

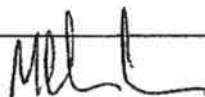
Antalis CC&CO A/S

Annual Report 2014/15

The annual report has been presented and approved
at the annual general meeting

on 31/5-2016 20__

Chairman



CVR No. 36 09 92 16

Company adress: Bastrupgaardvej 8-10, DK-7500 Holstebro

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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 Antalis CC&CO A/S for the financial year 1 July 2014 – 31 December 2015.

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

It is our opinion that the financial statements give a true and fair view of the Company's financial position at 31 December 2015 and of the results of the Company's operations and cash flows for the financial year 1 July 2014 – 31 December 2015.

In our opinion, the Management's review includes a fair review of the development in the Company's operations and financial conditions, the results for the year and financial position.

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

Holstebro, 31 May 2016

Executive Board

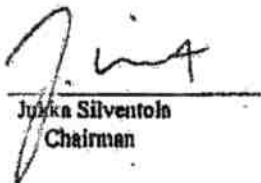


Steen Leetmaa Mürmann
Managing Director



Martin Jan Grauballe
Financial Director

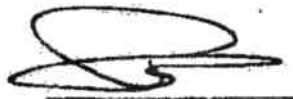
Board of Directors:



Jukka Silventoinen
Chairman



Robert Charlton
Franklaud



Xavier Roy-Contancin



Maria Pedersen
Poulsgaard
Elected by the
employees



Arne Sørensen
Elected by the
employees

Independent Auditors' Report

To the shareholders of Antalis CC&CO A/S

Report on the Financial Statements

We have audited the Financial Statements of Antalis CC&CO A/S for the financial year 1 July 2014 – 31 December 2015, which comprise income statement, balance sheet, cash flow statement, notes and summary of significant accounting policies. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of 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 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 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 Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of Financial Statements that give 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 Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit has not resulted in any qualification.

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2015 and of the results of the Company operations and cash flows for the financial year 1 July 2014 – 31 December 2015 in accordance with the Danish Financial Statements Act.

Independent auditors' report

Statement on the Management's Review

We have read the Management's Review in accordance with the Danish Financial Statements Act. We have not performed any procedures additional to the audit of the Financial Statements. On this basis, in our opinion, the information provided in Management's Review is consistent with the Financial Statements.

Holstebro, 31 May 2016
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31



H.C. Krogh
State Authorised
Public Accountant



Per Sørensen
State Authorised
Public Accountant

Management's review

Company details

Antalis CC&CO A/S
Bastrupgaardvej 8-10
DK-7500 Holstebro

Telephone: +45 70 10 33 66
Telefax: +45 96 10 57 01
Website: www.antalisccco.dk

CVR No.: 36 09 92 16
Registered office: Holstebro

Financial year

1 July 2014 – 31 December 2015

Board of Directors

Jukka Silventola, Chairman
Robert Charlton Frankland
Xavier Roy-Contancin
Maria Pedersen Poulsen
Arne Sørensen

Executive Board

Steen Leetmaa Murmann
Martin Jan Grauballe

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Hjaltesvej 16
DK-7500 Holstebro
CVR-nr 33771231

Bankers

Nordea Bank Danmark A/S
Østergade 4-6
DK-7400 Herning

Management's review

Financial highlights

DKK'000	2014/15	2013/14	2012/13	2011/12	2010/11
Key figures					
Revenue	987,389	611,236	604,526	634,631	667,553
Gross profit	120,836	84,099	86,408	94,541	94,283
Profit/loss before financial income and expenses	-4,067	6,247	2,082	8,354	6,649
Financial income and expenses, net	-3,048	-992	102	743	265
Profit/loss before tax	-7,115	5,255	2,184	9,097	6,914
Profit/loss for the year	-12,208	4,033	727	6,410	4,765
Balance sheet total	237,800	195,805	211,185	215,127	219,755
Equity	98,399	114,607	128,574	127,848	121,437
Investment in property, plant and equipment	1,594	930	768	1,306	1,729
Average number of full-time employees	159	154	169	179	187

