recognised in the income statement as the adverse development is realised.

Accounting policies

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Receivables and payables and other monetary items denominated in foreign currencies which are not settled at the balance sheet date are translated at the exchange rate at the balance sheet date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment and the rate at the balance sheet date, respectively, are recognised in the income statement as financial income or financial expenses. Non-current assets purchased in foreign currencies are translated using historical rates.

On recognition of foreign subsidiaries and associates that are separate entities, the income statement is translated at the average exchange rate for the months which does not deviate significantly from the rate at the transaction date. Balance sheet items are translated to the exchange rates at the balance sheet date. Goodwill is deemed to relate to the independent foreign entity and translated at the balance sheet date. Currency translation differences arisen when translating foreign subsidiaries' equity at the beginning of the year using the closing rate and when translating income statements from average exchange rates using the closing rate are recognised directly in equity.

Exchange rate adjustments of intra-group balances with independent foreign subsidiaries which are considered part of the total investment in the subsidiary in question are recognised directly in equity.

Derivative financial instruments

Derivative financial instruments are initially recognised in the balance sheet at cost and subsequently at fair value. Derivative financial instruments are recognised as other receivables or other payables, respectively.

Changes in the fair value of derivative financial instruments designated as and qualifying for recognition as a hedge of the fair value of a recognised asset or liability are recognised in the income statement together with changes in the value of the hedged asset or liability.

Changes in the fair value of derivative financial instruments designated as and qualifying for recognition as a hedge of future transactions are recognised directly in equity. When the hedged transactions materialise, changes are recognised in the related items.

For derivative financial instruments that do not qualify for hedge accounting, changes in fair value are recognised in the income statement as financial income or financial expenses.

Changes in the fair value of derivative financial instruments used to hedge net investments in independent foreign subsidiaries or associates are recognised directly in equity.

Accounting policies

Income statement

Revenue

Income from the sale of goods, comprising the sale of hygiene cleaning tools, is recognised as revenue when transfer of the most significant rewards and risks to the buyer has taken place and provided that the income can be reliably measured and payment is expected to be received. The date of the transfer of the most significant rewards and risks is based on standardised terms of delivery.

Revenue is measured at fair value of the agreed consideration ex. VAT and taxes charged on behalf of third parties.

To the extent that customers are offered a right of return in connection with the sale, revenue corresponding to the Company's experience with returns is recognised.

Production costs

Project costs comprise direct and indirect costs incurred in generating revenue for the year. Trading entities recognise their cost of sales, and production entities recognise cost of raw material, consumables and production staff as well as depreciation of production assets.

Production costs comprise costs regarding development projects that do not qualify for recognition in the balance sheet as well as amortisation of development projects recognised.

Distribution costs

Costs incurred in distributing goods sold and in conducting sales campaigns are recognised as distribution costs. Also, costs relating to sales and distribution staff, advertising as well as depreciation are recognised as distribution costs.

Administrative expenses

Administrative expenses comprise expenses incurred for management and administration of the Group, including expenses for the administrative staff and the management, office supplies as well as depreciation and amortisation.

Other operating income and costs

Other operating income and costs comprise items secondary to the primary activities of the Group.

Accounting policies

Financial income and financial expenses
Financial income and expenses comprise interest income and expense, interest element of financial lease payments, realised and unrealised gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial liabilities, cash discounts, etc. as well as surcharges and refunds under the on-account tax scheme.

Corporation tax and deferred tax
Tax for the year comprises current tax for the year and changes in deferred tax. 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.

The current tax payable or receivable is recognised in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

Deferred tax is recognised and measured applying the liability method on all temporary differences between the carrying amount and tax value of assets and liabilities. The tax value of assets is calculated based on the planned use of the asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the end of the reporting period when the deferred tax is expected to crystallise as current tax. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Deferred tax regarding retaxation of losses previously deducted in foreign subsidiaries are recognised based on a specific assessment of the intention with the individual subsidiary.

Vissing Holding A/S is jointly taxed with all Danish subsidiaries. The current Danish corporation tax is allocated between the jointly taxed Danish companies in proportion to their taxable income (full absorption with refunds for tax losses).

