ANNUAL REPORT 2018/19

THE ANNUAL REPORT WAS APPROVED AT THE COMPANY'S ORDINARY GENERAL MEETING HELD ON 28 FEBRUARY 2020.
CHAIRMAN OF THE MEETING:

HENRIK SKAK BENDER

Widex A/S, Nymøllevej 8, 3540 Lynge, CVR no.: 1577 1100

CONTENT

COMPANY INFORMATION

Company:	WIDEX A/S Nymøllevej 6 DK-3540 Lynge Phone: 44 35 56 00 CVR no: 15 77 11 00 Financial year: 1 May 2018 – 30 September 2019 Municipial of residence : Lynge
Board of Directors :	Jan Tøpholm, Chairman Peter Henrik Balslev Julian Tøpholm Kasper Grundtvig Knokgaard
Executive Management	Eric Alain Bernard, CEO Henrik Skak Bender, CFO
Auditor:	Deloitte Statsautoriseret Revisionspartnerselskab

The General meeting will be held on 28 February 2020 at the company's address.

KEY FIGURES

m.DKK	2018/19 (IFRS) 17 Months	2017/18 (IFRS) 12 Months	2016/17 (DK GAAP) 12 Months	2015/16 (DK GAAP) 12 Months	2014/15 (DK GAAP) 12 Months
Income statement					
Revenue	2.110	1.684	1.689	1.786	1.422
Gross Profit	984	960	878	819	657
R&D Cost	-416	-220	-223	-191	-166
Amortisations, Depreciations etc.	-225	-77	-66	-50	-48
EBITDA	-175	458	414	579	264
Operating Profit (EBIT)	-398	416	348	529	216
Net Financial Items	153	7	91	-148	-25
Profit / (Loss) before tax	-245	430	439	381	191
Profit / (Loss) for the year	-180	369	357	271	143
Balance sheet					
Assets	4.741	3.889	3.932	2.973	2.817
Equity	672	2.245	1.884	1.521	1.280
Financial ratios					
Gross profit margin	47%	57%	52%	46%	46%
EBITDA margin	-8%	27%	25%	32%	19%
EBIT margin	-19%	25%	21%	30%	15%
Return on equity	-27%	16%	19%	18%	11%
Equity ratio	14%	58%	48%	51%	45%
Other key figures					
Investments in property, plants and equipment	69	62	34	22	21
Free cashflow to firm	418	-35	-11	-85	85
Average number of employees	889	829	794	781	831

Ratio	Calculation formula
Gross profit margin(%):	$\frac{\text{Gross profit} \times 100}{\text{Revenue}}$
EBITDA margin(%):	$\frac{\text{EBITDA} \times 100}{\text{Revenue}}$
EBIT margin(%):	$\frac{\text{EBIT} \times 100}{\text{Revenue}}$
Return on equity(%):	$\frac{\text{Net result for the year} \times 100}{\text{Equity}}$
Equity ratio(%):	$\frac{\text{Equity} \times 100}{\text{Assets}}$

Finacial highlights are defined and calculated in accordance with “Recommendations and Ratios” issued by the Danish Sociecty of Financial Analysis.

MANAGEMENT COMMENTARY

Widex A/S primary activity is developing, producing and selling hearing aids to its subsidiaries and thereby also act as the central headquarter for the Widex group.

HIGHLIGHTS 2018/19

On 28 February Widex A/S and Sivantos Pte. decided to merge, and create a combined Group under the name WS Audiology A/S. The merger is part of a global aim to accelerate growth and create a unique portfolio of different product brands to strengthen market penetration and enhancing efficiencies by additional investments in Research and Development and the supply chain.

Widex A/S will continue to support its entities with a strong supply of leading technology hearing aids, and is expected to invest heavily in building capabilities, and realize optimizations from the merger to drive a global sustainable growth.

FINANCIAL REVIEW

Revenue

As Widex A/S is considered the headquarter to the Widex Group and the primary revenue is created from sales to subsidiaries, the geographical location of sales is predominantly an indication of the demand, and not a direct conclusion of the placed sales to end users. Equal to previous years the dominant part of sales is related to Hearing Aids, with only a small portion consisting of accessories and spare parts.

The general development shows a small decrease in sales, when adjusting from the difference in comparison period. This is combined with a shift in geographical demand, as the EMEA-LA region has shown promise with growth eliminating a small shortfall from the North America and Asia Pacific region.

R&D

With a high focus on Research and development into future innovative products, Widex A/S has invested DKK 416 million in new and existing projects for the financial year. The Company continues to focus on creating new and better solutions for its customers, with launches planned in the second quarter of 2020.

Noticeable for the financial year, is the impairment of a fuel-cell development project, with an amount of DKK 62 million. The project had otherwise won several awards at the CES exhibition in Las Vegas, but due to small instabilities in the product, the Company chose to close development. Instead the Company are focusing on developing rechargeable batteries such as lithium-ion based batteries.

EBITDA

The income statement shows an EBITDA of DKK -175 million. Adjusting for the mentioned one-time costs, the adjusted EBITDA for the financial year 2018/19 ends at DKK 422 million. EBITDA is also affected by the Company's decision to change its accounting standard to IFRS, where IAS 17 was implemented with an affect of DKK 9 million, decreasing the overall EBITDA.

For further disclosure on IFRS related adjustments please refer to note 1.2.

Financial items

Financial items has an overall positive effect on the net result with an income of DKK 153 million. Included in the amount is received dividend from the subsidiaries of DKK 92 million (2017/18: DKK 123 million). The effect is a consequence of the Company's decision to change its accounting method from measuring its investment in subsidiaries from previous Equity method to Cost.

For further disclosure on IFRS related adjustments please refer to note 1.2.

Net income

In 2018/19 Widex A/S was highly affected by the previously mentioned merger with Sivantos Pte. and the result after tax shows a net loss of DKK 180 million. The loss includes a significant amount of one-time cost, that is directly related to the merger, and the impact is estimated to appx. DKK 597 million. Excluding the merger related cost, Widex A/S would have achieved an adjusted net profit of DKK 417 million, and as the comparison year only consists of 12 months compared to 17 months in 2018/19, the result is considered satisfactory and in line with expectation set out in the annual report for 2017/18.

FINANCIAL OUTLOOK

2019/20 will in smaller degree continue to be affected by the merger, with additional one-time cost aiming to create a more efficient and dynamic company. The Company, however, outlooks growth compared to the financial year of 2018/19, and expects to see the synergy effects of the merger being the primary focus for the new financial year.

For 2019/20 management expects income to grow 10%, and improve the adjusted EBITDA to above 20%, due to a stronger earnings performance in wholesale and retail combined.

Widex A/S will continue to support its entities with a strong supply of leading technology hearing aids, and is expected to invest heavily in building capabilities, and realize optimizations from the merger to drive a global sustainable growth.

STATUTORY REPORT ON CORPORATE SOCIAL RESPONSIBILITY

For information regarding CSR see page 7-10 of the annual report for the parent WS Audiology A/S, CVR no. 40 29 66 38.

STATUTORY REPORT ON THE UNDER-REPRESENTED GENDER

Widex A/S wishes to promote diversity at all levels of the Company. Discrimination and harassment are not tolerated in any form. A series of new policies, including the updated code of conduct, has been introduces to support this commitment, including an updated working environment policy and an antiharassment policy. All employees will have the same opportunities regardless of gender, age, race, ethnicity, sex, religion, sexual orientation, etc. Personal privacy will be respected; discrimination and verbal or psychological harassment will not be tolerated.

The company is focused on ensuring that gender diversity is promoted. This is for example the case when hiring for leadership positions where at least one female candidate must be found and when organizing leadership courses where female representations is examined.

The board of directors currently consist of four members. At present there are no female board members, but the target is that the share of women should be one members by 2022. The target has not been reached in the reporting year, as the best qualified candidates for the board members who joined during the year were men. The board composition will be reviewed on an ongoing basis to ensure the ambition is met.

EVENTS AFTER THE BALANCE SHEET DATE

There have been no events that materially affect the assessment of this Annual Report 2018/19 after the balance sheet date and up to today.

RISK MANAGEMENT

FINANCIAL RISK MANAGEMENT

Widex A/S is exposed to financial risks arising from its operating, investing and financial activities, including market risk (foreign exchange risk and interest rate risk), liquidity risk and credit risk.

Financial risks are managed by Group Treasury in WS Audiology A/S (parent).

CREDIT RISK

Credit risk is defined as an unexpected loss in cash and earnings if the customer is unable to pay its obligations in due time. The Company may incur losses if the credit quality of its customers deteriorates or if they default on their payment obligations to the Company. The Company's exposure to credit risk arises primarily from trade and other receivables including loans to customers.

