

ZEALAND CARE A/S
VED FAURGÅRDEN 5C, 4300 HOLBÆK
ANNUAL REPORT
1 JANUARY - 31 DECEMBER 2019

**The Annual Report has been presented and
adopted at the Company's Annual General
Meeting on 30 March 2020**



Dirigent Jan Løjmand

The English part of this document is an unofficial translation of the original Danish text, and in case of any discrepancy between the Danish text and the English translation, the Danish text shall prevail.

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COMPANY DETAILS

Company	ZEALAND CARE A/S Ved Faugården 5C 4300 Holbæk
	CVR No.: 18 99 84 75 Established: 22 November 1995 Registered Office: Holbæk Financial Year: 1 January - 31 December
Board of Directors	Johan H. H. Heller, chairman Paul Van Den Wittenboer John Naborn
Board of Executives	Jacob Hansen
Auditor	BDO Statsautoriseret revisionsaktieselskab Ringstedvej 18 4000 Roskilde

**Translation Disclaimer
Übersetzungsvorbehalt**

The English part of this document is an unofficial translation of the original Danish text, and in case of any discrepancy between the Danish text and the English translation, the Danish text shall prevail.

Der deutsche Teil dieses Textes ist eine inoffizielle übersetzung der dänischen Original-fassung. Im falle einer Abweichung zwischen dem dänischen Text und der deutschen Übersetzung, hat der dänische Text Gültigkeit .

STATEMENT BY BOARD OF DIRECTORS AND BOARD OF EXECUTIVES

Today the Board of Directors and Board of Executives have discussed and approved the Annual Report of ZEALAND CARE A/S for the financial year 1 January - 31 December 2019.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

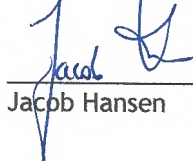
In our opinion the Financial Statements give a true and fair view of the Company's financial position at 31 December 2019 and of the results of the Company's operations for the financial year 1 January - 31 December 2019.

The Management's Review includes in our opinion a fair presentation of the matters dealt with in the Review.

We recommend the Annual Report be approved at the Annual General Meeting.

Holbæk, 30 March 2020

Board of Executives



Jacob Hansen

Board of Directors

Johan H. H. Heller
Chairman

Paul Van Den Wittenboer

John Naborn

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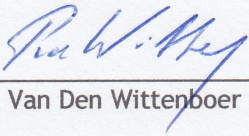
Holbæk, 30 March 2020

Board of Executives

Jacob Hansen

Board of Directors

Johan H. H. Heller
Chairman



Paul Van Den Wittenboer

John Naborn

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of ZEALAND CARE A/S

Opinion

We have audited the Financial Statements of ZEALAND CARE A/S for the financial year 1 January - 31 December 2019, which comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 31 December 2019 and of the results of the Company's operations for the financial year 1 January - 31 December 2019 in accordance with the Danish Financial Statements Act.

Basis for Opinion

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

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation of Financial Statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such Internal control 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, disclosing, as applicable, matters related to going concern and 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 Responsibilities for the Audit of the Financial Statements

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 judgment and maintain professional skepticism 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.*

INDEPENDENT AUDITOR'S REPORT

- 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

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.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that Management's Review 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 Management's Review.

Roskilde, 30 March 2020

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70



Dan R. Petersen
State Authorised Public Accountant
MNE no. mne33210

FINANCIAL HIGHLIGHTS

	2019 DKK '000	2018 DKK '000	2017 DKK '000	2016 DKK '000	2015 DKK '000
Income statement					
Gross profit/loss.....	27,712	24,777	22,763	10,258	16,384
Operating profit/loss.....	-8,836	-11,723	-8,652	-21,837	-18,388
Financial income and expenses, net.....	-216	-611	-946	-1,116	-969
Profit/loss for the year.....	-9,052	-12,334	-9,598	-22,953	-18,493
Balance sheet					
Balance sheet total.....	59,202	55,608	51,136	48,409	29,670
Equity.....	9,031	8,483	3,818	4,416	2,016
Average number of full-time employees.....					
	88	78	68	67	67
Ratios					
Profit margin.....	-14.9	-19.3	-14.7	-43.0	-37.8
Solvency ratio.....	15.3	15.3	7.5	9.1	19.8
Current ratio.....	80.4	91.2	81.5	109.3	86.7
Return on equity	-103.4	-239.9	-186.7	-446.5	178.4

