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PERSONLIGT ENGAGEMENT

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Papier-Mettler Danmark A/S


Company reg. no. 31 75 36 43

Annual report

1 January - 31 December 2014

The annual report has been submitted and approved by the general meeting on the

11 May 2015



Martin Michael Mettler
Chairman of the meeting

Notes:

- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.



Christensen Kjarulff er medlem af Nexia International
- et internationalt netværk af uafhængige revisions- og konsulentvirksomheder.

 RevisorGruppen Danmark

M.



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Management's report

The board of directors and the managing director have today presented the annual report of Papier-Mettler Danmark A/S for the financial year 1 January to 31 December 2014.

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

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position as on 31 December 2014 and of the company's results of its activities in the financial year 1 January to 31 December 2014.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

The annual report is recommended for approval by the general meeting.

Nyborg, 31 March 2015

Managing Director

Martin Michael Mettler

Board of directors

Martin Michael Mettler

Michael Handke

Karin Maria Mettler



Independent auditor's reports

To the shareholder of Papier-Mettler Danmark A/S

Report on the annual accounts

We have audited the annual accounts of Papier-Mettler Danmark A/S for the financial year 1 January to 31 December 2014, which comprise accounting policies used, profit and loss account, balance sheet and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

The management's responsibility for the annual accounts

The management is responsible for the preparation of annual accounts that give a true and fair view in accordance with the Danish Financial Statements Act. Furthermore, the management is responsible for such internal control as it determines necessary in order to prepare annual accounts that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the annual accounts 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 about whether the annual accounts are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements in the annual accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of annual accounts 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 the management, as well as the overall presentation of the annual accounts.

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

The audit has not resulted in any qualification.



Independent auditor's reports

Opinion

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 December 2014 and of the results of the company's operations for the financial year 1 January to 31 December 2014 in accordance with the Danish Financial 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 annual accounts. On this basis, it is our opinion that the information provided in the management's review is consistent with the annual accounts.

Copenhagen, 31 March 2015

CHRISTENSEN KJÆRULFF

State Authorised Public Accountants

Iver Haugsted

State Authorised Public Accountant



Company data

The company

Papier-Mettler Danmark A/S
Falstervej 7
5800 Nyborg

Company reg. no.: 31 75 36 43
Established: 3 September 2008
Domicile: Nyborg
Financial year: 1 January - 31 December

Board of directors

Martin Michael Mettler
Michael Handke
Karin Maria Mettler

Managing Director

Martin Michael Mettler

Auditors

CHRISTENSEN KJÆRULFF, statsautoriseret revisionsaktieselskab,
Store Kongensgade 68, 1264 København K



Management's review

Principal activities

The principal activities of the enterprise consist of distribution of paper and plastic packaging and related investment in enterprises in the packaging sector. The production takes place in the parent company, whereas the sale of the group's products takes place for the parent company, from the subsidiaries, and from the associated enterprise. Primarily, the products are sold in Denmark.

Unusual matters

None.

Uncertainties in relation to recognition and measurement

None

Development in activities and financial affairs

The gross profit for the year is DKK 10,1m against DKK 8,2m last year. The results from ordinary activities after tax are DKK 4,3m against DKK 3,5m last year.

Results for the year are satisfactory.

Events subsequent to the end of the financial year

No events have occurred subsequent to the balance sheet date, which would have material impact on the financial position of the company.



Profit and loss account 1 January - 31 December

Amounts concerning 2014: DKK.

Amounts concerning 2013: DKK in thousands.

<u>Note</u>	<u>2014</u>	<u>2013</u>
Gross profit	10.099.879	8.160
1 Staff costs	-4.036.229	-3.261
Depreciation and amortisation of tangible fixed assets	-300.956	-234
Operating profit	5.762.694	4.665
Other financial income	22.400	13
2 Other financial costs	-50.081	-30
Results before tax	5.735.013	4.648
Tax of the results for the year	-1.406.625	-1.163
Results for the year	4.328.388	3.485
Proposed disposal of the results:		
Disposed to results brought forward	4.328.388	3.485
Disposals in total	4.328.388	3.485



Balance sheet 31 December

Amounts concerning 2014: DKK.

Amounts concerning 2013: DKK in thousands.