Accounting policies

Balance sheet

Goodwill and consolidated goodwill

Goodwill is amortised on a straight-line basis over its estimated useful life determined on the basis of Management's experience of the specific business areas. Goodwill is usually amortised over five years, but may be amortised over a maximum amortisation period of 20 years, longest for strategically acquired enterprises with strong market positions and long-term earnings profiles, provided that the long amortisation period is assessed to better reflect the Group's utilisation of the resources in question.

The net asset value of goodwill is assessed on an ongoing basis and is written down over the income statement if the carrying amount exceeds the expected future net income from the enterprise or activity to which goodwill is allocated.

Development projects

Development costs comprise salaries, amortisation and other costs directly or indirectly attributable to the Company's development activities.

Development projects that are clearly defined and identifiable, where the technical feasibility, sufficient resources and a potential future market or development opportunities in the Company are evidenced, and where the Company intends to produce, market or use the project, are recognised as intangible assets provided that the cost can be measured reliably and that there is sufficient assurance that future earnings can cover production costs, selling costs and administrative expenses and development costs. Other development costs are charged to the income statement as incurred.

Development costs that are recognised in the balance sheet are initially measured at cost and subsequently at cost less accumulated amortisation and impairment losses.

Following the completion of the development work, development costs are amortised on a straight line basis over the estimated useful life. The amortisation period is usually five years and does not exceed 20 years.

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

Accounting policies

Property, plant and equipment
Land and buildings are measured at cost plus revaluation and as to buildings less accumulated depreciation and impairment losses. Revaluation is made based on regular, independent valuations of fair value.

Plant and machinery and fixtures and fittings, other plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition, and preparation costs of the asset until the date when it is ready to be put into operation. The cost of self-constructed assets comprises direct and indirect costs of materials, components, subsuppliers, and
wages and salaries. The cost of assets held under finance leases is recognised at the lower of fair value of the assets and the present value of the future lease payments.

The basis of depreciation is cost less expected residual value at the end of the useful life. Depreciation is provided according to the straight-line method, based on the following expected useful lives:

Buildings	10-50 years.
Plant and machinery	5-8 years
Fixtures and fittings, other plant and equipment	3-6 years.

Depreciation is recognised in the income statement as production costs, distribution costs and administrative expenses, respectively.

Property, plant and equipment are written down to the recoverable amount if this is lower than the carrying amount.

Gains and losses on the disposal of property, plant and equipment are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains or losses are recognised in the income statement together with depreciation and impairment losses or under other operating income if the selling price exceeds original cost.

Investments in subsidiaries and associates
Investments in subsidiaries and associates are recognised and measured according to the equity method. This means that investments in the balance sheet are measured at the proportionate share of the enterprises' net asset value minus or plus non-amortised positive or negative group goodwill, respectively and minus or plus unrealised intra-group profits and losses.

Accounting policies

Investments in subsidiaries and associates (continued)
In the income statement of the parent company, the share of the enterprises' profit/loss after elimination of unrealised intra-group profits and losses and minus or plus amortisation of group goodwill or negative group goodwill, respectively.

Subsidiaries and associates with negative net asset value are measured at DKK 0 (nil), and any amounts owed by such enterprises are written down by the parent company's share of the net asset value if the amount owed is deemed irrecoverable. If the negative net asset value exceeds the amounts owed, the remaining amount is recognised under provisions if the parent company has a legal or a constructive obligation to cover the liabilities of the enterprise in question.

Net revaluation of investments in subsidiaries and associates is transferred to the reserve for net revaluation to the extent that the carrying amount exceeds cost.

On acquisition of subsidiaries, the purchase method is applied, see Consolidated financial statements above.

Inventories
Inventories are measured at the lower of cost in accordance with the FIFO method and net realisable value.

Goods for resale and raw materials and consumables are measured at cost, comprising purchase price plus delivery costs. Goods and work in progress are measured at cost, comprising the cost of raw materials, consumables, direct wages and salaries and indirect production overheads.

Indirect production overheads comprise indirect materials and wages and salaries as well as maintenance and depreciation and impairment losses regarding production machinery, buildings and equipment as well as factory administration and management. Financing costs are not included in the cost.

