

Lessor A/S

Engholm Parkvej 8
3450 Allerød

CVR no. 24 24 00 10

Annual report for the period 1 January 2017 – 31 May 2018

The annual report was presented and approved at the
Company's annual general meeting on

14 November 2018

Peter Graniid Colsted
chairman



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Annual report 2017/18
CVR no. 24 24 00 10

Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Lessor A/S for the financial period 1 January 2017 – 31 May 2018.

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

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 May 2018 and of the results of the Company's operations for the financial period 1 January 2017 – 31 May 2018.


Further, in our opinion, the Management's review gives a fair review of the development in the Company's operations and financial matters, of the results for the period and of the Company's financial position.

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

Allerød, 14 November 2018
Executive Board:


Peter Graniid Colsted
CEO

Board of Directors:


Efraim Rivera
Chairman


John Bradley Gibson JR


Stephanie Lynn Schaeffer



Independent auditor's report

To the shareholders of Lessor A/S

Opinion

We have audited the financial statements of Lessor A/S for the financial period 1 January 2017 – 31 May 2018 comprising income statement, balance sheet, statement of changes in equity and notes, including 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 Company's assets, liabilities and financial position at 31 May 2018 and of the results of the Company's operations for the financial period 1 January 2017 – 31 May 2018 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 rules and requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 as to 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 made 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 company 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.



Independent auditor's report

- 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 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 the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the 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 the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

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

Copenhagen, 14 November 2018

KPMG

Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

Henrik O. Larsen
State Authorised
Public Accountant
mne15839

Naja Bjørk Olsen
State Authorised
Public Accountant
mne41387

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Management's review

Company details

Lessor A/S
Engholm Parkvej 8
3450 Allerød

Telephone:	48166000
Website:	www.lessor.dk
E-mail:	post@kpmg.com

CVR no.:	24 24 00 10
Established:	25 May 1976
Registered office:	Allerød
Financial period:	1 January 2017 – 31 May 2018

Board of Directors

Efrain Rivera, Chairman
John Bradley Gibson JR
Stephanie Lynn Schaeffer

Executive Board

Peter Granild Colsted, CEO

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfaergevej 28
DK-2100 Copenhagen

Annual general meeting

The annual general meeting will be held on 14 November 2018.

Management's review

Financial highlights

DKK'000	1/1 2017 – 31/5 2018	1/1 – 31/12 2016	2015	2014	2013
Key figures					
Gross profit/loss	239,980	67,210	63,363	62,446	54,675
Ordinary operating profit	136,993	16,771	14,786	13,862	9,590
Profit/loss from financial income and expenses	-1,285	32	841	1,333	2,329
Profit/loss for the year	104,656	12,987	12,306	11,465	9,449
Total assets	113,647	71,625	71,149	103,294	95,420
Equity	-2,932	2,912	11,436	44,126	40,663
Ratios					
Return on invested capital	147.9%	23.4%	20.8%	13.4%	10.1%
Return on equity	-523,280.0%	181.0%	44.3%	27.0%	23.7%
Solvency ratio	-2.6%	4.1%	16.1%	42.7%	42.6%

Financial ratios are calculated in accordance with the Danish Society of Financial Analysts' guidelines on the calculation of financial ratios "Recommendations & Ratios". The financial ratios have been calculated as follows:

Return on invested capital $\frac{\text{Operating profit/loss} \times 100}{\text{Average invested capital}}$

Return on equity $\frac{\text{Profit/loss from ordinary activities after tax} \times 100}{\text{Average equity}}$

Solvency ratio $\frac{\text{Equity ex. non-controlling interests at year end} \times 100}{\text{Total equity and liabilities at year end}}$

Management's review

Operating review

Principal activities

The company develops, markets and supports software and systems for the development and management of human resources and payroll. The company's products are mainly sold in Denmark and Germany.

Significant events

During the financial year the group ownership changed to Paychex Inc., a company registered in the United States of America.

Special risks

The company is not exposed to any special risks.

Environmental matters

The company's products do not have a negative environmental impact. The company has an environmentally-friendly office building in Allerød with rainwater collection and geothermal heat.

Outlook for the coming year

The company expects activity growth and a revenue of approximately DKK 120 million in the new financial year for Lessor products. The company expects the result for the year of approximately 2,25 million.

Research and development

During the financial year the company conducted development activities for existing and new products. Costs associated with development activities are recognized directly in the income statement and expensed.

Intellectual capital

It is important that the company has the necessary intellectual capital resources. Importance is placed by management on attracting, developing and maintaining qualified employees.