<u>Note</u>	<u>2014</u>	<u>2013</u>
Assets		
Fixed assets		
3 Land and property	3.070.944	3.385
4 Other plants, operating assets, and fixtures and furniture	389.576	376
Tangible fixed assets in total	<u>3.460.520</u>	<u>3.761</u>
5 Deposits	41.600	42
Financial fixed assets in total	<u>41.600</u>	<u>42</u>
Fixed assets in total	<u>3.502.120</u>	<u>3.803</u>
Current assets		
Manufactured and commercial goods	4.445.125	6.475
Inventories in total	<u>4.445.125</u>	<u>6.475</u>
Trade debtors	10.272.999	12.734
Deferred tax assets	27.414	0
Receivable corporate tax	0	114
Accrued income and deferred expenses	10.681	10
Debtors in total	<u>10.311.094</u>	<u>12.858</u>
Cash funds	8.931.757	9.015
Current assets in total	<u>23.687.976</u>	<u>28.348</u>
Assets in total	<u>27.190.096</u>	<u>32.151</u>



Balance sheet 31 December

Amounts concerning 2014: DKK.

Amounts concerning 2013: DKK in thousands.

Liabilities		
<u>Note</u>	<u>2014</u>	<u>2013</u>
Equity		
6 Share capital	500.000	500
7 Results brought forward	21.450.841	17.122
Equity in total	21.950.841	17.622
Provisions		
Provisions for deferred tax	0	9
Provisions in total	0	9
Liabilities		
Trade creditors	1.458.768	4.149
Payable corporate tax	286.000	0
Other liabilities	3.494.487	10.371
Short-term liabilities in total	5.239.255	14.520
Liabilities in total	5.239.255	14.520
Liabilities in total	27.190.096	32.151
8 Contingencies		
9 Related parties		



Notes

Amounts concerning 2014: DKK.

Amounts concerning 2013: DKK in thousands.

	<u>2014</u>	<u>2013</u>
1. Staff costs		
Salaries and wages	3.783.858	3.009
Pension costs	233.741	233
Other costs for social security	18.630	19
	<u>4.036.229</u>	<u>3.261</u>
Average number of employees	<u>6</u>	<u>6</u>
2. Other financial costs		
Other interest costs	<u>50.081</u>	<u>30</u>
	<u>50.081</u>	<u>30</u>
3. Land and property		
Cost 1 January 2014	3.804.738	3.798
Additions during the year	0	6
Disposals during the year	<u>-233.545</u>	<u>0</u>
Cost 31 December 2014	<u>3.571.193</u>	<u>3.804</u>
Depreciation and writedown 1 January 2014	-419.037	-298
Depreciation for the year	-161.067	-121
Adjustment of writedown, opening balance	<u>79.855</u>	<u>0</u>
Depreciation and writedown 31 December 2014	<u>-500.249</u>	<u>-419</u>
Book value 31 December 2014	<u>3.070.944</u>	<u>3.385</u>



Notes

Amounts concerning 2014: DKK.

Amounts concerning 2013: DKK in thousands.

	<u>31/12 2014</u>	<u>31/12 2013</u>
4. Other plants, operating assets, and fixtures and furniture		
Cost 1 January 2014	684.633	582
Additions during the year	195.212	103
Cost 31 December 2014	<u>879.845</u>	<u>685</u>
Depreciation and writedown 1 January 2014	-308.857	-196
Depreciation for the year	-139.890	-113
Adjustment of writedown, opening balance	-41.522	0
Depreciation and writedown 31 December 2014	<u>-490.269</u>	<u>-309</u>
Book value 31 December 2014	<u>389.576</u>	<u>376</u>
5. Deposits		
Cost 1 January 2014	41.600	42
Cost 31 December 2014	<u>41.600</u>	<u>42</u>
Book value 31 December 2014	<u>41.600</u>	<u>42</u>
6. Share capital		
Share capital 1 January 2014	500.000	500
	<u>500.000</u>	<u>500</u>
The share capital consists of 500 shares, each with a nominal value of DKK 1,000. No shares hold particular rights.		
7. Results brought forward		
Results brought forward 1 January 2014	17.122.453	13.637
Profit or loss for the year brought forward	4.328.388	3.485
	<u>21.450.841</u>	<u>17.122</u>



Notes

8. Contingencies

Contingent liabilities

The company has entered into general tenancy agreement concerning Falstervej 7, Nyborg (period of notice: 3 months).