Financial ratios

Gross margin	12,24%	13,76%	14,29%	14,90%	14,12%
Operating margin	-0,72%	0,86%	0,36%	1,43%	1,04%
Return on invested capital	-1,25%	3,07%	0,98%	3,84%	2,99%
Solvency ratio	41,38%	58,53%	60,88%	59,43%	55,26%
Return on equity	-7,64%	3,32%	0,57%	5,14%	4,00%
Revenue per employee	4,140	3,969	3,577	3,545	3,570

The financial ratios stated in the survey of financial highlights have been calculated as follows:

Gross margin	$\frac{\text{Gross profit/loss} \times 100}{\text{Revenue}}$
Operating margin	$\frac{\text{Profit/loss before tax} \times 100}{\text{Revenue}}$
Return on invested capital	$\frac{\text{Profit/loss before financial income and expenses} \times 100}{\text{Average balance sheet total}}$
Solvency ratio	$\frac{\text{Equity} \times 100}{\text{Total assets}}$
Return on equity	$\frac{\text{Profit/loss for the year} \times 100}{\text{Average equity}}$
Revenue per employee	$\frac{\text{Revenue}}{\text{Average number of employees}}$

Financial ratios are calculated in accordance with the Danish Society of Financial Analysts' guidelines on the calculation of financial ratios "Recommendations and Financial Ratios". The key figures for 2014/15 above are for 18 months, and as a result some of the financial ratios have been recalculated to cover a 12 months period.

Management's review

Operating review

Principal activities

Antalis CC&CO has been a part of Antalis International SAS, France, owned by Sequana Capital, France, since 1 June 2015. Besides the business Antalis, Sequana Capital also owns paper mills under the Arjo Wiggins name.

As a result of this change in ownership, Antalis CC&CO A/S have changed accounting year from 1/7 - 30/6 to 1/1 - 31/12. Therefore the annual accounts for 2014/2015 contains figures for 18 months (1/7 2014 – 31/12 2015).

Antalis CC&CO A/S operates within two main areas in Scandinavia, i.e. Antalis CC&CO Packaging, which sells products and services for office use and packaging, and Antalis CC&CO Viscom, which sells and services products within print media, vinyl, board and machinery.

Our mission is to develop Scandinavia's leading trading company within our line of business relying on sound partnerships with our customers and suppliers.

Based on our broad product portfolio and close interaction with our customers, we will develop solutions which both strategically and operationally are in line with market demand.

Development in activities and financial position

Profit for the year

Compared to last year, Antalis CC&CO Packaging enjoyed stable sales of packaging for industrial use and catering, and an increase in sales of office products.

Antalis CC&CO Viscom's sales to the Sign and Display segment showed an increase compared to last year.

The management team underwent restructuring during last year. During the year under review, we assessed the need for further restructuring and recognised an amount of DKK 5,758,066 for restructuring. In addition, we have given our training programme a high priority, which has both strengthened our organisation and our ability to execute important projects.

It was decided to expense the tax asset DKK 5,093,648.

The Company reported a loss of DKK 12,208,167. The Board of Directors consider the profit for the year unsatisfactory, and expects a significantly improved result in 2016.

The company's capital resources consists of bank balances, as well as access to a group credit facility which the company can draw from. The management expects to be able to draw on the group credit facility in the future, and assesses on this basis the capital resources to be satisfactory.

Management's review

Operating review

Outlook

The macroeconomic impact on our business will presumably remain challenging, and our markets are likely to produce flat growth rates.

We expect to post improved results for the next financial year.

Particular risks

Operating risks

No special operating risks are deemed to exist.

Market risks

The Company operates primarily within mature markets and relies primarily on general market trends.

Currency risks

The Company sells the vast part of its products on the Danish market and uses the Danish krone as its settlement currency.

Purchases are made in other currencies, however, primarily in DKK and EUR.

Interest rate risks

With the current capital structure, interest rate risks remain low.

Credit risks

No individual customer or business partner pose any major risk to the Company. The Company's credit risk policy ensures that all major customers and other business partners are regularly credit rated.

Subsequent events

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

Corporate social responsibility and environment

Antalis CC&CO A/S does not have a policy for corporate social responsibility and human rights.

However, the Company actively strives to lay down guidelines and targets to continuously optimise its environmental and corporate social responsibility.