Events after the balance sheet date

There have been no events after the balance sheet date that has a significant impact on the assessment of the annual report.

Capital resources

The Company has lost more than 50% of its contributed capital and is thus subject to the provisions on loss of capital under the Danish Companies Act. It is Management's expectation that the capital can be restored by operations going forward.

Financial statements 1 January 2017 - 31 May 2018

Income statement

DKK'000	Note	1/1 2017 – 31/5 2018	1/1 – 31/12 2016
Gross profit		239,980	67,210
Staff costs	2	-98,442	-48,971
Depreciation, amortisation and impairment	3	-4,545	-1,468
Operating profit		136,993	16,771
Income from equity investments in group entities		-1,353	107
Financial income	4	200	19
Financial expenses	5	-132	-94
Profit before tax		135,708	16,803
Tax on profit for the year	6	-31,052	-3,816
Profit for the year	7	104,656	12,987

Financial statements 1 January 2017 - 31 May 2018

Balance sheet

DKK'000	Note	31/5 2018	31/12 2017
ASSETS			
Fixed assets			
Property, plant and equipment	8		
Land and buildings		9,277	18,702
Fixtures and fittings, tools and equipment		400	577
		<u>9,677</u>	<u>19,279</u>
Investments	9		
Equity investments in group entities		0	301
		<u>0</u>	<u>301</u>
Total fixed assets		<u>9,677</u>	<u>19,580</u>
Current assets			
Inventories			
Finished goods and goods for resale		5	18
		<u>5</u>	<u>18</u>
Receivables			
Trade receivables		42,946	11,017
Receivables from group entities		23,144	20,182
Other receivables		386	30
Deferred tax asset		2,513	2,241
Prepayments	10	3,357	4,501
		<u>72,346</u>	<u>37,971</u>
Cash at bank and in hand		<u>31,619</u>	<u>14,056</u>
Total current assets		<u>103,970</u>	<u>52,045</u>
TOTAL ASSETS		<u>113,647</u>	<u>71,625</u>

Financial statements 1 January 2017 - 31 May 2018

Balance sheet

DKK'000	Note	31/5 2018	31/12 2017
EQUITY AND LIABILITIES			
Equity			
Contributed capital		500	500
Reserve for net revaluation under equity method		0	107
Retained earnings		-3,432	305
Proposed dividends for the financial year		0	2,000
Total equity		-2,932	2,912
Provisions			
Provisions for equity investments in subsidiaries		14	0
Total provisions		14	0
Liabilities other than provisions			
Current liabilities other than provisions			
Prepayments received from customers	10	44,793	47,470
Trade payables		3,273	1,622
Payables to group entities		24,274	3,975
Corporation tax		31,324	367
Other payables		12,901	15,279
		116,565	68,713
Total liabilities other than provisions		116,565	68,713
TOTAL EQUITY AND LIABILITIES		113,647	71,625
Contractual obligations, contingencies, etc.			
	11		
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Financial statements 1 January 2017 - 31 May 2018

Statement of changes in equity

DKK'000

Equity at 1 January 2017
Ordinary dividends paid
Transferred over the profit
appropriation
Extraordinary dividends paid
Equity at 31 May 2018

	Contributed capital	Reserve for net revaluation under equity method	Retained earnings	Proposed dividends for the financial year	Proposed extraordinary dividends	Total
	500	107	303	2,000	0	2,910
	0	0	0	-2,000	0	-2,000
	0	-107	104,763	0	-108,498	-3,842
	0	0	-108,498	0	108,498	0
	500	0	-3,432	0	0	-2,932

Financial statements 1 January 2017 - 31 May 2018

Notes

1 Accounting policies

The annual report of Lessor A/S for 2017/18 has been prepared in accordance with the provisions applying to reporting class C medium-sized entities under the Danish Financial Statements Act.

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

Omission of consolidated financial statements

Pursuant to section 112(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared. The financial statements of Lessor A/S and group entities are included in the consolidated financial statements of Paycheck Inc, 911 Panorama Trail South, Rochester, New York 14625-2396.

Omission of cash flow statement

Pursuant to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared. The Company's cash flows are included in the cash flow statement in the consolidated financial statements of Paycheck Inc, 911 Panorama Trail South, Rochester, New York 14625-2396.

Foreign currency translation

The company's reporting currency is DKK, every other currency is considered as foreign exchange.

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency positions are considered as securing of future cash flows, revaluations are included directly in equity.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Fixed assets bought in foreign currency is measured to the exchange rates at the transaction date.