The Company's follows the Group credit policy and the exposure to credit risk is monitored on an ongoing basis. This includes the review of individual receivables and of individual customer creditworthiness on a case-by-case basis as well as the review of current economic trends, the analysis of historical bad debts on a portfolio basis, and the considered country's credit ratings. Credit evaluations are performed on all customers requiring credit over a certain amount. The Company does not require collateral in respect of financial assets. However, the Company has credit enhancements such as personal guarantees and share pledge related to customer loan. Assessment of the credit risk related to customers is further described in note 3.4 Other non-current financial assets and note 3.7 Trade receivables.

There were no significant concentrations of credit risk as of the 30 September 2019 and 30 April 2018.

The maximum exposure to credit risk of financial assets is represented by their carrying amount. Concerning trade receivables and other receivables, as well as loans or receivables included in line item Other financial assets that are neither impaired nor past due, there were no indications as of 30 September 2019, that defaults in payment obligations will occur.

LIQUIDITY RISK

Liquidity risk results from the Company's potential inability to meet its financial liabilities. in particular paying its suppliers and servicing its interest-bearing debt. In addition to having implemented effective working capital and cash management, the Company has implemented short-term and medium term-liquidity forecasts. Treasury monitors the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables.

Cash from its related entities is pooled centrally for an efficient cash management and treasury purposes. The arrangement is governed by agreements signed by the Group and related entities, which limits joint and several liabilities to each party's net credit balance at any time with the Company.

The Company finances itself from its operating cash flow and utilizing the Group's cash pooling and cash management systems, in which excess liquid funds are deposited at Treasury by its affiliates.

The Company had cash and cash equivalents of DKK 426 million as of 30 September 2019 (30 April 2018: DKK 8 million). In addition, the Company has access to DKK 1.325 million (30 April 2018: DKK 106 million) available Revolving Credit Facility as of 30 September 2019. With its strong operating cash flow the Company expects to be able to meet all of its present and future obligations arising from operational cash needs.

The below table reflects all contractually fixed pay-offs for settlement, repayments and interest resulting from recognized financial liabilities. Such expected net cash outflows are undiscounted net cash outflows for the respective upcoming fiscal years, based on the earliest date on which the Company could be required to pay. Cash outflows for financial liabilities (including interest) without fixed amount or timing are based on the conditions existing at 30 September 2019 and 30 April 2018.

The risk implied from the values in the table below reflects the one-sided scenario of cash outflows only. Obligations under trade payables originate from the financing of assets used in the Company's ongoing operations such as property, plant and equipment, and investments in working capital such as inventories and trade receivables. These assets are considered in the Company's overall liquidity risk management.

	30 September 2019		
m.DKK	Less than 1 year	More than 5 years	Total
Interest-bearing debt	0	2.979	2.979
Trade payables	286	0	286
Intra-group payables	464	0	464
Intra-group debt	60	0	60
Total non-derivative financial liabilities	**810**	**2.979**	**3.789**

FOREIGN CURRENCY RISK

Widex A/S has exposure towards foreign currency exchange rate risk arising from fluctuations in exchange rates, in connection with international operations. The exposure is particularly regarding fluctuations of the USD, EUR, JPY, AUD and GBP in the ordinary course of business.

Foreign currency exchange rate fluctuations may create unwanted and unpredictable earnings and cash flow volatility. The Company manufactures most of its products at its headquarter in Denmark. The products are sold to its regional entities and invoiced in the currency of the buying entities, mostly in EUR and USD. As most of the material cost are also EUR and USD denominated, the Company is able to significantly reduce the net currency exposure. The foreign currency risk is centrally managed by Group Treasury. It is the Group's policy not to undertake any financial transactions in foreign currencies of a speculative nature.

As part of its operations, Widex A/S provides its entities with loans to support the general business. The loans are subject to currency risk as given in the entity's local currency and repaid likewise. The primary loan currency are USD and falls under the same exposure risk as described above.

SENSITIVITY ANALYSIS FOR FOREIGN CURRENCY RISK

The below table demonstrates the approximate effect on the Company's Total comprehensive income Statement (financial items) in response to fluctuation of the currencies other than the respective Company's entities' functional currencies which the Company's entities have significant exposure at the balance sheet date. This analysis assumes that all other variables, in particular interest rates remain constant.

TRANSLATION RISK AND EFFECTS OF FOREIGN CURRENCY TRANSLATION

Most of the Company's entities are located outside the EUR zone. Since Widex A/S's presentation currency is the DKK, the financial statements of foreign operations are translated into DKK for the preparation of the financial statements.

Included in the non-current assets of the financial position is a loan to the Company's subsidiairies of DKK 1.180 million, originating in USD.

Also included in the non-current financial liabilities of the financial position is the loan from the Parent company of DKK 2.979 million, which originates in EUR.

	30 September 2019	
m.DKK	Financial income / (expenses)	Total comprehensive income and equity
USD +5%	16	16
EUR +2,25%	12	12
JPY + 5%	5	5
AUD +5%	4	4
GBP + 5%	4	4

INTEREST RATE RISK

The Company's long-term debt consists of secured term loans of DKK 2.979 million with a fixed interest rate of 4 %.

As all debt uses a fixed interest rate, no sensitivity analysis has been performed as all are measured to amortized cost.

Specification of interest-bearing debt

m.DKK	30 September 2019	30 April 2018	1 May 2017
Cash and cash equivalents	426	8	43
Intragroup receivables	198	378	365
Non-current financial assets	1.547	1.105	1.375
Total net interest bearing assets	**2.171**	**1.491**	**1.783**
Intragroup debt	-60	-90	-174
Intragroup payables	-464	-65	-332
Loan from Parent company	-2.979	-998	-1.160
Total net interest-bearing debt	**-1.332**	**338**	**117**

MANAGEMENT STATEMENT

The Board of Directors and the Executive Management have today considered and approved the annual report 2018/19 of Widex A/S for the financial year 1 May 2018 - 30 September 2019.

The annual report is presented in accordance with International Financial Reporting Standards as adopted by the EU, and disclosure requirements of the Danish Financial Statement Act.

In our opinion, the financial statements give a true and fair view of the Company's financial position at 30 September 2019 and of the results of its operations and cash flows for the financial year 1 May 2018 - 30 September 2019.

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

We recommend the Annual Report 2018/19 for adoption at the annual general meeting.

Lynge, 28 February 2019.

Executive Management

Eric Alain Bernard, CEO

Henrik Skak Bender, CFO

Board of directors

Jan Tøpholm, Chairman

Julian Tøpholm

Peter Henrik Balslev

Kasper Grundtvig Knokgaard

THE INDEPENDENT AUDITOR'S REPORT

To the shareholder of Widex A/S

OPINION

We have audited the financial statements of Widex A/S for the financial year 01.05.2018 - 30.09.2019, which comprise the income statement, statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's financial position at 30.09.2019, and of the results of its operations and cash flows for the financial year 01.05.2018 - 30.09.2019 in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

BASIS OF OPINION

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

STATEMENT ON THE MANAGEMENT COMMENTERY

Management is responsible for the management commentary.

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

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

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

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

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 International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENT

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Copenhagen, 28.02.2020

Deloitte
Statsautoriseret Revisionspartnerselskab
Business Registration No 33 96 35 56

Nikolaj Thomsen	Casper Hjerresen Christensen
State-Authorised Public Accountant MNE no 33276	State-Authorised Public Accountant MNE no 41363

FINANCIAL STATEMENTS

INCOME STATEMENT

m.DKK	Section	2018/2019 (17 months)	2017/18 (12 months)
Revenue	2.1	2.110	1.684
Cost of goods sold		-1.126	-724
Gross Profit		**984**	**960**
Research and development costs	3.1	-416	-220
Selling and general administration costs		-951	-337
Other operating income and costs, net		-16	13
Share of profit loss in associates	5.4	1	7
Operating profit/(loss)		**-398**	**423**
Interest income	4.4	49	20
Interest expenses	4.4	-101	-32
Other financials, net	4.4	205	19
Profit/(loss) before tax		**-245**	**430**
Tax on profit/(loss)	2.3	65	-61
Profit/(loss) for the year		**-180**	**369**

STATEMENT OF COMPREHENSIVE INCOME

m.DKK	2018/2019 (17 months)	2017/18 (12 months)
Profit/(loss) for the year	-180	369
Items that may be reclassified subsequently to profit or loss:		
Foreign exchange rate adjustment	0	-1
Other comprehensive income for the year, net of tax	**0**	**-1**
Total comprehensive income for the year	**-180**	**-1**

STATEMENT OF FINANCIAL POSITION

m.DKK	Section	30 September 2019	30 April 2018	1 May 2017
ASSETS				
Intangible assets	3.1	283	188	127
Tangible assets	3.2	148	173	155
Associates	5.4	29	30	32
Investments in subsidiaries	5.1	1.474	1.531	1.434
Deferred tax assets	2.3	27	1	9
Other financial assets	3.4	1.547	1.105	1.375
Other assets		36	34	1
Non-Current Assets		**3.544**	**3.062**	**3.133**
Inventories	3.6	280	237	190
Trade receivables	3.7	91	50	47
Intragroup receivables		198	378	365
Income tax receivable	2.3	1	0	0
Prepayments		51	23	14
Other assets	3.5	73	131	143
Cash and cash equivalents		426	8	43
Current assets		**1.120**	**827**	**802**
Total assets		**4.664**	**3.889**	**3.935**