Management's review

Operating review

For this purpose we have implemented these activities:

- Competition compliance programmes, where employees with client-facing and/or supplier-facing positions takes part in annual programme ensuring compliance with group guidelines for sound business practice and thereby compliance with international rules on behaviour in relation to contracting.
- We carry out inspections of our inventories every second month in order to locate any dangers and thereby prevent accidents. The parent company goes through the findings from the inspections several times a year.
- We are still working with an external Work Institute in order to survey employee satisfaction and to benchmark us against similar companies in Denmark. This co-operation and surveys give Antalis CC&CO A/S an outline of its strengths and key action areas, allowing the Company to prioritise subsequent focus areas and measures for the entire organisation.

As part of our KPI reporting, we continuously keep track of absence, performance reviews and staff turnover. Together physical and psychological workplace assessments, this provides a basis for action plans and measures to continuously boost employee satisfaction at Antalis CC&CO A/S.

Environmental impact

The objective of corporate sustainability is, based on our customers' desires and requirements, to be able to constantly supply products meeting our customers' environmental requirements to the highest possible degree.

Our regular assessment of suppliers and products has environmental and social sustainability as an important parameter, and we actively encourage our suppliers to prioritise environmental and social sustainability in their production. In addition, our key suppliers are required to comply with global environmental standards, the UN's world declaration about human rights and the REACH regulations.

ISO 14001 and ISO 9001 certifications are cornerstones of the Company's vision and strategy for sustainability and quality. The strategy is based on wishes advanced by strategically chosen medium-sized and large customers in our customer portfolio and is supported throughout the entire Antalis CC&CO A/S. Our intentions are i.a. laid down in "Antalis CC&CO A/S policy on sustainability throughout the entire supply chain".

At the end of the financial year, our certifications for ISO 14001 and ISO 9001 were renewed through an extended audit by Bureau Veritas.

Management's review

Operating review

In 2014/2015, we drafted specific and ambitious targets within the following main categories:

- Further optimisation of our sales and distribution solutions to reduce environmental impact Target not met
- Green products are to account for 10% of our product portfolio Target not met

ISO certifications are supported by an implemented management system documenting processes, activities and competencies of ongoing activities within the relevant area.

We have not defined any specific environmental targets for 2016.

Targets and policies for the underrepresented sex

Last year the company did target these quotas of women in leadership positions:

Board of Directors (including members elected by employees)	20%
Executive Board	0%
Management team	33%

These targets were reached for Board of Directors, but not for the Management team.

For the coming years the company has set the following targets:

Board of Directors (only directors chosen at the Annual General Meeting)	33%
Executive Board	0%
Management team	33%

It is our aim to achieve these targets before 30 June 2019.

Financial statements 1 July – 31 December

Basis of accounting

The annual report for 2014/15 of Antalis CC&CO A/S has been prepared in accordance with the provisions applying to reporting class C large enterprises under the Danish Financial Statements Act.

Pursuant to section 96 (3) of the Danish Financial Statements Act, executive remuneration has not been disclosed.

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

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 and payables and other monetary items denominated in foreign currencies which remain unsettled at the balance sheet date are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the exchange rates at the transaction date are recognised in the income statement as financial income or financial expenses.

Tax and deferred tax

The company is jointly taxed with Antalis CC&CO Denmark Holding ApS and from 1 June 2015 also with Antalis A/S. 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).

Tax on profit/loss for the year, which consists of tax for the year and changes in deferred tax, is recognised in the income statement with the amount that can be attributed to profit/loss for the year, and on equity with the amount that can be attributed to transactions directly on equity.

Tax is calculated at the current tax rate for the year.

Current tax payable and receivable is recognised in the balance sheet as calculated tax on profit/loss for the year, adjusted for tax on the taxable income of earlier 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. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and other items where temporary differences arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on planned use of the asset or settlement of the liability, respectively.

Financial statements 1 July – 31 December

Accounting policies

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation; 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 and jurisdiction.

Adjustments of deferred tax will be made concerning elimination of unrealised inter-company profit and losses. Deferred tax assets are only recognized at their estimated realizable values.

Income statement

Revenue

Income from the sale of goods for resale and finished goods is recognised in revenue provided that delivery and transfer of risk to the buyer have taken place before year end. Revenue is measured excluding VAT and duties and less discounts granted in relation to the sale.