The net realisable value of inventories is determined taking into consideration estimated sales price less costs of completion and costs necessary to make the sale.

Receivables
Receivables are measured at amortised cost, usually equalling nominal value, less write-downs for bad debts.

Prepayments
Prepayments comprise costs incurred concerning subsequent financial years. Prepayments are measured at cost.

Accounting policies

Dividends
Dividends are recognised as a liability at the date when they are adopted at the annual general meeting. The proposed dividend payment for the financial year is disclosed as a separate item under equity.

Other provisions
Other provisions comprise anticipated costs of non-recourse guarantee commitments, loss on work in progress, decided and published restructurings, etc.
Other provisions are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date. Provisions that are estimated to mature more than one year after the balance sheet date are discounted at the average bond yields.

On acquisition of enterprises, provisions for restructurings of the acquired enterprise are made provided that they have been adopted and announced not later than at the date of the acquisition.

Mortgage debt
Mortgage debt is measured at cost at the date of borrowing corresponding to the proceeds received less transaction costs paid. Subsequently, mortgage debt is measured at amortised cost corresponding to the capitalised value in accordance with the effective interest rate method.

Lease obligations
Leases for non-current assets that transfer substantially all the risks and rewards incident to ownership to the Company (finance leases) are initially recognised in the balance sheet at cost, corresponding to the lower of fair value and the net present value of future lease payments. In calculating the net present value of the future lease payments, the interest rate implicit in the lease or the incremental borrowing rate is used as the discount factor. Assets held under finance leases are subsequently depreciated as the Company's other non-current assets.

The capitalised residual lease obligation is recognised in the balance sheet as a liability, and the interest element of the lease payment is recognised in the income statement over the term of the lease.

All other leases are considered operating leases. Payments relating to operating leases and any other leases are recognised in the income statement over the term of the lease. The Company's total obligation relating to operating leases and other leases is disclosed in contingencies, etc.

Other financial liabilities
Other financial liabilities are recognised at amortised cost, which usually corresponds to nominal value.

Accounting policies

Prepayments

Deferred income comprises payments received concerning income in subsequent years. Prepayments are measured at amortised cost, which usually corresponds to the nominal value.

Treasury shares

Acquisition and disposal costs for treasury shares as well as related dividends are recognised directly in equity as retained earnings.

Cash flow statement

The consolidated cash flow statement is presented in accordance with the indirect method and shows cash flows from operating, investing and financing activities and the Group's cash and cash equivalents at the beginning and end of the year.

The cash flow effect of acquisitions and disposals of enterprises is shown in cash flows from investing activities. Cash flows from acquisitions of enterprises are recognised in the cash flow statement from the date of acquisition. Cash flows from disposals of enterprises are recognised up until the date of disposal.

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

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of enterprises and activities and investments as well as the acquisition, development, improvement and disposal, etc. of intangible assets, property, plant and equipment, including assets held under finance lease.

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

Cash and cash equivalents comprise cash and short-term securities with insignificant price risks less short-term bank loans.

Accounting policies

Financial highlights

The financial ratios are calculated as follows:

Gross margin	=	Gross profit/loss x 100 / Revenue
Operating margin	=	Operating profit/loss x 100 / Revenue
Return on capital employed	=	Operating profit/loss x 100 / Average number of operating assets
Debt leverage	=	Net interest-bearing debt / EBITDA
Return on equity	=	Profit/loss for the year x 100 / Average equity
Solvency ratio	=	Equity x 100 / Total assets

Operating assets are calculated as the balance sheet total less liquid funds, interest-bearing assets (including shares) and investments in associates.