STATEMENT OF FINANCIAL POSITION

m.DKK	Section	30 September 2019	30 April 2018	1 May 2017
EQUITY AND LIABILITIES				
Share capital	4.1	30	30	30
Retained earnings		642	2.215	1.847
Total Equity		**672**	**2.245**	**1.877**
Intragroup debt		60	90	174
Provisions		2	1	1
Loan from Parent company		2.979	918	964
Other liabilities		0	80	196
Non-Current liabilities		**3.041**	**1.089**	**1.335**
Debt		0	0	1
Trade payables		286	198	163
Intragroup payables		464	65	332
Income tax liabilities		0	45	90
Other liabilities	3.8	201	247	137
Current liabilities		**951**	**555**	**723**
Total liabilities		**3.992**	**1.644**	**2.058**
Total Equity and liabilities		**4.664**	**3.889**	**3.935**

STATEMENT OF CHANGES IN EQUITY

m.DKK	Share Capital	Retained earnings	Total Equity
Equity at 30 April 2017	**30**	**1.854**	**1.884**
impact of transition to IFRS	0	-7	**-7**
Equity at 1 May 2017	**30**	**1.847**	**1.877**
Profit/(loss) for the period	0	369	**369**
Foreign exchange adjustment	0	-1	**-1**
Total comprehensive income	**0**	**368**	**368**
Paid dividends	0	0	**0**
Equity at 30 April 2018	**30**	**2.215**	**2.245**
Profit/(loss) for the period	0	-180	**-180**
Total comprehensive income	**0**	**-180**	**-180**
Free capital contribution	0	307	**307**
Paid dividends	0	-1.700	**-1.700**
Equity at 30 September 2019	**30**	**642**	**672**

STATEMENT OF CASH FLOWS

m.DKK	Section	2018/19 (17 months)	2017/18 (12 months)
Profit/(loss) for the year		-180	369
Depreciations. amortisations and impairment	3.3	225	76
Income tax expense, net	2.3	-65	61
Interest expense, net	4.4	-153	-7
Share of profit/(loss) in associates		-1	-7
Other non-cash adjustments		11	9
Cash flow from operating activities before changes in working capital		**-163**	**501**
Change in inventories		-43	-47
Change in trade- and other receivables		138	-15
Change in other current assets		30	3
Change in trade- and other payables		488	-233
Change in other current liabilities		-46	110
Change in provisions		1	0
Cash flow from operating activities before financial items and tax		**405**	**319**
Financial income received		7	4
Cash flow from operating activities		**412**	**323**
Acquisitions of companies		0	-85
Disposals of companies		31	12
Investments in tangible and intangible assets		-312	-164
Loan to affiliated companies, net		-259	-14
Received dividend from subsidiaries		92	122
Disposals of tangible and intangible assets		18	7
Cash flow from investing activities		**-430**	**-122**
Loan from Parent company, net		423	-207
Financial expenses paid		-58	-29
Change in other financing activites		71	0
Cash flow from financing activites		**436**	**-236**
Net cash flow		**418**	**-35**
Cash and cash equivalents, begining of period		**8**	**43**
Cash and cash equivalents, end of period		**426**	**8**

NOTES

SECTION 1

1.1 BASIS OF PREPARATION

The financial statements for the Company have been prepared in accordance with IFRS as adopted by the European Union (EU) and further requirements in the Danish Financial Statements Act.

The financial statements are presented in Danish kroner (DKK) which is the functional currency of Widex A/S. All values are rounded to the nearest million (DKK), except where indicated otherwise.

The Company's general accounting policies are described in 1.3 Significant general accounting policies below. In addition to this, specific accounting policies are described in each of the individual notes to the financial statement. The accounting policies, set out below, in each note have been used consistently in respect of the financial year and the comparative figures, except as explained in note 1.2 First-time adoption of IFRS.

CONSOLIDATION

Widex A/S is included in the consolidated financials statements of WS Audiology A/S, why Widex A/S does not prepare seperate consolidated financial statements. The consolidated financial statements of WS Audiology A/S can be acquired from the company's website at www.wsa.com.

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1.2 FIRST TIME ADOPTION OF IFRS

The financial statements of Widex A/S are the first financial statements prepared in accordance with IFRS. In previous years, the financial statements of Widex A/S were prepared in accordance with the Danish Financial statement Act (DFSA).

The Companys has applied IFRS 1 First-time adoption of IFRS with 1 May 2017 as the date of transition to IFRS. The Company has also applied the exemption under IFRS 1 Para E2 (a); IFRS 9 has been adopted on 1 May 2018, with the comparative information in compliance with the requirements of DK GAAP in place of the requirements IFRS 9 and IFRS 7.

The financial statement for all periods presented, including the opening IFRS statement of financial position have been prepared in accordance with all IFRS as adopted by EU effective for accounting periods ending 30 September 2019 except when IFRS 1 require or allow prospective implementation as explained below.

m.DKK	Assets	Liabilities	Equity
	As at 1 May 2017		
According to GAAP (Danish Financial Statements Act)	**3.932**	**2.048**	**1.884**
Changes according to IFRS			
Deferred tax	3	0	3
Other current liabilites	0	10	-10
According to IFRS	**3.935**	**2.058**	**1.877**

m.DKK	Profit/(Loss)	Assets	Liabilities	Equity
	30 April 2018			
According to GAAP (Danish Financial Statements Act)	**367**	**3.751**	**1.628**	**2.123**
Changes according to IFRS				
Adjustement according to applied cost price method	137	137	0	137
Other intangible assets	-71	0	0	0
Change in foreign currency adjust-ment on loans considered part of the net investment	-72	0	0	0
Deferred tax	17	1	-3	2
Other non-current liabilites	-9	0	19	-17
According to IFRS	**369**	**3.889**	**1.644**	**2.245**

IFRS ADJUSTMENTS RELATED TO THE STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD 1 MAY 2017 TO 30 APRIL 2018

1) Under DFSA, Widex A/S applied the equity method for investments in subsidiaries and recognised its share of profits in subsidiaries including amortisation of goodwill in the carrying amount of investments in subsidiaries over 10 years. Under IFRS, Widex A/S applies the cost method and does not recognise the share of profits in subsidiaries. Instead, dividends received from subsidiaries are recognised as income when declared by the subsidiaries.

Widex A/S has applied the exemption in IFRS 1:D15(b) and measured the investments in subsidiaries, at the date of transition to IFRS. At the previous GAAP (DFSA) carrying amount at that date, which is considered to be a deemed cost for the investments.

Widex A/S's share of profits in subsidiaries recognised in the income statement in 2017/18 under previous GAAP of DKK 81 million was reversed. Converserly, dividends received from subsidiaries in 2017/18 of DKK 123 million was recognised in the income statement under IFRS. The net effect of the changes is an increase in profit before tax of DKK 137 million.

The carrying amounts of investments in subsidiaries (the cost or deemed cost) are tested for impairment, when there are indications that the investments may be impaired.

2) Under DFSA, Widex A/S recognises operating lease expenses at the amounts paid for each period. Under IFRS, operating lease expenses are recognised on a straight-line basis. "Selling and general administration expenses" was increased by DKK 9 million.

3) DKK 3 million was recognised as a net increase in deferred tax (additional tax cost) for the period from the tax effects of reversals of straight-lining of operating lease costs and actuarial gains or losses related to defined benefit plans.

4) Under DFSA, Widex A/S recognised exchange rate adjustments related to investements in foreign operations directly in equity. Under IFRS, the Company does not adjust exchange rate differences related to investments in foreign operations and are reversed with the amount of DKK 71 million.

5) Under DFSA, Widex A/S recognised exchange rate adjustments related to loans considered part of the net investment directly on equity. Under IFRS, the Company instead realizes the exchange rate adjust-

ment directly in the statement of comprehensive income. The amount reversed in 2017/18 is DKK 72 million with hereof DKK 17 million in deferred tax adjustment.

IFRS ADJUSTMENTS RELATED TO THE STATEMENT OF FINANCIAL POSITION AT 1 MAY 2017 AND 1 MAY 2018

6) As stated under bullet 1), Widex A/S recognises its share in subsidiaries according to cost price. The impact on the financial position is an increase of DKK 137 million in "Investment in subsidiaries" as part of non-current assets.

7) Under DFSA, Widex A/S recognises amortisation of goodwill recognised as part of the investments in associates. Under IFRS, goodwill related to investments in associates is not amortised. DKK 2 million related to amortisation of goodwill recognised as part of the investments in associates from 1 May 2017 to 30 April 2018 was reversed.