The ratios stated in the list of key figures and ratios have been calculated as follows:

<i>Profit margin:</i>	$\frac{\text{Operating profit/loss} \times 100}{\text{Net revenue}}$
<i>Solvency ratio:</i>	$\frac{\text{Equity, at year end} \times 100}{\text{Total equity and liabilities, at year end}}$
<i>Return on equity:</i>	$\frac{\text{Profit/loss after tax} \times 100}{\text{Average equity}}$
<i>Current ratio</i>	$\frac{\text{Current assets} \times 100}{\text{Current liabilities}}$

The ratios follow in all material respects the recommendations of the Danish Finance Society.

MANAGEMENT'S REVIEW

Main activities of the company

The main activities of the company are services within assistive technology, including operation and service of own and/or public owned aid equipment, rental and sales of aids, and distribution of health and welfare technology products and solutions.

Development in activities and financial position

The ordinary operations have improved through enhances processes, among other initiatives. The ordinary results for 2019 include special items of DKK ('000) 5,774. The main part of the amount relates to Project 2020, which encompasses two projects. One is merging of all activities at five locations at Funen and Zealand into one new location in Greve. The other is a new mail and ERP solution.

The company has signed three municipality contracts, which in combination with the existing municipality contracts provide a good foundation for the future business.

The future strategy of the retail chain Seniorland will have an online focus, which was prepared and initiated in 2019. Seniorland is showing a positive development in online revenue.

For the purpose of strengthening equity, the company has received a capital contribution of DKK ('000) 9,600.

Furthermore the parent company has issued a statement to the effect that they, with respect to the amount owed to other group companies, which amounts to DKK ('000) 31,320 as of December 31, 2019, will cede priority to the other creditors, and that they will ensure that there will be sufficient liquid funds in the company to cover its current operations, if necessary by means of new loans.

Profit/loss for the year compared to future expectations

The annual result for 2019 shows a deficit of DKK ('000) 9,052 and the balance sheet at 31 December 2019 shows equity of DKK ('000) 9,030. The performance of the company is still not satisfactory but does support the positive trend, in the ordinary operation, in line with the expectations for the year.

Significant events after the end of the financial year

COVID-19 has entered the rest of the world including Denmark. This affects both the social and corporate economies, including our Company. It is not yet known what impact this will have in the short and long term.

No other events have happened after the end of the financial year of material importance for the company's financial position.

Future expectations

The company continues its work of improving the operational structure and processes in order to support the requirements of the customers and the organisation today and in the future. Through this focus, the company has significantly improved the gross margin and cost of company as a percentage of revenue from 2016 until today.

In 2020, the company will change in structure from having six locations to having two. One in Aarhus and one in Greve. Combined with a new MS Dynamic ERP solution, this centralisation expects to have a significant positive impact on the efficiency and development of the employees and the organisation.

The organisation expects a small deficit or zero result for 2020. After the 2020 transition year, the organisation expects positive annual results.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2019 DKK '000	2018 DKK '000
GROSS PROFIT	1	27,712	24,777
Staff costs.....	2	-35,090	-33,988
Depreciation, amortisation and impairment losses.....		-1,458	-2,512
OPERATING LOSS		-8,836	-11,723
Other financial income.....	3	1,111	676
Other financial expenses.....	4	-1,327	-1,287
LOSS BEFORE TAX		-9,052	-12,334
Tax on profit/loss for the year.....		0	0
LOSS FOR THE YEAR	5	-9,052	-12,334

BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	2019 DKK '000	2018 DKK '000
Intangible fixed assets acquired.....		339	94
Intangible fixed assets.....	6	339	94
Production plant and machinery.....		335	2,788
Other plant, fixtures and equipment.....		2,388	1,912
Tangible fixed assets.....	7	2,723	4,700
Receivables from group enterprises.....		23,611	12,520
Rent deposit and other receivables.....		612	1,952
Fixed asset investments.....	8	24,223	14,472
FIXED ASSETS.....		27,285	19,266
Finished goods and goods for resale.....		1,784	4,072
Inventories.....		1,784	4,072
Trade receivables.....		13,519	13,338
Other receivables.....		1,938	0
Prepayments and accrued income.....		1,089	576
Receivables.....	9	16,546	13,914
Cash and cash equivalents.....		13,587	18,359
CURRENT ASSETS.....		31,917	36,345
ASSETS.....		59,202	55,611

BALANCE SHEET AT 31 DECEMBER

EQUITY AND LIABILITIES	Note	2019 DKK '000	2018 DKK '000
Share capital.....	10	25,783	25,783
Retained earnings.....		-16,752	-17,300
EQUITY.....		9,031	8,483
Other provisions for liabilities.....	11	9,250	7,281
PROVISION FOR LIABILITIES.....		9,250	7,281
Other liabilities.....		1,316	0
Long-term liabilities.....	12	1,316	0
Trade payables.....		2,241	2,193
Payables to group enterprises.....	13	31,320	30,035
Other liabilities.....		6,044	7,619
Current liabilities.....		39,605	39,847
LIABILITIES.....		40,921	39,847
EQUITY AND LIABILITIES.....		59,202	55,611
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EQUITY

	Share capital	Retained earnings	Total
Equity at 1 January 2019.....	25,783	-17,300	8,483
Capital increase.....		9,600	9,600
Proposed distribution of profit.....		-9,052	-9,052
Equity at 31 December 2019.....	25,783	-16,752	9,031

The share capital comprises 257,828 shares of DKK 100 each.
All shares rank equally.

NOTES

	2019 DKK '000	2018 DKK '000	Note
Special items			1
Special items include significant income and expenses of a special nature in relation to its normal ordinary activities.			
This includes costs from restructuring and related gains/losses on disposal of fixed assets, which over time have a significant impact.			
As mentioned in the Review, the profit for the year is affected by restructuring costs. This ratio differs from what Management believes is part of the operating profit.			
Specifications of special items, including where these are included in the income statement:			
	2019 DKK '000	2018 DKK '000	
Other external costs.....	0	-500	
Restructuring costs.....	5,700,000	1,594	
Disposal of goods.....	73,791	3,477	
	5,773,791	4,571	
Staff costs			2
Average number of employees 88 (2018: 78)			
Wages and salaries.....	30,802	30,118	
Pensions.....	2,875	2,504	
Social security costs.....	829	710	
Other staff costs.....	584	656	
	35,090	33,988	
With reference to section 98b(3) of the Danish Financial Statements Act, Management remuneration is not disclosed for 2019. Directors' fees have not been paid in 2019 and 2018.			
Other financial income			3
Group enterprises.....	1,091	642	
Other interest income.....	20	34	
	1,111	676	
Other financial expenses			4
Group enterprises.....	1,285	1,233	
Other interest expenses.....	42	54	
	1,327	1,287	

NOTES

	2019 DKK '000	2018 DKK '000	Note
Proposed distribution of profit			
Retained earnings.....	-9,052	-12,334	5
	-9,052	-12,334	
Intangible fixed assets			6
		Intangible fixed assets acquired	
Cost at 1 January 2019.....		9,067	
Additions.....		363	
Disposals.....		-2,203	
Cost at 31 December 2019.....		7,227	
Amortisation at 1 January 2019.....		8,973	
Reversal of amortisation of assets disposed of.....		-2,202	
Amortisation for the year.....		117	
Amortisation at 31 December 2019.....		6,888	
Carrying amount at 31 December 2019.....		339	
Tangible fixed assets			7
		Production plant and machinery	Other plant, fixtures and equipment
Cost at 1 January 2019.....	12,626	16,969	
Additions.....	1,301	1,146	
Disposals.....	-11,696	-1,712	
Cost at 31 December 2019.....	2,231	16,403	
Depreciation and impairment losses at 1 January 2019.....	9,837	15,057	
Reversal of depreciation of assets disposed of.....	-7,708	-1,715	
Reversal of write downs.....	-926	0	
Depreciation for the year.....	693	673	
Depreciation and impairment losses at 31 December 2019...	1,896	14,015	
Carrying amount at 31 December 2019.....	335	2,388	
Fixed asset investments			8
		Receivables from group enterprises	Rent deposit and other receivables
Cost at 1 January 2019.....	12,520	1,952	
Transferred.....	0	-1,476	
Additions.....	11,091	136	
Cost at 31 December 2019.....	23,611	612	
Carrying amount at 31 December 2019.....	23,611	612	