Joint taxation

Stenqvist Danmark A/S being the administration company, the company is subject to the Danish scheme of joint taxation and unlimited jointly and severally liable with the other jointly taxed companies for the total corporation tax.

The company is unlimited jointly and severally liable with the other jointly taxed companies for any obligation to withhold tax on interest, royalties and dividends.

The liability relating to obligations in connection with corporation tax represents an estimated maximum of DKK 286 thousand. The liability relating to obligations in connection with withholding taxes represents an estimated maximum of DKK 2.919 thousand.

Any subsequent adjustments of corporate taxes or withheld taxes etc. may cause changes in the company's liabilities.

9. Related parties

Ownership

According to the company's list of shareholders, the following shareholders own a minimum of 5 % of the voting rights or a minimum of 5 % of the share capital:

Papier-Mettler International GmbH, Hochwaldsstrasse 22, D-54497 Morbach, Germany



Accounting policies used

The annual report for Papier-Mettler Danmark A/S is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises.

The accounting policies used are unchanged compared to last year, and the annual accounts are presented in Danish kroner (DKK).

Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to loose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

The profit and loss account

Gross profit

The gross profit comprises the net turnover, changes in inventories of finished goods and work in progress, work performed for own purposes and capitalised, other operating income, and external costs.

The net turnover is recognised in the profit and loss account if delivery and risk transfer to the buyer have taken place before the end of the year, and if the income can be determined reliably and is expected to be received. The net turnover is recognised including environmental taxes invoiced to the customer but exclusive of VAT and taxes and with the deduction of any discounts granted in connection with the sale.

Other external costs comprise costs for distribution, sales, advertisement, administration, premises, loss on debtors, and operational leasing costs.



Accounting policies used

Net financials

Net financials include interest income, interest expenses, and realised and unrealised capital gains and losses on financial assets and liabilities. Net financials are recognised in the profit and loss account with the amounts concerning the financial year.

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The company is subject to the Danish legislation concerning compulsory joint taxation of the parent company and the Danish subsidiaries.

The current Danish corporate tax is allocated among the jointly taxed companies in proportion to their respective taxable income (full allocation with reimbursement of tax losses).

The balance sheet

Tangible fixed assets

Tangible fixed assets are measured at cost with deduction of accrued depreciation and writedown. Land is not depreciated.

The basis of depreciation is cost with deduction of expected residual value after the end of the useful life of the asset.

The cost comprises the acquisition cost and costs directly attached to the acquisition until the time when the asset is ready for use.

Depreciation takes place on a straight line basis and based on an evaluation of the expected useful life:

Buildings	25 years
Other plants, operating assets, fixtures and furniture	3-10 years

Minor assets with an expected useful life of less than 1 year are recognised as costs in the profit and loss account in the year of acquisition.

Profit or loss deriving from the sales of tangible fixed assets is measured as the difference between the sales price reduced by the selling costs and the book value at the time of the sale. Profit or losses are recognised in the profit and loss account as other operating income or other operating expenses.

Inventories

Inventories are measured at cost on basis of the FIFO method. In case the net realisable value of the inventories is lower than the cost, writedown takes place to this lower value.



Accounting policies used

The cost for trade goods, raw materials, and consumables comprises the acquisition cost with the addition of the delivery costs.

The net realisable value for inventories is recognised as the market price with the deduction of completion costs and selling costs, and it is determined by taking negotiability, obsolescence, and the development of the expected market price into consideration.

Debtors

Debtors are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedown takes place at the net realisable value.

Accrued income and deferred expenses

Accrued income and deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

Corporate tax and deferred tax

Current tax receivable and tax liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

According to the rules of joint taxation, Papier-Mettler Danmark A/S is unlimited, jointly and severally liable towards the Danish tax authorities for the total corporation tax, including withholding tax on interest, royalties and dividends, arising within the jointly taxed group of companies.

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax. In the period 2014 to 2016, the corporate tax rate will be reduced gradually from 25 % to 22 %, which will affect the deferred tax liabilities and deferred tax assets. Unless a recognition with a different tax rate than 22 % will result in a significant material deviation in the estimated deferred tax liability or tax asset, deferred tax liabilities and assets are recognised by 22 %.

Liabilities

Other liabilities are measured at amortised cost which usually corresponds to the nominal value.

Accrued expenses and deferred income

Received payments concerning income during the following years are recognised under accrued expenses og deferred income.