8) The accumulated tax effects of IFRS adjustments amounts to an decrease in deferred tax liabilities of DKK 3 million at 1 May 2017, and DKK 1 million for deferred tax assets.

The accumulated net tax effects relate to straight-lining of operating lease expenses.

11) Under DFSA, Widex A/S recognises operating lease expenses at the amounts paid for each period. Under IFRS, operating lease expenses are recognised on a straight-line basis. The non-current portion of the related accrued operating lease liability amounts to DKK 10 million at 1 May 2017 and DKK 19 million at 30 April 2018.

1.3 GENERAL ACCOUNTING POLICIES

TRANSLATION OF FOREIGN CURRENCY

Transactions denominated in other than the functional currency are translated into the functional currency at the exchange rates at the transaction date. Foreign exchange differences between the exchange rate at the transaction date and at the date of payment are recognised in other financials, net.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the transaction date.

Foreign exchange differences are generally recognised in other financials, net in the income statement.

STATEMENT OF CASH FLOWS

The statement of cash flows shows cash flows from operating, investing and financing activities as well as cash and cash equivalents at the beginning and end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the profit/(loss) for the period adjusted for non-cash operating items, changes in working capital and income taxes paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments as well as purchase, development, improvement and sale, etc. of intangible assets and property, plant and equipment. Cash flow from acquired enterprises is recognised in the cash flow statement from the acquisition date. Cash flow from disposed of enterprises is recognised up until the disposal date.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs as well as the raising of loans, repayment of interest-bearing debt (principal and interest), acquisition and disposal of treasury shares and payment of dividends to shareholders.

Cash and cash equivalents comprise cash and short-term securities with an insignificant price risk less short-term bank loans repayable on demand.

Cash flows cannot be derived directly from the statement of financial position and income statement.

APPLYING MATERIALITY

The financial statements are a result of processing large numbers of transactions and aggregating those transactions into classes according to their nature or function. The transactions are presented in classes of similar items in the financial statements. If a line item is not individually material, it is aggregated with other items of a similar nature in the financial statement or in the sections.

There are substantial disclosure requirements throughout IFRS. Management provides specific disclosures required by IFRS unless the information is not applicable or considered immaterial to the economic decision-making of the users of these financial statements.

1.4 SIGNIFICANT ACCOUNTING ESTIMATES

In preparation of the financial statements, Management makes various accounting estimates and judgements that form the basis of presentation, recognition and measurement of the Company's assets, liabilities, income and expenses. The key accounting estimates identified are those that have a significant risk of resulting in a material adjustment to the carrying amounts of assets or liabilities within the next financial year.

The application of the Company's accounting policies may require Management to make judgements that can have a significant effect on the amounts recognised in the financial statement. Management judgement is required in particular when assessing the substance of transactions that have a complicated structure or legal form.

The accounting estimates and judgements made are based on historical experience and other factors that Management assesses to be reliable, but that, by nature, are associated with uncertainty and unpredictability and may therefore prove incomplete or incorrect.

Specific accounting estimates and judgements are described in each of the below individual sections to the financial statement:

SIGNIFICANT ESTIMATES	SECTION
Measurement of deferred tax assets and uncertain tax positions	2.3 Tax
Recognition and measurement of development projects	3.1 Intangible assets
Impairment testing, useful lives and residual values	3.3 Depreciation, amortisation and impairment

1.5 ADOPTION OF NEW OR AMENDED IFRS

NEW OR AMENDED STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

IASB has issued new and amended accounting standards and interpretations that have not yet become effective and have consequently not been implemented in the consolidated financial statements for 2018/19. Widex A/S expects to adopt the accounting standards and interpretations when they become effective.

Apart from the implementation of IFRS 16 Leases, the implementation of new or amended accounting standards and interpretations is not expected to have any significant impact on financials or the Company's accounting policies as they cover areas that are either not material or relevant for the Company.

IFRS 16 Leases, issued in January 2016, replaces IAS 17 Leases and related interpretations, and will significantly change the accounting treatment of leases that are currently treated as operating leases. IFRS 16 introduces a single lessee accounting model, requiring lessees to recognise all leases in the balance sheet as a lease liability and a right-of-use asset unless the lease term is 12 months or less or the underlying asset has a low value. In the income statement, the lease cost is replaced by depreciation of the right-of-use asset and an interest expense for the lease liability.

The standard will be implemented on 1 October 2019 using the modified retrospective approach, where the right-of-use asset on transition are measured at an amount equal to the lease liability at the date of initially applying the standard without restating comparative figures. In addition, the Company plans to apply the practical expedient to not reassess whether a contract is, or contains, a lease at the date of initial application.

The Company has reviewed its leasing arrangements, which mainly comprise leases of properties and cars. The identified right-of use assets are expected to increase the Company's non-current assets and interest-bearing debt by approximately DKK 635 million and DKK 635 million respectively. The effects are based on current lease agreements and are estimates subject to uncertainties. Possible future changes in activities and lease terms are not taken into account.

2.1 REVENUE

m.DKK	2018/2019 (17 months)	2017/18 (12 months)
Revenue by geographical region:		
EMEA-LA	1.262	707
North America	621	528
Asia Pacific	227	449
Total	**2.110**	**1.684**
Hereof:		
United States	142	395
Germany	224	139
Other	1.744	1.150
Total	**2.110**	**1.684**

Revenue is predominantly recognized at a point in time, and revenue recognized over time is not significant. Revenues are attributed to countries on the basis of the customer's location. The Region "EMEA-LA" consists of Europe, the Middle East, Africa and Latin-America. The Region "North-America" includes the United States and Canada. The Region "Asia-Pacific" consists of Asia, Australia and the Pacific region.

ACCOUNTING POLICIES

Revenue from sale of products is recognised when the Company has transferred control of products sold to the buyer and it is probable that the Company will collect the consideration to which it is entitled for transferring the products. Control of the products is transferred at a point in time, typically on delivery.

Revenue is measured at the fair value of the consideration received or receivable net of discounts, VAT and other duties.

Contracts with customers sometimes include multiple promises that constitute separate performance obligations, and to which a portion of the transaction price needs to be allocated. The total transaction price in the contract is allocated to separate performance obligation based on the relative stand-alone selling prices of each such performance obligation. Each separate performance obligation is recognised when control is transferred to the customer.

2.2 STAFF COSTS

m.DKK	2018/2019 (17 months)	2017/18 (12 months)
Wages, salaries and remuneration	628	317
Statutory social welfare contributions and expenses for optional support payments	91	56
Expenses relating to pension plans and employee benefits	10	5
Total	**729**	**378**
Average number of full-time employees	889	829

For information regarding remuneration of the Board of Directors, Executive Board and other Key Management Personnel, please refer to note 5.2 Remuneration of Key Management personnel.

ACCOUNTING POLICIES

Wages, salaries, social security contributions, annual leave and sick leave, bonuses and non-monetary benefits are recognised in the year in which the associated services are rendered by employees of the Company.

Where the Company provides long-term employee benefits, the costs are accrued to match the rendering of the services by the employees concerned.

2.3 TAX

Income tax(expense)/benefit consists of the following:

m.DKK	2018/2019 (17 months)	2017/18 (12 months)
Tax on profit/(loss)		
Current tax for the year	0	-53
Deferred tax for the year	58	-8
Withholding tax	-1	0
Adjustment to current tax with respect to prior years	8	0
Total	**65**	**-61**

Income tax expense differs from the amounts computed by applying the statutory Denmark income tax rate of 22% (2018: 22%) as follows:

m.DKK	2018/2019 (17 months)	2017/18 (12 months)
Expected income tax (expense)/benefit	54	-98
Non-deductible expenses	-20	0
Non-taxable income	21	17
Adjustment of tax with respect to prior years	8	19
Tax incentives	2	0
Withholding tax	0	0
Other, net	0	1
Total	**65**	**-61**

m.DKK	2018/2019 (17 months)	2017/18 (12 months)
Deferred tax, net 1 May	1	9
Changes related to the transition to IFRS	0	4
Changes in deferred tax assets	58	-11
Adjustment of deferred tax, prior years	-32	0
Deferred tax, net	**27**	**1**

Breakdown of the Company's temporary differences and Changes

m.DKK	Temporary differences at 1 May 2018	Adjustment to prior year	Recognised in profit for the year	Temporary differences at 30 September 2019
Financial assets	1	0	0	1
Intangible assets	-38	0	-19	-57
Tangible assets	-5	0	5	0
Inventories	-4	0	-1	-5
Receivables	-4	0	-3	-7
Liabilities	51	-32	-7	12
Tax loss carried forward	0	0	90	90
Other	0	0	-7	-7
Total	**1**	**-32**	**58**	**27**

m.DKK	Temporary differences at 1 May 2017	Effect from transition to IFRS	Recognised in profit for the year	Temporary differences at 30 September 2018
Financial assets	0	0	1	1
Intangible assets	-24	0	-14	-38
Tangible assets	-2	0	-3	-5
Inventories	-3	0	-1	-4
Receivables	-3	0	-1	-4
Liabilities	41	4	6	51
Total	**9**	**4**	**-12**	**1**

Unrecognised tax assets are based on the Managements expectation about the future taxable profits during the periods in which those temporary differences and tax loss carry forwards become deductible. Management considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. Based upon the level of historical taxable income and projections for future taxable income over the periods in which the deferred tax assets are deductible, it is probable the Company will realize the benefits of these deductible differences.