Income statement for the period 1 January – 31 December

		Consolidated		Parent company	
	Note	2015 DKK'000	2014 DKK'000	2015 DKK'000	2014 DKK'000
Revenue	1	347,100	327,944	0	0
Production costs	2.3	-195,251	-190,273	0	0
Gross profit		**151,849**	**137,671**	**0**	**0**
Distribution costs	2.3	-71,094	-69,561	0	0
Administrative expenses	2,3,4	-34,043	-28,143	-352	-701
Operating profit		**46,712**	**39,967**	**-352**	**-701**
Profit of group enterprises after tax	5	0	0	29,212	25,584
Financial income	6	974	932	0	183
Financial expenses	7	-5,324	-3,544	-344	-11
Profit before tax		**42,362**	**37,355**	**28,516**	**25,055**
Tax on profit for the year	8	-9,821	-9,066	163	-156
Profit before non-controlling interest		**32,541**	**28,289**	**28,680**	**24,899**
Non-controlling interests' share of subsidiary results		-3,861	-3,390	0	0
Profit for the year		**28,680**	**24,899**	**28,680**	**24,899**
Proposed profit appropriation					
Dividends for the financial year				20,000	20,000
Reserve for net revaluation of investments				7,722	2,074
Transferred to next year				958	2,825
				28,680	**24,899**

Assets at 31 December

		Consolidated		Parent company	
		2015	2014	2015	2014
	Note	DKK'000	DKK'000	DKK'000	DKK'000
Research and development		1,670	593	0	0
Patents and licences acquired		734	1,047	0	0
Group goodwill		234	738	0	0
Intangible assets	9	**2,638**	**2,378**	**0**	**0**
Land and buildings		43,451	45,475	0	0
Plant and machinery		22,811	17,593	0	0
Fixtures and fittings, other plant and equipment		11,332	6,158	0	0
Property, plant and equipment under construction		1,601	10,799	0	0
Property, plant and equipment	10	**79,195**	**80,025**	**0**	**0**
Investments in group enterprises		0	0	85,001	76,564
Investments	11	**0**	**0**	**85,001**	**76,564**
Non-current assets		**81,833**	**82,403**	**85,001**	**76,564**
Raw materials and consumables		24,564	25,593	0	0
Work in progress		819	1,127	0	0
Finished goods and goods for resale		34,708	37,772	0	0
Inventories		**60,091**	**64,492**	**0**	**0**
Trade receivables		52,535	47,092	0	0
Corporation tax		3,191	3,719	9,710	8,801
Other receivables		1,304	1,566	0	0
Prepayments	12	2,606	1,805	0	0
Receivables		**59,636**	**54,182**	**9,710**	**8,801**
Cash and securities		**11,362**	**5,792**	**535**	**448**
Current assets		**131,089**	**124,466**	**10,245**	**9,249**
Assets		**212,922**	**206,869**	**95,246**	**85,813**

Equity and liabilities at 31 December

	Note	Consolidated 2015 DKK'000	Consolidated 2014 DKK'000	Parent company 2015 DKK'000	Parent company 2014 DKK'000
Share capital	13	31,000	31,000	31,000	31,000
Reserve for net revaluation of investments		0	0	28,422	18,973
Revaluation reserve		3,650	3,650	0	0
Retained earnings		29,023	18,616	4,251	3,293
Proposed dividends for the financial year		20,000	20,000	20,000	20,000
Equity		**83,673**	**73,266**	**83,673**	**73,266**
Non-controlling interests	14	**11,515**	**10,562**	**0**	**0**
Deferred tax	15	9,229	7,608	0	0
Provisions		**9,229**	**7,608**	**0**	**0**
Mortgage debt		47,711	51,538	0	0
Lease obligations		8,649	7,507	0	0
Non-current liabilities other than provisions	16	**56,360**	**59,045**	**0**	**0**
Current portion of non-current liabilities	16	6,863	6,513	0	0
Bank loans and overdrafts		0	5,826	0	0
Trade payables		15,686	17,375	0	0
Payables to group enterprises		2,213	0	11,442	12,400
Other payables		27,383	26,674	131	147
Current liabilities other than provisions		**52,145**	**56,388**	**11,573**	**12,547**
Liabilities other than provisions		**108,505**	**115,433**	**11,573**	**12,547**
Equity and liabilities		**212,922**	**206,869**	**95,246**	**85,813**