Costs of raw materials and consumables

Costs of raw materials and consumables comprise the purchase of goods for resale and costs incurred in generating revenue.

Other external costs

Other external costs comprise i.a. costs of premises, sales and distribution, office supplies, etc.

Staff costs

Staff costs comprise wages and salaries, including holiday allowance and pensions, and other social security costs, etc. attributable to the Company's employees. Refunds from public authorities have been deducted from staff costs.

Depreciation/amortisation and impairment losses

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

Other operating income and other operating costs

Other operating income and other operating costs comprise items secondary to the activities of the Company, including gains on disposal of intangible assets and property, plant and equipment.

Financial statements 1 July – 31 December

Accounting policies

Financial income and expenses

Financial income and expenses comprise interest income and expense, financial costs arising from finance leasing, realised and unrealised foreign exchange gains and losses as well as surcharges and refunds under the on-account tax scheme, etc.

Balance sheet

Intangible assets

Software licenses are measured at the lower of cost less accumulated amortisation and impairment losses and at the recoverable amount. Software licenses are amortised over 2.5 years.

Goodwill is amortised on a straight-line basis over the estimated useful lives determined on the basis of Management's experience within the individual areas. The amortisation period amounts to a maximum of 20 years and is longest for strategically acquired enterprises with a strong market position and a long earnings profile.

Property, plant and equipment

Leasehold improvements are measured at cost less accumulated depreciation and impairment losses.

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

Cost comprises purchase price and any costs directly attributable to the acquisition as well as costs of preparation.

The basis of depreciation, which is calculated as cost less any projected residual values and impairment losses, is depreciated on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Leasehold improvements	Max. 10 years
Plant and machinery	5-10 years
Fixtures and fittings, tools and equipment	5-10 years
IT equipment	3-5 years

Depreciation of a non-current asset commences when put into service.

Gains and losses on the disposal of property, plant and equipment 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 as operating income and operating costs, respectively, in the income statement.

Financial statements 1 July – 31 December

Accounting policies

Impairment of non-current assets

The carrying amount of intangible assets and property, plant and equipment is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation. Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount. The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of forecast cash flows from the use of the asset or the group of assets and forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Impairment losses on intangible assets and property, plant and equipment are expensed under the same item as the relevant amortisation/depreciation.

Leases

Leases for property, plant and equipment that transfer substantially all risks and rewards incident to ownership to the Company (finance leases) are initially recognised on the balance sheet at fair value if this is available. Alternatively, if this is lower, the net present value of future lease payments at the date of acquisition is used. When the net present value is calculated, 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 and written down as the Company's other non-current assets.

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

All other leases are operating leases. Payments relating to operating leases and other leases are recognised in the income statement over the term of the lease.

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. The net realisable value of inventories are stated at the amount expected to be generated from sales in normal operations less costs of sales and completion. Net realisable value is stated considering marketability, obsolescence and development in projected selling price.

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

Financial statements 1 July – 31 December

Accounting policies

Receivables

Receivables are measured at the lower of amortised cost and net realisable value, corresponding to nominal value less write-down for bad debts. Write-down for bad debts is stated on the basis of individual assessment of the individual receivable and with regard to trade receivables also on the basis of a general write-down based on the Company's experience.

Prepayments

Prepayments comprise costs incurred concerning subsequent financial years, including fair value adjustments of derivative financial instruments with positive fair value. This typically involves prepaid expenses relating to rent, insurance premiums, subscriptions and interest.

Equity - dividends

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 (declaration date) is disclosed as a separate item under equity.

Treasury shares

The acquisition of treasury shares are recognised at cost in equity. On subsequent disposal of treasury shares, the selling price is recognised directly in equity.

Provisions

Provisions are recognised when, as a result of events occurred no later than at the balance sheet date, the Company has a legal or a constructive obligation, and it is probable that there may be outflow of resources embodying economic benefits to settle the obligation.

Liabilities other than provision

Other liabilities are measured at amortised cost, which, in all essentials, correspond to nominal value.

Cash flow statement

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

Financial statements 1 July – 31 December

Accounting policies

Cash flows from operating activities

Cash flows from operating activities are calculated as the profit/loss for the year adjusted for changes in working capital and non-cash operating items such as depreciation and impairment losses and provisions. The working capital comprises current assets less current liabilities excluding items recognised as cash and cash equivalents.