NOTES

	2019 DKK '000	2018 DKK '000	Note
Prepayments and accrued income			9
Insurances.....	359	287	
Costs.....	730	289	
	1,089	576	

Prepayments comprise costs incurred in relation to subsequent financial years.

Share capital			10
Specification of the share capital:			
LZG Group B.V., 257,312 in the denomination of 100 DKK.....	25,731	25,731	
Rotterdamsche Financiering Maatschappij B.V., 516 in the denomination of 100 DKK.....	52	52	
	25,783	25,783	

Other provisions for liabilities (short-term)			11
0-1 year.....	9,250	7,281	

Other provisions for liabilities include costs of restructuring, such as rent in the notice period of closed sites, movement cost, project manager costs, lawyers and disposal of operating equipment.

Long-term liabilities						12
	31/12 2019 total liabilities	Repayment next year	Debt outstanding after 5 years	31/12 2018 total liabilities	Current portion at the beginning of the year	
Other liabilities.....	1,316	0	0	0	0	
	1,316	0	0	0	0	

Payables to group enterprises	13
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Contingencies etc.	14
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Contingent liabilities

The company has entered into rental commitments amounting to DKK ('000) 16,359 at the balance sheet date during the period of non-terminability. The total liability amounts to DKK ('000) at 31 December 2019 and has an average remaining term of 29 months.

The company has entered into operating lease agreements for automobiles with an annual lease payment of DKK ('000) 233. The total liability amounts to DKK ('000) 7,494 at 31 December 2019 and has an average residual term of 28 months.

NOTES

	Note
Charges and securities	15
<p>A registered company charge of a nominal amount of DKK ('000) 100,000 has been provided as collateral for debt to credit institutions at a carrying amount of DKK ('000) 0. Moreover, additional guarantees of DKK ('000) 2,212 have been provided for municipalities, secured by deposit accounts, which are included in cash and cash equivalents.</p>	
Related parties	16
<p>The company's related parties include:</p>	
Controlling interest	
<p>LZG Group B.V. Lange Dreef 12 4131 NH Vianen Holland</p>	
Other related parties having performed transactions with the company	
<p>Related parties comprise also the members of the Executive and Supervisory Boards as well as other companies in the Louwman Group.</p>	
Transactions with related parties	
<p>The company did not carry out any material transactions that were not concluded on market conditions. According to section 98c, subsection 7 of the Danish Financial Statements Act information is given only on transactions that were not performed on common market conditions.</p>	
Uncertainty with respect to going concern	17
<p>The parent company LZG Group B.V has declared that it will provide additional capital and/or liquidity as required. This letter of support is valid until 10. january 2021</p>	
Information on uncertainty with respect to recognition and measurement	18
<p>Other provisions set for closure of locations, includes costs to reestablish and move locations, staff costs and legal advice.</p>	
<p>The costs are assessed by Management, based on Management's best judgment based on experiences from the last relocation.</p>	
<p>The value is calculated on the basis of irrevocability in rent agreements, and estimates of time to be spent, and the need for legal advice.</p>	
Consolidated financial statements	19
<p>The company is included in the consolidated financial statements of the ultimate owner Lohomij B.V. The financial statements can be obtained by contacting Zealand Care A/S.</p>	

ACCOUNTING POLICIES

The Annual Report of ZEALAND CARE A/S for 2019 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class C, medium enterprise.

The Annual Report is prepared consistently with the accounting principles applied last year.