Charges and contingent liabilities, etc.	17-18
Other notes	19-22

Statement of changes in equity for 2015

Consolidated

	Share capital DKK'000	Revaluation reserve DKK'000	Retained earnings DKK'000	Proposed dividends DKK'000	Total DKK'000
Equity at 01.01.2015	31,000	3,650	18,616	20,000	73,266
Dividends paid	0	0	0	-20,000	-20,000
Profit for the year	0	0	8,680	20,000	28,680
Foreign exchange adjustments regarding foreign subsidiaries	0	0	835	0	835
Net adjustment of hedging instruments	0	0	892	0	892
Equity at 31.12.2015	**31,000**	**3,650**	**29,023**	**20,000**	**83,673**

Parent company

	Share capital DKK'000	Net revaluation of invest-ments DKK'000	Retained earnings DKK'000	Proposed dividends DKK'000	Total DKK'000
Equity at 01.01.2015	31,000	18,973	3,293	20,000	73,266
Dividends paid	0	0	0	-20,000	-20,000
Profit for the year	0	7,722	958	20,000	28,680
Foreign exchange adjustments regarding foreign subsidiaries	0	835	0	0	835
Net adjustment of hedging instruments	0	892	0	0	892
Equity at 31.12.2015	**31,000**	**28,422**	**4,251**	**20,000**	**83,673**

Dividends of DKK 25 million, declared in subsidiary at 14th of April 2016, are deducted from net revaluation of investments.

Cash flow statement for the period 1 January – 31 December

	Note	2015 DKK'000	2014 DKK'000
Operating profit		46,712	39,967
Depreciation, etc. with no cash flow effect		12,462	11,425
Other items with no cash flow effect		-1,175	382
Change in operating capital	23	-2,561	-10,207
		55,438	**41,567**
Interest income received, etc.		974	932
Interest expenses incurred, etc.		-5,324	-3,595
Corporation tax paid		-7,672	-13,248
Cash flows from operating activities		**43,416**	**25,656**
Capital investment, net		-11,898	-17,150
Cash flows from investing activities		**-11,898**	**-17,150**
Repayment of loans/raising of loans, net		-2,335	696
Changes in balances, group enterprises		2,213	0
Dividends paid		-20,000	-22,000
Cash flows from financing activities		**-20,122**	**-21,304**
Changes in cash and cash equivalents and securities		**11,396**	**-12,798**
Cash and cash equivalents and securities at 1 January		-34	12,764
Cash and cash equivalents and securities at 31 December	24	**11,362**	**-34**

Notes

	Consolidated		Parent company	
	2015 DKK'000	2014 DKK'000	2015 DKK'000	2014 DKK'000

1. Revenue

Broken down on geographical markets:				
Denmark	42,059	44,394	0	0
Other countries	305,041	283,550	0	0
	347,100	**327,944**	**0**	**0**

Revenue is not disclosed per business area, as such disclosure in the opinion of Management and for competitive reasons will be detrimental to the Company.

2. Staff costs

Wages and salaries	84,185	80,754	608	608
Pension contributions	5,664	5,646	0	0
Other social security costs	4,499	4,326	0	0
	94,348	**90,726**	**608**	**608**
Thereof remuneration of the Executice Board and the Board of Directors	5,386	5,307	608	608
Average number of employees	243	242	1	1

According to section 98b of the Danish Financial Statements Act, remuneration of the Executive Board and the Board of Directors is disclosed as one item.

3. Depreciation and amortisation

Development projects completed	300	0	0	0
Patents and licences acquired	803	1,493	0	0
Goodwill	504	728	0	0
Buildings	2,029	2,048	0	0
Plant and machinery	6,639	6,203	0	0
Fixtures and fittings, other plant and equipment	2,621	802	0	0
Gain on the disposal of non-current assets	-434	151	0	0
	12,462	**11,425**	**0**	**0**

Depreciation and amortisation are recognised as follows in the income statement:				
Production costs	8,464	7,790	0	0
Distribution costs	2,452	2,231	0	0
Administrative expenses	1,546	1,404	0	0
	12,462	**11,425**	**0**	**0**