Unrecognized deferred tax assets

Deferred tax assets have not been recognized with respect to the following items (gross amounts):

m.DKK	2018/2019 (17 months)	2017/18 (12 months)
Tax loss carry forwards	410	0
Total unrecognized tax carry forwards	**410**	**0**

ACCOUNTING POLICIES

Income tax comprises current tax and changes in deferred tax for the year, including changes as a result of changes in tax rates. The tax expense for the year is recognised in profit or loss except to the extent that it relates to items recognised directly in other comprehensive income or directly in equity.

Widex A/S is jointly taxed with it's Parent Company WS Audiology A/S, Danish parent entities exercising control over WS Audiology A/S (T&W Medical A/S) and any Danish subsidiaries of such parent entities. The current Danish corporation tax is allocated between the jointly taxed companies in proportion to their taxable income. The jointly taxed companies are taxed under the on-account tax scheme.

Current tax liabilities or assets are measured using the tax rates and tax laws that have been enacted or substantively enacted in each jurisdiction by the end of the reporting period.

Deferred tax is measured using the balance sheet liability method and comprises all temporary differences between the carrying amount and tax base of assets and liabilities. Deferred tax is not recognised for taxable or deductible temporary differences:

- arising from the initial recognition of goodwill
- associated with investments in subsidiaries, branches, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that the termporary differences will not reverse in the foreseeable future.

If amortisation of goodwill is deductible for tax purposes, a deferred tax liability is recognised on temporary differences arising after initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates entacted or substantially enacted at the reporting date.

Deferred tax assets and tax liabilities are offset if the entity has a legally enforceable right to offset current tax liabilities and tax assets or intends either to settle current tax liabilities and tax assets or to realise the assets and settle the liabilities simultaneously.

SIGNIFICANTS ACCOUNTING ESTIMATES

Widex A/S operates in a large number of tax jurisdictions where tax legislation can be highly complex and subject to interpretation. Significant judgement and estimates are required in determining the worldwide accrual for income taxes, deferred tax assets and liabilities and uncertain tax positions.

Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. This judgement is made annually and based on budgets and business plans, including planned commercial initiatives, for the coming five years unless a longer period in certain situations (e.g. for start-up businesses) is warranted. Currently, a longer period than five years has not been applied in any of the jurisdictions in which Widex A/S operates.

In the course of conducting business globally, tax and transfer pricing disputes with tax authorities may occur. Management judgement is applied to assess the possible outcome of such disputes. The “most probable outcome” method is used when determining whether to recognise any amounts related to such uncertain tax position. If it is probable that a tax adjustment will be required, the amount of such adjustment is measured at the most likely amount or the expected value, whichever method better predict the resultion of the uncertain tax position.

SECTION 3

3.1 INTANGIBLE ASSETS

m.DKK	Development projects	Software	Patents and rights	Total
Cost at 1 May 2018	84	44	100	228
Additions	235	8	0	243
Cost at 30 September 2019	**319**	**52**	**100**	**471**
Amortisation and impairment at 1 May 2018	0	-16	-24	-40
Amortisation	-33	-18	-35	-86
Impairment	-62	0	0	-62
Amortisation and impairment at 30 September 2019	**-95**	**-34**	**-59**	**-188**
Carrying amount at 30 September 2019	**224**	**18**	**41**	**283**

m.DKK	Development projects	Software	Patents and rights	Total
Cost at 1 May 2017	0	29	98	127
Additions	84	15	2	101
Cost at 30 April 2018	**84**	**44**	**100**	**228**
Amortisation and impairment at 1 May 2017	0	0	0	0
Amortisation	0	-16	-24	-40
Amortisation and impairment at 30 April 2018	**0**	**-16**	**-24**	**-40**
Carrying amount at 30 April 2018	**84**	**28**	**76**	**188**

ACCOUNTING POLICIES

INTANGIBLE ASSETS

Intangible assets include development projects, acquired intellectual property, trademarks, patents and licenses, acquired customer contracts and relationships, software and other internally generated intangible assets.

Development projects that are clearly defined and identifiable, where the technical feasibility of completion, availability of adequate resources to complete, existence of potential future market can be demonstrated, and where Management has the intent to manufacture, market or apply the product or process in question are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. The costs of development projects comprise all directly attributable costs including wages, salaries, costs to external consultants, rent, materials and services and other costs.

Intangible assets are measured at cost less accumulated amortisation and impairment losses. Amortisation is provided on a straight-line basis over the expected useful lives of the assets to their estimated residual value if any.

The estimated useful lives are as shown in below table.

The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

INTANGIBLE ASSETS	USEFUL LIFETIME
Completed development projects	3 years
Patents, licenses and other similar rights	3-10 years
Trademarks	20 years
Acquired intellectual property	8-12 years
Software and other internally generated intangible asset	3-10 years

SIGNIFICANTS ACCOUNTING ESTIMATES

DETERMINATION OF USEFUL LIFETIME

Management applies an estimate in determination of the useful lives of intangible assets.

For patents, licenses, acquired intellectual property and other intangible assets arising from contractual or other legal rights, the useful life is the shorter of the period of the contractual or legal rights and the economic useful life.

Development costs:

m.DKK	2018/2019 (17 months)	2017/18 (12 months)
Research and development cost incurred	528	288
Development costs capitalised as development projects	-235	-84
Depreciation of operating assets etc., used for development purposes	20	10
Amotisation and impairment of capitalised development projects	103	6
Total	**416**	**220**

3.2 TANGIBLE ASSETS

m.DKK	Plant and Machinery	Other plant, fixtures and operating equipment	Leasehold improve-ments	Assets under con-struction	Total
Cost at 1 May 2018	152	27	0	30	209
Additions	38	5	1	25	69
Disposals	-9	-22	0	-9	-40
Transfers	38	0	0	-38	0
Cost at 30 September 2019	**219**	**10**	**1**	**9**	**238**
Depreciations and impairment at 1 May 2018	-32	-4	0	0	-36
Depreciations	-58	-3	0	0	-61
Disposals	9	4	0	8	21
Impairment	-7	0	0	-8	-15
Depreciations and impairment at 30 September 2019	**-88**	**-3**	**0**	**0**	**-91**
Carrying amount at 30 September 2019	**131**	**7**	**1**	**9**	**148**

m.DKK	Land and buildings	Plant and Machinery	Other plant, fixtures and operating equipment	Lease-hold improve-ments	Assets under construc-tion	Total
Cost at 1 May 2017	3	111	30	0	10	154
Additions	0	41	2	0	20	63
Disposals	-3	0	-5	0	0	-8
Cost at 30 September 2018	**0**	**152**	**27**	**0**	**30**	**209**
Depreciations at 1 May 2017	0	0	0	0	0	0
Depreciations	0	-32	-4	0	0	-36
Disposals	0	0	0	0	0	0
Depreciations at 30 September 2018	**0**	**-32**	**-4**	**0**	**0**	**-36**
Carrying amount at 30 September 2018	**0**	**120**	**23**	**0**	**30**	**173**

ACCOUNTING POLICIES

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost comprises the purchase price and costs directly attributable to bringing the asset to its location and condition necessary for its intended use. In addition, the initial estimate of the costs related to dismantling and removing the asset and restoring the site on which the asset is located are added to the cost, if relevant. Where individual components of an item of property, plant and equipment, that is material, have different useful lives, they are accounted for as separate items, and depreciated separately. Borrowing costs are included in the cost for assets that necessarily take a substantial period of time to get ready for the intended use.

Depreciation is recognised on a straight-line basis over the expected useful lives of property, plant and equipment, taking into account the expected residual value after the end of the useful life. The expected useful lives are shown in below table.

Estimated useful lives and residual values are reassessed annually. If the residual value exceeds the carrying amount, depreciation is discontinued. When changing the expected useful lives or the expected residual value, the effect on the depreciation is recognised prospectively as a change in accounting estimates.