INCOME STATEMENT

Net revenue

Net revenue from sale or resale and finished goods is recognised in the income statement if supply and risk transfer to purchaser has taken place before the end of the year and if the income can be measured reliably and is expected to be received. Net revenue is recognised exclusive of VAT, duties and less discounts related to the sale.

Income from handling of aids equipment is recognised in the income statement at the amounts relating to the financial year.

Cost of sales

Cost of sales comprise costs incurred to achieve the net revenue for the year, including direct and indirect costs of raw materials and consumables.

Other external expenses

Other external expenses include cost of sales, advertising, administration, buildings, bad debts, operating lease expenses, etc.

Staff costs

Staff costs comprise wages and salaries, including holiday pay and pensions and other costs for social security, etc. for the company's employees. Repayments from public authorities are deducted from staff costs.

Financial income and expenses

Financial income and expenses include interest income and expenses, financial expenses of finance leases, realised and unrealised gains and losses arising from investments in financial assets, debt and transactions in foreign currencies, amortisation of financial assets and liabilities as well as charges and allowances under the tax-on-account scheme, etc. Financial income and expenses are recognised in the income statement by the amounts that relate to the financial year.

Tax

The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the income statement by the portion that may be attributed to the profit for the year, and is recognised directly in the equity by the portion that may be attributed to entries directly to the equity.

BALANCE SHEET

Intangible fixed assets

At the initial recognition, intangible assets are measured at cost.

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

Software is amortised on a straight-line basis over the estimated useful life. The amortisation period is 5 years.

Tangible fixed assets

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

ACCOUNTING POLICIES

The depreciation base is cost less estimated residual value after end of useful life.

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used. As regards self-manufactured assets, the cost price includes cost of materials, components, subcontractors, direct payroll and indirect production costs.

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value:

	<i>Useful life</i>	<i>Residual value</i>
<i>Production plant and machinery.....</i>	<i>2-11 years</i>	<i>0 %</i>
<i>Other plant, fixtures and equipment.....</i>	<i>2-10 years</i>	<i>0 %</i>

Profit or loss on disposal of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the time of sale. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Fixed asset investments

Deposits include rental deposits which are recognised and measured at amortised cost. Deposits are not depreciated.

Non-current Group receivables are measured at amortised cost which usually corresponds to nominal value. The value is written down to meet expected losses, if necessary.

Impairment of fixed assets

The carrying amount of intangible fixed and tangible assets together with fixed assets, which are not measured at fair value, is assessed on an annual basis for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the recoverable amount is lower than the carrying amount, the asset is written down to the lower amount.

The recoverable amount is calculated at the higher of net selling price and capital value. The capital value is determined as the fair value of the expected net cash flows from the use of the asset or group of assets and the expected net cash flows from sale of the asset or group of assets after the end of its useful life.

Inventories

Inventories are measured at cost using the FIFO-principle. If the net realisable value is lower than cost, the inventories are written down to the lower value.

The net realisable value of inventories is stated at sales price less completion costs and costs incurred to execute the sale and is determined with due regard to marketability, obsolescence and development in expected sales price.

Receivables

Receivables are measured at amortised cost which usually corresponds to nominal value. The value is written down to meet expected losses and when there is an objective indication that a receivable or receivable portfolio has been impaired, a write-down is made on an individual basis.

Accruals, assets

Accruals recognised as assets include costs incurred relating to the subsequent financial year.

ACCOUNTING POLICIES

Other provisions for liabilities

Other provisions for liabilities include the expected cost of restructuring, termination of leases, premises, etc. Provisions are measured at net realisable value or fair value. If in terms of time the performance of the obligation is expected to be far in the future, the obligation is measured at fair value.

Tax payable and deferred tax

Current tax liabilities and receivable current tax are recognised in the balance sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carry-forwards, are measured at the expected realisable value of the asset, either by set-off against tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the balance sheet date will be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates are recognised in the income statement, except from items recognised directly in equity.

Liabilities

Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less borrowing costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the income statement over the term of loan.

Amortised cost of short-term liabilities corresponds usually to the nominal value.

CASH FLOW STATEMENT

With reference to Section 86(4) of the Danish Financial Statements Act, the company has not prepared a cash flow statement. A cash flow statement has been prepared for the Group.