Notes

	Consolidated		Parent company	
	2015 DKK'000	2014 DKK'000	2015 DKK'000	2014 DKK'000
4. Fees to auditors appointed at the annual general meeting				
Statutory audit of the financial statements	481	470	28	28
Other assurance engagements	15	0	0	0
Tax assistance	279	258	14	5
Other assistance	83	126	3	61
	858	**854**	**45**	**94**
5. Profit of group enterprises after tax				
Profit of group enterprises after tax	0	0	29,212	25,584
	0	**0**	**29,212**	**25,584**
6. Financial income				
Interest income from group enterprises	0	0	0	171
Other financial income	974	932	0	12
	974	**932**	**0**	**183**
7. Financial expenses				
Interest expense, group enterprises	0	0	343	0
Other financial expenses	5,324	3,544	1	11
	5,324	**3,544**	**344**	**11**
8. Tax on profit for the year				
Current tax	8,428	6,612	-163	147
Adjustment of deferred tax	1,621	2,276	0	0
Tax on change in equity	-279	169	0	0
Adjustments regarding previous years	51	9	0	9
	9,821	**9,066**	**-163**	**156**

Notes

Consolidated

	Goodwill DKK'000	Patents and licences acquired DKK'000	Research and Development DKK'000
9. Intangible assets			
Cost at 01.01.2015	16,929	10,253	593
Additions	0	489	1,376
Afgang	0	-3,351	0
Cost at 31.12.2015	**16,929**	**7,391**	**1,969**
Amortisation at 01.01.2015	-16,191	-9,206	0
Amortisation	-504	-802	-299
Reversed amortisation in respect of disposals for the year	0	3,351	0
Amortisation at 31.12.2015	**-16,695**	**-6,657**	**-299**
Carrying amount at 31.12.2015	**234**	**734**	**1,670**
Carrying amount at 31.12.2014	738	1,047	593

Consolidated

	Land and buildings DKK'000	Plant and machinery DKK'000	Fixtures and fittings other plant and equipment DKK'000	Property, plant and equip-ment under construc DKK'000
10. Property, plant and equipment				
Cost at 01.01.2014	72,219	124,818	34,903	10,799
Foreign exchange adjustment	6	10	106	0
Additions	0	11,857	7,789	12,140
Disposals	-111	-10,618	-5,625	-21,338
Cost at 31.12.2015	**72,114**	**126,067**	**37,173**	**1,601**
Revaluations at 01.01.2015	5,199	0	0	0
Revaluations at 31.12.2015	**5,199**	**0**	**0**	**0**
Depreciation at 01.01.2015	-31,943	-107,225	-28,745	0
Foreign exchange adjustment	-1	-10	-82	0
Depreciation	-2,029	-6,639	-2,621	0
Depreciation in respect of disposals for the year	111	10,618	5,607	0
Depreciation at 31.12.2015	**-33,862**	**-103,256**	**-25,841**	**0**
Carrying amount at 31.12.2015	**43,451**	**22,811**	**11,332**	**1,601**
Carrying amount at 31.12.2014	45,475	17,593	6,158	10,799
The carrying amount at 31.12.2015 includes:				
Leased assets recognised		10,999		

Notes

11. Investments

	Investments in group enterprises DKK'000
Cost at 01.01.2015	34,080
	34,080
Net revaluation at 01.01.2015	42,484
Dividends paid	-22,500
Foreign exchange adjustment	834
Share of profit/loss for the year, net	29,212
Other capital adjustments	891
Net revaluation at 31.12.2015	**50,921**
Carrying amount at 31.12.2015 (net)	**85,001**
Carrying amount at 31.12.2014 (net)	76,564

Investments in group enterprises comprise:

	Registered office	Ownership interes
Vikan A/S	Denmark	90%
Vikan (UK) Ltd.	England	100%
Vikan France SAS	France	100%
Vikan AB	Sweden	100%
Vikan Estonia AS	Estonia	100%
Nito A/S	Denmark	80%
Vikan GmbH	Germany	100%

12. Prepayments

Prepayments comprise prepaid costs concerning IT licences, subscriptions, etc. regarding subsequent financial years.