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

INTANGIBLE ASSETS	USEFUL LIFETIME
Factory and office buildings	30-40 years
Technical machinery & equipment	4-10 years
Other fixtures and fittings, tools and equipment, furniture etc	3-5 years

3.3 DEPRECIATION, AMORTISATION AND IMPAIRMENT

m.DKK	Section	2018/2019 (17 months)	2017/18 (12 months)
Amortisation of intangible assets	3.1	86	40
Depreciation of property, plant and equipment	3.2	61	36
Impairment of intangible assets	3.1	62	0
Impairment of property, plant and equipment	3.2	16	0
Amortisation, depreciation and impairment losses		**225**	**76**
Amortisation and depreciation by function			
Cost of goods sold		34	20
R&D costs		62	15
Selling and general administration costs		51	41
Net amortisation and depreciation		**147**	**76**
Impairment of intangible assets and property plant and equipment, net of reversal of impairment of property plant and equipment is recognised in the income statement as follows:			
R&D Costs		78	0
Net amortisation, depreciation and impairment losses		**225**	**76**

Depreciation, amortisation and impairment of property, plant and equipment and intangible assets are contained in line items Cost of Sales, Research and development expenses or selling and general administrative expenses, depending on the use of the asset.

The impairment of intangible assets relate to capitalised development cost for a specific development project for which management no longer believe that there will be a market for the output from the development project if finished. The development project was terminated, and hence the recoverable amount is nil.

ACCOUNTING POLICIES
IMPAIRMENT

Intangible assets not yet available for use, e.g. development projects in progress, are not subject to amortisation, but are tested for impairment at least annually, irrespective of whether there is any indication that they may be impaired.

Other intangible assets, which are subject to amortisation, and property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If assets do not generate cash flows that are largely independent of those from other assets or groups of assets.

Recoverability of assets is measured by comparing the carrying amount of the asset with the recoverable amount, which is the higher of the asset's value in use and its fair value less costs to sell.

If the carrying amount of an asset, to which the asset belong, is higher than its recoverable amount, the carrying amount is reduced to the recoverable amount, and an impairment loss is recognised in the income statement.

Impairment of intangible assets and impairment of property, plant and equipment is reversed only to the extent of changes in the assumptions and estimates underlying the impairment calculation. Impairment is only reversed to the extent that the asset's new carrying amount does not exceed the carrying amount of the asset after amortisation had the asset not been impaired.

SIGNIFICANT ACCOUNTING ESTIMATES

The Company uses discounted cash flows when determining the recoverable amount of assets. The estimation of future cash flows is inherently associated with significant uncertainty.

The discounted cash flow calculation uses a four-year projection that represent managements best estimate of future cash flows generated by an asset. When testing for impairment on development projects, management bases expectation on a market growth rate of 5-10%, applied to revenue and EBITDA, and an average sales price from experience with launch of similar products. In addition, a sensitivity analysis is prepared to show the available headroom, using the projected revenue and applying a weighted average cost of capital of 8%.

3.4 OTHER NON-CURRENT FINANCIAL ASSETS

m.DKK	30 September 2019	30 April 2018	1 May 2017
Loans to subsidiaries	1.416	1.004	1.234
Customers loans	126	26	39
Investment in joint ventures	5	5	3
Other	0	70	99
Total	**1.547**	**1.105**	**1.375**

Customer loans have been evaluated individually for impairment and provisions for write-down, and for 2018/19 amount to 1 m.DKK and 2017/18: 0 m.DKK.

For the provision and impairment, a sensitivity analysis was performed for the loans with an ECL of 2%. The analysis proves an insignificant sensitivity of 0 m.DKK for 2018/19 and 0 m.DKK for 2017/18.

ACCOUNTING POLICIES

CUSTOMER LOANS

Customer loans are initially recognised at fair value less transaction costs and subsequently measured at amortised cost less loss allowance or impairment losses.

The fair value of customer loans at initial recognition is measured at the present value of future repayments of the loan discounted at a market interest rate corresponding to the money market rate based on the expected maturity of the loan with the addition of a risk premium. The effective interest on customer loans is recognised as interest income in the income statement over the term of the loans.

A loss allowance is recognised at initial recognition and subsequently based on 12-months expected credit losses, unless a significant increase in credit risk has arisen since the initial recognition of the loan, in which case the loss allowance is based on lifetime expected credit losses.

Customer loans are written off when all possible options of enforcement activities have been exhausted and there is no reasonable expectation of recovery.

OTHER LOANS AND RECEIVABLES, INCLUDING LOANS TO ASSOCIATES AND SUBSIDIARIES

Other loans and receivables, including loans to associates are recognised initially at fair value less directly attributable transactions costs. Subsequently, they are measured at amortised cost using the effective interest method less impairment. A loss allowance is recognised at initial recognition and subsequently based on 12-months expected credit losses, unless a significant increase in credit risk has arisen since the initial recognition of the loans and receivables, in which case the loss allowance is based on lifetime expected credit losses.

3.5 OTHER CURRENT ASSETS

m.DKK	30 September 2019	30 April 2018	1 May 2017
Receivables from affiliated companies	25	7	0
Other receivables	48	124	143
Total	**73**	**131**	**143**

3.6 INVENTORIES

m.DKK	30 September 2019	30 April 2018	1 May 2017
Raw materials and purchased components	41	37	25
Work in progress	162	165	143
Finished goods and goods for resale	77	25	20
Prepayments for goods	0	10	2
Inventories	**280**	**237**	**190**
Write-downs, provisions for obsolescence etc. included in the above	-44	-19	-19

Included in the income statement under production costs:

m.DKK	2018/2019 (17 months)	2017/18 (12 months)
Write-downs of inventories for the year	41	14
Cost of goods sold during the year	846	542
Total	**887**	**556**

ACCOUNTING POLICIES

Inventories are measured at the lower of cost and net realisable value, cost being generally determined on the basis of the FIFO method. Cost comprise raw materials, consumables, direct labour and indirect production overheads. Indirect production overheads comprise indirect supplies, wages, and salaries, amortisation of brands and software, as well as maintenance and depreciation of machinery, plant and equipment used for production.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

3.7 TRADE RECEIVABLES

	Past due at 30 September 2019						
m.DKK	Not due	1-30 days	31-60 days	61-90 days	91-180 days	More than 181 days	Total
Gross carrying amount	51	12	10	4	14	39	130
Loss allowance	0	0	0	0	0	-39	-39
Total	**51**	**12**	**10**	**4**	**14**	**0**	**91**

m.DKK	30 September 2019	30 April 2018	1 May 2017
Gross carrying amount	130	58	60
Opening loss allowance	**-8**	**-13**	**0**
Provisions recovered	8	5	0
General allowance	-1	0	-13
Individually impaired	-38	0	0
Total	**91**	**50**	**47**

ACCOUNTING POLICIES

Trade receivables are measured at amortised cost less allowance for lifetime expected credit losses.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. For trade receivables that are considered credit impaired, the expected credit loss is determined individually.

Trade receivables and contract assets are written off when all possible options of enforcement activities have been exhausted and there is no reasonable expectation of recovery.

SIGNIFICANT ACCOUNTING ESTIMATES

Widex A/S has historically suffered insignificant credit losses on trade receivables and contract assets.

Loss allowance is calculated using a provision matrix that incorporates an ageing factor, geographical risk and specific customer knowledge. The provision matrix is based on historical credit losses incurred within relevant time bands of days past due adjusted for a forward looking element.

3.8 OTHER CURRENT LIABILITIES

m.DKK	30 September 2019	30 April 2018
Employee costs payable	112	44
Payroll and social security taxes	4	3
Bonus obligations	15	167
Other	70	32
Total	**201**	**246**

ACCOUNTING POLICIES

Other liabilities are measured at amortised cost.

4.1 OUTSTANDING SHARES

m.DKK	Outstanding shares	Total number of shares	Nominal value of outstanding shares	Nominal value of total shares
Shares at May 1, 2018	30	**30**	30	**30**
Shares at 30 September 2019	**30**	**30**	**30**	**30**

All shares are fully issued and paid up. The share capital was nominally DKK 30 million divided into a corresponding number of shares of 30 million. There are no restrictions on the negotiability or voting rights of the shares.

CAPITAL MANAGEMENT

Widex A/S' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company has retained its earnings that have been accumulated to strengthen its equity.

The capital structure of the Company consists of net debt (short-term and long-term borrowings disclosed in notes 4.3 after deducting cash and cash equivlents) and equity of the Company (comprising issued capital, reserves, retained earnings and non-controlling interests).

ACCOUNTING POLICIES

Proposed dividend is recognised as a liability at the date when it is adopted at the Annual General Meeting (declaration date). The dividend recommended by the Board of Directors, and therefore expected to be paid for the year, is disclosed in the notes.

4.2 LIABILITIES FROM FINANCING ACTIVITIES

m.DKK	Payables to related parties	Total
Liabilities at 1 May 2018	918	918
Changes from financing cash flows	423	423
Non-cash transactions	1.638	1.638
Liabilities at 30 September 2019	**2.979**	**2.979**
Liabilities at 1 May 2017	964	964
Changes from financing cash flows	-207	-207
Non-cash transactions	161	161
Liabilities at 30 April 2018	**918**	**918**

ACCOUNTING POLICIES

Financial liabilities, other than derivatives, are initially recognised at fair value less transaction costs, and subsequently measured at amortised cost using the effective interest method. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the liability.