Cash flows from investing activities

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of intangible assets, property, plant and equipment and investments as well as changes in balances with group enterprises.

Cash flows from financing activities

Cash flows from financing activities comprise cash flows from the raising and repayment of non-current liabilities and the payment of dividends to shareholders.

Cash and cash equivalents

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

Financial statements 1 July – 31 December

Income statement

		(18 months)	
	Note	2014/15	2013/14
Revenue	1	987,388,573	611,235,808
Changes in inventories of finished goods and goods for resale		7,008,747	4,025,221
Other operating income		1,070,972	1,253,291
Costs of raw materials and consumables		-773,259,874	-469,266,819
Other external costs		-101,372,247	-63,148,292
Gross profit		120,836,171	84,099,209
Staff costs	2	-112,812,083	-71,377,814
Depreciation/amortisation and impairment losses	3	-4,566,752	-3,015,965
Other operating costs	4	-7,524,066	-3,458,322
Profit/loss before financial income and expenses		-4,066,730	6,247,108
Financial income	5	389,648	354,087
Financial expenses	6	-3,437,437	-1,345,788
Profit/loss before tax		-7,114,519	5,255,407
Tax on profit for the year	7	-5,093,648	-1,222,864
Profit/loss for the year		<u>-12,208,167</u>	<u>4,032,543</u>

Proposed profit appropriation

Proposed dividends	0	4,000,000
Retained earnings	-12,208,167	32,543
	<u>-12,208,167</u>	<u>4,032,543</u>

Financial statements 31 December

Balance sheet

	Note	2015	2014
Assets			
Non-current assets			
Intangible assets	8		
Goodwill		3,597,426	4,237,086
Software		171,356	1,390,540
		<u>3,768,782</u>	<u>5,627,626</u>
Property, plant and equipment	9		
Plant and machinery		1,520	8,424
Fixtures and fittings, tools and equipment		4,117,269	4,595,526
Leasehold improvements		1,156,931	1,734,368
		<u>5,275,720</u>	<u>6,338,318</u>
Investments	10		
Shares		37,000	37,000
		<u>37,000</u>	<u>37,000</u>
Total non-current assets		<u>9,081,502</u>	<u>12,002,944</u>
Current assets			
Inventories	11	61,547,099	54,538,352
Receivables			
Trade receivables		92,802,721	114,231,438
Amount owed by group enterprises		23,594,758	1,782,209
Deferred tax assets	12	0	5,093,648
Other receivables		566,556	877,179
Prepayments	13	2,881,241	3,435,733
		<u>119,845,276</u>	<u>125,420,207</u>
Cash at bank and in hand		47,325,989	3,843,815
Total current assets		<u>228,718,364</u>	<u>183,802,374</u>
TOTAL ASSETS		<u><u>237,799,866</u></u>	<u><u>195,805,318</u></u>

Financial statements 31 December

Balance sheet

	Note	2015	2014
EQUITY AND LIABILITIES			
Equity			
Share capital	14	10,004,000	10,004,000
Retained earnings		88,394,681	100,602,848
Proposed dividends		0	4,000,000
Total equity	15	98,398,681	114,606,848
Provisions			
Other provisions	16	155,250	120,333
Total provisions		155,250	120,333
Liabilities other than provisions			
Current liabilities other than provisions			
Trade payables		65,392,940	58,778,263
Amounts owed to group enterprises		47,879,664	476,252
Other payables		25,973,331	21,823,622
		139,245,935	81,078,137
Total liabilities other than provisions		139,245,935	81,078,137
TOTAL EQUITY AND LIABILITIES		237,799,866	195,805,318
Mortgages and collateral	17		
Contractual obligations	18		
Related party disclosures	19		