13. Share capital

The share capital comprises 31,000 shares of DKK 1,000 each. The share capital has not been divided into classes

	Parent company
Share capital at 1 January 2011	31,000
Share capital at 31 December 2014	**31,000**

Treasury shares:

Treasury shares total a nominal amount of DKK 312 thousand, corresponding to approx. 0.8% of the share capital.

Notes

14. Non-controlling interests

	Consolidated 2015 DKK'000	Consolidated 2014 DKK'000
Non-controlling interests at 1 January	10,562	8,239
Share of profit/loss for the year	3,861	3,390
Share of dividend paid in the year	-2,500	-2,500
Other adjustments	-408	1,433
Non-controlling interests at 31 December	**11,515**	**10,562**

15. Deferred tax

	Consolidated		Parent company	
	2015 DKK'000	2014 DKK'000	2015 DKK'000	2014 DKK'000
Deferred tax at 1 January	-7,608	-5,485	0	0
Adjustment for the year of deferred tax	-1,621	-2,123	0	0
Deferred tax at 31 December	**-9,229**	**-7,608**	**0**	**0**

16. Non-current liabilities

	Consolidated			
	Maturity within 1 year DKK'000	Maturity after 1 year DKK'000	Total amortised liabilities DKK'000	Total nominal liabilities DKK'000
Mortgage debt	3,837	47,711	51,548	51,654
Lease obligations	3,026	8,649	11,675	11,675
Non-current liabilities at 31.12.2015	**6,863**	**56,360**	**63,223**	**63,329**
Non-current liabilities at 31.12.2014	6,513	59,045	65,558	65,672
Falling due after more than five years:				
Mortgage debt		32,332		
		32,332		

Notes

	Consolidated		Parent company	
	2015 DKK'000	2014 DKK'000	2015 DKK'000	2014 DKK'000

17. Charges

Mortgage debt in subsidiaries is secured upon properties.
The mortgage moreover comprises related plant and machinery.

Carrying amount of properties and operating equipment provided as collateral	64,466	64,466	0	0

As collateral for commitments with banks in subsidiary, a mortgage deed secured upon the subsidiary's properties has been deposited.

The mortgage moreover comprises related plant and machinery.

Carrying amount of properties and operating equipment provided as collateral	10,292	11,179	0	0

As collateral for commitments with banks in subsidiaries, a mortgage deed secured upon the assets of the individual subsidiaries has been deposited.

18. Contractual obligations and contingent liabilities

	Consolidated		Parent company	
	2015 DKK'000	2014 DKK'000	2015 DKK'000	2014 DKK'000
Yearly rent obligation	1,844	1,909	0	0
Rent in the period of notice	1,844	3,364	0	0
Yearly operating leases regarding other operating equipment	1,587	1,501	0	0

The Company is the administrative company of the Group's international joint taxation as the Group as of 2009 has opted for international joint taxation. According to the preliminary statement, a retaxation liability of up to approx. DKK 5.7 million is incumbent on the Company.
No provision has been made in the annual report for the liability as the retaxation balance is not expected to crystallise.

19. Currency and interest rate risks and the use of derivative financial instruments

The Vissing Group has taken out interest swaps to hedge a fixed interest rate. Unrealised gain on interest swaps totalled DKK 703 thousand in 2015. (2014: profit of DKK 1,520 thousand) and is recognised directly in equity adjusted for deferred tax.

20. Related party disclosures

Related parties exercising control of Vissing Holding A/S:
Vissing Fonden, Mølleå 1, DK-9000 Aalborg

21. Shareholders

The following shareholders hold more than 5% of the Company's share capital:
Vissing Fonden, Mølleå 1, DK-9000 Aalborg

Notes

22. Group structure

Vissing Holding A/S and related subsidiaries are included in the annual report of Vissing Fonden.

23. Change in operating capital

	Consolidated	
	2015 DKK'000	2014 DKK'000
Change in inventories	4,401	-5,070
Change in receivables	-5,982	-1,933
Change in trade payables, etc.	-980	-3,204
	-2,561	**-10,207**

24. Cash and securities

	Consolidated	
	2015 DKK'000	2014 DKK'000
Cash at hand and in bank	11,362	5,792
Securities	0	0
Bank loans and overdrafts	0	-5,826
	11,362	**-34**