4.3 FINANCIAL INCOME AND EXPENSES

m.DKK	2018/2019 (17 months)	2017/18 (12 months)
Interest Income	49	20
Total interest income	**49**	**20**
Interest expenses	-101	-32
Total interest expenses	**-101**	**-32**
Other financials, net		
Foreign currency translation gains/(losses)	111	-107
Dividends and other income from subsidiaries	94	126
Total other financial expenses, net	**205**	**19**

Interest income/(expense) includes the interest/(expense) from financial assets/(financial liabilities) not measured at fair value through profit or loss.

ACCOUNTING POLICIES

Financial income and expenses comprise interest income and expenses, gains and losses on securities, receivables, payables and transactions denominated in foreign currencies, credit card fees, amortisation and impairment of financial assets other than trade receivables and contract assets and liabilities.

Interest income and expenses on financial assets and liabilities measured at amortised cost is recognised using the effective interest method. Other financial income and expenses are recognised on an accrual basis in the period to which they relate.

4.4 FINANCIAL RISK AND INSTRUMENTS

CATEGORIES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AND FAIR VALUE HIERARCHY

The below table shows the categories of financial assets and financial liabilities, their carrying amounts and their levels in the fair value hierarchy.

Please refer to Management commentary for description of risks and risk management.

m.DKK	**30 September 2019** Carrying amount
Trade receivables	91
Intragroup receivables	198
Customer loans and prepaid discount	1.606
Other receivables	18
Receivables from associates	16
Cash and cash equivalents	426
Loans and receivables	25
Financial assets measured at amortized cost	**2.380**
Loan from Parent company	-2.979
Intragroup payables	-525
Trade payables	-286
Other liabilities	-201
Financial liabilities measured at amortized cost	**-3.991**

The fair values of cash and cash equivalents, trade and other receivables and trade payables with a remaining term of up to twelve months, other current financial liabilities, loan from Parent company and borrowings under revolving credit facilities are approximately equal to their carrying amount, mainly due to the short-term maturities af these instruments.

5.1 INVESTMENT IN SUBSIDIARIES

m.DKK	30 September 2019	30 April 2018
Cost at 30 April	1.507	3.262
Effect of implementation of IFRS	0	-1.828
Cost at 1 May	**1.507**	**1.434**
Additions for the year	0	85
Disposals for the year	-31	-12
Cost end of period	**1.476**	**1.507**
Impairment at 30 April	24	1.828
Effect of implementation of IFRS	0	-1.828
Impairment at 1 May	**24**	**0**
Revaluation for the year	0	24
Impairment for the year	-26	0
Impairment end of period	**-2**	**1.531**
Carrying amount	**1.474**	**1.531**

ACCOUNTING POLICIES

The Company measures its investments in subsidiaries at cost price. If the cost exceeds the recoverable amount the value impaires to the lower amount.

Should the Company choose to sell its shares in one of its subsidiaries the earnings are calculated as the difference between the sales price and the carrying amount.

List of Widex A/S active investments included in the financial statements:

Company	Country	Equity interest in %
Subsidiaries:		
EMEA-LA		
Bloomhearing ApS	Denmark	100
Investment DK ApS	Denmark	100
Veenhuis Medical Audio BV	Netherlands	100
Widex UK Ltd.	UK	100
Widex Marketing Services Ltd.	UK	100
Coselgi UK Ltd.	UK	100
Widex DK A/S	Denmark	100
Coselgi DK ApS	Denmark	100
Clemont Distribution	France	98
Progression SAS	France	100
Savoire Audition SAS	France	100
Widex S.A.S	France	100
Winster House Ltd.	UK	100
Acuitis Optical & Hearing Limited	UK	100
Bloom Hearing Specialists Ltd.	UK	100
Aberdeen Hearing Services Ltd.	UK	100
Bonavox Limited	Ireland	100
Widex Chile SpA	Chile	100
Widex Uruguay	Uruguay	51
COW-Audición en Alta Definición S.A. de C.V	Mexico	99
Widex Argentina S.A	Argentina	51
Centro Auditivo Widex Brasitom Ltda	Brazil	100
Communicare Aparelhos Auditivos Ltda	Brazil	100
Sivantos Solucuoes Auditiva Ltd.	Brazil	100
Chestenbaum AG	Switzerland	100

Company	Country	Equity interest in %
EMEA-LA		
Widex Hörgeräte AG	Switzerland	100
Widex Hörgeräte GmbH	Germany	100
Widex AB	Sweden	100
Hörselhuset Aktiebolag	Sweden	100
Widex Biocord AB	Sweden	100
Widex OOO LLC	Russia	100
Widex Norge AS	Norway	100
Widex-Reabilitacão Auditiva Lda.	Portugal	100
Coselgi Portugal S.A.	Portugal	100
Widex Service OOO LLC	Russia	100
Widex Akustik OY	Finland	100
Widex Lines s.r.o	Czech Republic	100
Widex Poland Sp. Z.o.o	Poland	60
Widex South Africa Pty. Ltd.	South Africa	100
Widex Regional Operation Center EMEA	Poland	100
Widex Eesti OÜ	Estonia	100
Widex Italia S.r.l	Italy	100
ReOton LLC	Ukraine	100
Widex Slušni Aparati d.o.o	Bosnia	60
Widex-Slovton Slovakia s.r.o	Slovakia	100
Coselgi S.p.A	Italy	100
Widex Tibbi ve Teknik Chihazlar San.ve Tic. AŞ	Turkey	100
Widex Trading d.o.o Ljubljana	Slovenia	60
Slušni Aparati d.o.o. Widex Ljubljana	Slovenia	61
Widex-H Kft	Hungary	100
Audiofon Kft	Hungary	100

Company	Country	Equity interest in %
Asia Pacific		
Widex Hearing Aid Sdn Bhd	Malaysia	100
Widex Singapore Pte Ltd	Singapore	100
Bloom Hearing Co. Ltd.	Japan	100
Widex Co. Ltd.	Japan	100
Widex Hearing Aid (Shanghai) Co. Ltd.	China	100
Widex Korea Ltd.	South Korea	100
Widex India Private Ltd.	India	100
Widex New Zealand Ltd.	New Zealand	100
Widex Australia Pty. Ltd.	Australia	100
Active Hearing Pty. Ltd.	Australia	100
Hearclear Audiology Pty. Ltd.	Australia	100
Bloom Hearing Ltd.	New Zealand	100
Widex Hong Kong Hearing & Speech Centre Ltd.	Hong Kong	100
Starry Hearing & Speech Centre Ltd.	Hong Kong	65
North America		
Widex Canada Ltd.	Canada	100
TW Group Canada Ltd.	Canada	100
Lifestyle Hearing Corporation Inc.	Canada	100
Lifestyle Hearing Corporation USA Inc.	USA	100
Widex USA Inc.	USA	100

Company	Country	Equity interest in %
Subsidiaries of Lifestyle Hearing Corporation Inc.		
Lifestyle Hearing Network Inc.	Canada	100
Helix Hearing Inc.	Canada	100
Hearcanada Inc.	Canada	100
Helix Service Corporation Inc.	Canada	100
Subsidiaries of Lifestyle Hearing Corporation USA Inc.		
Happy hearing LLC	USA	100
Audiology Management Group Inc.	USA	100
Helix Hearing Care (California) Inc.	USA	100
Lifestyle Managed Care LLC	USA	100
Lifestyle Hearing Professionals LLC	USA	100
New Asheville Audiology Services PLLC	USA	100
Helix Hearing Care (Ohio) LLC.	USA	100
Helix Hearing Care (Texas) LLC	USA	100
Helix Hearing Care (Florida) LLC	USA	100
Physician Audiology Services Inc.	USA	100
Hearing Center of Browards Inc.	USA	100
Randa Nashour-Shousher LLC	USA	51
Hear Again Hearing Auds LLC.	USA	60
Helix Hearing Care Naples LLC	USA	60
The Hearing Center of ENTA LLC	USA	60
Medical Hearing Systems LLC	USA	70
PAS Development LLC	USA	55
Hands on Hearing Inc.	USA	51

5.2 REMUNERATION OF KEY MANAGEMENT PERSONNEL

m.DKK	Short-term benefits	Termination benefits	Total
	2018/19 (17 Months)		
Executive Management	394	24	417
Board of Directors	4	0	4
Total remuneration	**398**	**24**	**421**

m.DKK	Short-term benefits	Termination benefits	Total
	2017/18 (12 Months)		
Executive Management	9	0	9
Board of Directors	3	0	3
Total remuneration	**12**	**0**	**12**

5.3 CONTINGENT LIABILITIES

GUARANTEES

The bank has provided the Company with a bank guarantee for it's rental agreement in the amount of DKK 71 million at 30 September 2019 (2018: DKK 0)

A guarantee has been provided to the bank of the Australien subsidiary, Active Hearing Pty. ltd., in the amount of DKK 3 million, which the Company is fully liable for.