Financial statements 1 July – 31 December

Cash flow statement

		(18 months)	
	Note	2014/15	2013/14
Profit/loss for the year		-12,208,167	4,032,543
Adjustments	20	12,733,767	5,285,190
Changes in working capital	21	26,049,471	-9,784,227
Cash generated from operations (operating activities) before financial income and expenses		26,575,071	-466,494
Interest income received, etc.		389,648	354,087
Interest expense paid, etc.		-3,437,437	-1,345,788
Cash flows from operating activities		23,527,282	-1,458,195
Acquisition of intangible assets		-87,786	-55,146
Acquisition of property, plant and equipment		-1,594,185	-930,182
Acquisition of investments		0	-37,000
Sale of non-current assets		46,000	0
Balance with group enterprises		25,590,863	13,908,946
Cash flows from investing activities		23,954,892	12,886,618
Dividends paid		-4,000,000	-18,000,000
Cash flows from financing activities		-4,000,000	-18,000,000
Net cash flows from operating, investing and financing activities		43,482,174	-6,571,577
Cash and cash equivalents at 1 July		3,843,815	10,415,392
Cash and cash equivalents at 31 December, net		47,325,989	3,843,815

Financial statements 1 July – 31 December

Notes

1 Revenue

	(18 months)	
	2014/15	2013/14
Antalis CC&CO Packaging	841,648,689	516,564,071
Antalis CC&CO Viscom	145,739,884	94,671,737
	<u>987,388,573</u>	<u>611,235,808</u>
Thereof export	<u>28,457,758</u>	<u>19,279,974</u>

2 Staff costs

Wages and salaries	97,156,675	61,368,033
Pensions	7,480,836	4,930,925
Other social security costs	1,948,244	1,426,405
Other staff costs	6,226,328	3,652,451
	<u>112,812,083</u>	<u>71,377,814</u>

Thereof, remuneration of and pensions for the Executive Board and the Board of Directors:

Executive Board	4,645,224	2,139,383
Boards of Directors	0	0
	<u>4,645,224</u>	<u>2,139,383</u>

The Executive Board and other senior employees are comprised by bonus schemes based on results for the year, etc. The Board of Directors is paid by the Company or other group enterprises. Remuneration by other group enterprises are settled by intra-group overhead allocations.

Average number of employees	<u>159</u>	<u>154</u>
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3 Depreciation/amortisation and impairment losses

Goodwill	639,660	426,440
Software	1,306,970	939,425
Plant and machinery	6,904	5,677
Fixtures and fittings, tools and equipment	1,992,981	1,227,834
Leasehold improvements	620,237	416,589
	<u>4,566,752</u>	<u>3,015,965</u>

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	(18 months) 2014/15	2013/14
4 Other operating costs		
Provision for loss on loan to group enterprise	1,766,000	0
Restructuring costs	5,758,066	3,458,322
	<u>7,524,066</u>	<u>3,458,322</u>
5 Financial income		
Interest, group enterprises	185,967	43,322
Other financial income	203,681	310,765
	<u>389,648</u>	<u>354,087</u>
6 Financial expenses		
Interest, group enterprises	1,403,241	361,695
Other financial expenses	2,034,196	984,093
	<u>3,437,437</u>	<u>1,345,788</u>
7 Tax on profit for the year		
Adjustment of deferred tax	5,093,648	1,220,918
Adjustment regarding reduction in corporation tax	0	1,946
	<u>5,093,648</u>	<u>1,222,864</u>

The effective tax rate is affected by non-deductible costs, and impairment of deferred tax asset.

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8 Intangible assets

	Goodwill	Software
Cost at 1 July	8,528,803	6,190,854
Additions for the year	0	87,786
Disposals for the year	0	0
Cost at 31 December	8,528,803	6,278,640
Amortisation at 1 July	4,291,717	4,800,314
Amortisation for the year	639,660	1,306,970
Reversed amortisation of disposals for the year	0	0
Amortisation at 31 December	4,931,377	6,107,284
Carrying amount at 31 December 2015	3,597,426	171,356

9 Property, plant and equipment

	Plant and machinery	Fixtures and fittings, tools and equipment	Leasehold improvements
Cost at 1 July	161,785	25,583,945	4,815,919
Additions for the year	0	1,551,385	42,800
Disposals for the year	0	462,209	0
Cost at 31 December	161,785	26,673,121	4,858,719
Depreciation at 1 July	153,361	20,988,419	3,081,551
Depreciation for the year	6,904	1,992,981	620,237
Reversed depr. of disposals for the year	0	425,548	0
Depreciation at 31 December	160,265	22,555,852	3,701,788
Carrying amount at 31 December 2015	1,520	4,117,269	1,156,931

10 Investments

	Shares
Cost at 1 July	37,000
Cost at 31 December	37,000
Impairment losses at 1 July	0
Impairment losses at 31 December	0
Carrying amount at 31 December 2015	37,000

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	2015	2014
11 Inventories		
Goods for resale	61,547,099	54,538,352
12 Deferred tax asset		
Deferred tax at 1 July	5,093,648	6,316,512
Adjustment for the year of deferred tax	-5,093,648	-1,222,864
Deferred tax at 31 December 2015	0	5,093,648
Deferred tax is attributable to:		
Intangible assets	0	-620,386
Property, plant and equipment	0	2,555,420
Current assets	0	548,973
Provisions	0	27,556
Borrowing costs	0	74,500
Tax losses	0	2,507,585
	0	5,093,648
13 Prepayments		
Insurance	301,747	673,712
Rent	1,742,519	1,611,408
Other items	836,975	1,150,613
	2,881,241	3,435,733
14 Share capital		
The Company's share capital is divided on shares with a face value of DKK 1,000 each. Each share carries one vote. No shares carry special rights.		
Of the total share capital of DKK 10,004,000, the Company holds treasury shares of a nominal amount of DKK 1,000,000, equivalent to 9.996%. The Company did not acquire or sell treasury shares during the year under review.		
Changes in share capital during the period 1 July 2010 - 31 December 2015:		
Share capital at 1 July 2010		10,004,000
Additions		0
Share capital at 31 December 2015		10,004,000

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15 Equity

	Share capital	Proposed dividends	Retained earnings	Total
Opening balance	10,004,000	4,000,000	100,602,848	114,606,848
Transferred, see the profit appropriation		0	-12,208,167	-12,208,167
Dividends paid		-4,000,000		-4,000,000
Closing balance	<u>10,004,000</u>	<u>0</u>	<u>88,394,681</u>	<u>98,398,681</u>

16 Provisions

The amount comprises warranty obligations of DKK 155,250 covering the Company's standard one-year warranty on sale of machinery within Antalis CC&CO Viscom.

17 Mortgages and collateral

The Company has provided bank guarantees of DKK 19.3 million, mainly covering rent for external premises.

18 Contractual obligations

Leases for property with an annual payment of DKK 7.8 million and with a term of notice of up to 7 years, representing rent commitments of DKK 52.0 million.

Lease liabilities (operating leases) of DKK 10.0 million, of which DKK 10.0 million falls due within five years.

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19 Related party disclosures

Antalis CC&CO A/S' related parties comprise the following:

Control

Parent company - Antalis CC&CO Denmark Holding ApS, Bastrupgaardvej 8-10, DK-7500 Holstebro, which holds the shares in the company.

Antalis International SAS, 8 Rue de Seine, 92100 Boulogne Billancourt Cedex, France.

Ultimate parent company

Sequana S.A., Rue de Seine, F-92517 Boulogne Billancourt Cedex, France.

Other related parties

Board member, Jukka Silventola, chairman

Board member, Robert Charlton Frankland

Board member, Xavier Roy-Contancin

Board member, Maria Pedersen Poulsen, elected by the employees

Board member Arne Sørensen, elected by the employees

Executive Board, Managing Director Steen Leetmaa Murmann

Executive Board, Financial Director Martin Jan Grauballe

Financial statements:

The financial statements are consolidated in the group financial statements of:

Antalis International SAS and Sequana S.A., Boulogne Billancourt, from where a copy of the financial statements are available.

	(18 months) 2014/15	2013/14
20 Adjustments		
Depreciation/amortisation for the year of intangible assets and property, plant and equipment	4,566,752	3,015,965
Gains/losses on the disposal of non-current assets	-9,339	76,494
Change for the year in provisions	34,917	-21,834
Adjustment of deferred tax	5,093,648	1,222,864
Financial income	-389,648	-354,087
Financial expenses	3,437,437	1,345,788
	<u>12,733,767</u>	<u>5,285,190</u>

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		(18 months)	
		2014/15	2013/14
21	Changes in working capital		
	Change in inventories	-7,008,747	-4,025,221
	Change in receivables	22,293,832	-3,892,027
	Change in trade and other payables	10,764,386	-1,866,979
		<u>26,049,471</u>	<u>-9,784,227</u>