For the branch in Poland the Company has provided a guarantee to HSBC of DKK 1 million.

Furthermore, two additional guarantees has been provided to Danske Bank concerning a payment liability for Widex A/S of DKK 1 million and Widex UK Limited of DKK 3 million.

For information regarding lease obligations, please refer to note 5.6.

OUTSTANDING LAWSUITS AND DISPUTES

The Company is, from time to time, subject to legal disputes in connection with its business activities. In the light of the number of legal disputes and proceedings in which the Company is involved, it cannot be ruled out that some of these proceedings could result in rulings against the Company.

Although the Company maintains liability insurance in its non-amounts the Company considers consistent with industry practice, it may not be fully insured against all potential damages that may arise out of any claims to which the Company may be party in the ordinary course of the Company's business.

At this time, however the Company does not expect any significant negative effects on the Company's financial position or finance and earnings situation resulting from legal disputes.

The Company seeks to make adequate provisions for any legal disputes and proceedings, and assesses the likely outcome in which the Company is involved.

JOINT TAXATION

The Company is subject to a Danish joint taxation scheme and unlimited jointly and severally liable with the other jointly taxed companles for the total income tax.

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

Any subsequent adjustments of corporate taxes or withheld taxes, etc. may cause changes to the Company's
liabilities.

LETTER OF SUPPORT

Widex A/S has signed a letter of support to below entities, securing 12 months of going concern. The total estimated liability are shown in below table:

m.DKK Company	Country	Liability at 30 September 2019
Widex-H Kft	Hungary	3

5.4 ASSOCIATES

m.DKK	Investments in associates and joint ventures	Receivables from associates
Cost at 1 May 2018	30	68
Share of post acquisition of retained earnings	-1	-52
Carrying amount at 30 September 2019	**29**	**16**

m.DKK	Investments in associates and joint ventures	Receivables from associates
Cost at 1 May 2017	32	22
Additional receivables	0	46
Share of post acquisition of retained earnings	-2	0
Carrying amount at 30 april 2018	**30**	**68**

The Company's share of associates' income and financial position

m.DKK	**2018/2019** (17 months)	**2017/18** (12 months)
Non-current assets	25	60
Current assets	13	54
Current liabilities	-11	-28
Net assets	**27**	**86**
Revenue	24	19
Net loss from continuing operation	-2	0
Comprehensive income	-2	0

Company	Country	Equity interest in %
Other equity investments		
HIMSA A/S	Denmark	25
HIMSA II a/s	Denmark	17
HIMSA II K/S	Denmark	23
HIMP A/S	Denmark	9
K/S HIMPP	Denmark	10
Sound Advice Hearing Ltd.	UK	49
D Med Hearing Company	Thailand	38
Widex Columbia SAS	Columbia	20
Hear-Mart Holdings LLC.	USA	49
Audiology Associates of Westchester LLC	USA	49
Smartcare LLC	USA	10
Widex Servicios Technico S.A.	Spain	30
Widex Audifonos S.A.	Spain	30
Instituto Auditivo Widex C.A.	Venezuela	44
Widex Macau Hearing & Speech Centre Ltd.	Macau	49

ACCOUNTING POLICIES

Associates are those entities in which the Company has significant influence but not control or joint control over the financial and operating policies. A joint venture is an arrangement in which the Company has joint control over the financial and operating policies, and where the Company has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Investments in associates and joint ventures are accounted for using the equity method. This entails that the investments are initially recognised at cost and adjusted thereafter to recognise the Company's share of the profit or loss and other comprehensive income of the associate or joint venture calculated in accordance with the Company's accounting policies. When the Company's share of losses of an associate or joint venture exceeds the Company's interest in such associate or joint venture, the Company discontinues recognising its share of future losses. Additional losses are recognised only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

5.5 NON-CASH ADJUSTMENTS

m.DKK	2018/2019 (17 months)	2017/18 (12 months)
Loans from related parties	2.561	89
Interest to related parties	30	27
Non-cash repayments	-2.561	0
Total	**30**	**116**

SIGNIFICANT NON-CASH TRANSACTIONS

Prior to the establishment of the WS Audiology A/S Group, a number of non-cash transactions occurred in Widex A/S These transactions include:

- Declaration of dividends to parent entity of Widex A/S of DKK 1.700 million

- Partly settlement of payables to parent entity (existing loans from parent entity and dividend declared) through receipt of loan from Auris III of DKK 2.561

- Settlement of remaining payables to parent entity through receipt of capital contribution from parent entity of DKK 307 million

5.6 LEASE OBLIGATION

m.DKK	2018/2019 (17 months)	2017/18 (12 months)
Rent	947	1.015
Other operating leases	8	5
Total	**955**	**1.020**
Operating leases:		
Less than one year	53	49
Between one and five years	209	203
More than five years	693	768
Total	**955**	**1.020**
Operating leases recognised in the income statement	70	38

ACCOUNTING POLICIES

Leases of assets under which substantially all risks and rewards of ownership are retained by the lessor are classified as op-er-ating leases. Costs related to operating leases are recognised in the income statement on a straight-line basis.

5.7 FEES TO AUDITORS APPOINTED AT THE ANNUAL GENERAL MEETING

m.DKK	Deloitte 2018/2019 (17 months)	2017/18 (12 months)
Audit fees	1	1
Tax services	1	1
Other services	6	3
Total	**8**	**5**

5.8 RELATED PARTIES

T&W Medical A/S is the parent entity and ultimate parent controlling Widex A/S.

Other related parties include those entities controlled by, or with significant influence in T&W Medical A/S.

Transactions with related parties

m.DKK	2018/2019 (17 months)	2017/18 (12 months)
Transactions with Parent company		
- Loans from related parties	-3.499	-100
- Interest on loans	-31	-27
- Repayments on loans	1.470	327
Transactions with associated		
- Sales of goods and services	79	50
Other related parties		
- Sales of goods and services	18	9
- Purchase of goods and services	-183	-66
- Transaction with related individual	-3	-2

Transactions with subsidiaries

m.DKK	2018/2019 (17 months)	2017/18 (12 months)
Sale of goods and services	2.968	1.923
Purchase of goods and services	-1	2
Interest received, net	56	33
Receivables, non-current	1.416	1.004
Receivables, current	173	344
Payables, non-current	-61	-91
Payables, current	-442	-64

Outstanding balances

m.DKK	30 September 2019 (17 months)	30 April 2018 (12 months)	1 May 2017 (12 months)
Parent Company	2.979	918	964
Associates	16	68	22
Other related parties	4	2	2

TRANSACTIONS WITH RELATED INDIVIDUALS

The Company's Executive management is defined as those persons, who are responsible for the Company's worldwide operating business, based on their function within the Company or the interests of Widex A/S.. For information about remuneration to Executive management and Board of Directors refer to note 5.2.

The following individuals belong or belonged to the Company's Executive management:

Executive Management	Director	Period
Year 2018/19		
Jørgen Jensen	CEO Widex A/S	May 2018 - August 2019
Eric Alain Bernard	CEO Widex A/S	August 2019
Henrik Skak Bender	CFO Widex A/S	August 2019
Dr. Wolfgang Ollig	CFO Widex A/S	February - August 2019
Year 2017/18		
Jørgen Jensen	CEO Widex A/S	May 2017 - April 2018

Board of directors	Director	Period
Year 2018/19		
Jan Tøpholm	Chariman Widex A/S	May 2018 - September 2019
Peter Henrik Balslev	Member	September 2019
Julian Tøpholm	Member	May 2018 - September 2019
Kasper Grundtvig Knokgaard	Member	September 2019
Richard Tøpholm	Member	May 2018 - September 2019
Anders Steen Westermann	Member	May 2018 - September 2019
Søren Erik Westermann	Member	May 2018 - September 2019
Lars Vinge Frederiksen	Member	May 2018 - May 2019
Year 2017/18		
Jan Tøpholm	Chariman Widex A/S	May 2017 - April 2018
Julian Tøpholm	Member	May 2017 - April 2018
Richard Tøpholm	Member	May 2017 - April 2018
Anders Steen Westermann	Member	May 2017 - April 2018
Lars Vinge Frederiksen	Member	May 2017 - April 2018
Søren Erik Westermann	Member	May 2017 - April 2018

5.9 GROUP CONDITIONS

Name and residents of the parent company, who prepares the consolidated financial statements for the smallest group:

Company	Address	Country	CVR no.
WS Audiology A/S	Nymøllevej 6, 3540 Lynge	Denmark	40296638