Income statement

Gross Profit

Pursuant to Section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross profit.

Revenue

Income from the sale of goods, comprising the sale of software and hardware etc., is recognised in revenue when delivery and transfer of risk to the buyer have taken place, and the income may be measured reliably and the economic benefits will be submitted to the company.

Financial statements 1 January 2017 - 31 May 2018

Notes

1 Accounting policies (continued)

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts granted are recognised in revenue.

Cost of sales

Cost of sales comprises costs incurred to generate revenue for the year. This item also comprises direct costs for goods for resale and changes to inventory of goods for resale.

Other external costs

Other external costs comprise distribution costs and costs related to sales, sales campaigns, administration, office premises, operating leases, etc.

Staff costs

Staff costs comprise wages and salaries also including salary related costs other than manufacturing wages.

Other operating income/costs

Other operating income and other operating costs comprise secondary items of financial position in relation to the company's main activity, including gains and losses on the sale of intangible and tangible fixed assets.

Income from equity investments in group entities

The proportionate share of the individual subsidiaries' profit/loss after tax is recognised in the Company's income statement after full elimination of intra-group gains/losses and amortisation of goodwill.

Financial income and expenses

Financial income and expenses are recognized in the income statement with the amounts relating to the financial year.

Tax on profit

The Company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. The subsidiaries are included in the joint taxation from the date when they are included in the consolidated financial statements and up to the date when they are excluded from the consolidation.

On payment of joint taxation contributions, current Danish corporation tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have used the losses to reduce their own taxable profit.

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

Financial statements 1 January 2017 - 31 May 2018

Notes

1 Accounting policies (continued)

Balance sheet

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and write-downs.

Cost includes the purchase price and costs directly related to the acquisition until the time when the asset is ready to be used.

Interest expenses on loans taken directly to finance the production of tangible fixed assets are recognized in the cost price over the manufacturing period. All indirectly attributable borrowing costs are recognized in the income statement.

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Buildings	100 years
Fixtures and fittings, tools and equipment	4-10 years

The useful life and residual value are reassessed annually.

Equity investments in group entities

Equity investments in group entities are recognized and measured using the equity value method.

In the balance sheet, under the item "Investments in subsidiaries", the proportionate share of the enterprise's net asset value is calculated on the basis of the fair value of the identifiable net assets at the date of acquisition with deduction or addition of unrealized intra-group gains or losses and plus the residual value of any added value and goodwill calculated at the time of acquisition of the companies.

The total net revaluation of equity investments in group entities is transferred through the profit allocation to "Reserve for net revaluation using the equity value method" under equity. The reserve is reduced by dividend payments to the parent company and adjusted with other equity movements in the group entities.

Equity investments in group entities with negative net asset values are measured at DKK 0, and any receivables from these entities are written down by an amount equivalent to the negative net asset value. To the extent that the negative net asset value exceeds the receivable, the residual amount is recognised as provisions.

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value.

The net realisable value of inventories is calculated as the sales amount less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and development in expected selling price.

Financial statements 1 January 2017 - 31 May 2018

Notes

1 Accounting policies (continued)

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments recognized as assets comprise prepaid costs relating to rent, insurance premiums, subscriptions and interest.

Equity

Dividends

The expected dividends payment for the year is disclosed as a separate item under equity.

Provisions

Provisions are recognized when the company as a result of an event occurred at the latest at the balance sheet date has a legal or actual obligation and it is probable that economic benefits must be paid in order to settle the obligation.

Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability. However, deferred tax is not recognised on temporary differences relating to goodwill non-deductible for tax purposes and on office premises and other items where the temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

Financial statements 1 January 2017 - 31 May 2018

Notes

1 Accounting policies (continued)

Liabilities other than provisions

Loans, such as mortgage loans and loans from credit institutions, are recognized at the time of borrowing at the received proceeds less transaction costs incurred. In subsequent periods, the loans are measured at amortized cost so that the difference between the proceeds and the nominal value is recognized in the income statement as an interest expense over the loan period.

Mortgage debt is thus measured at amortized cost, which for cash loans corresponds to the loan's residual debt. For bond loans, amortized cost corresponds to a residual debt calculated as the loan's underlying cash value at the date of borrowing, adjusted by a write-down of the loan's exchange rate adjustment at the time of acquisition.

Other liabilities are measured at amortized cost, which essentially equals nominal value.

Prepayments and deferred income

Prepayments recognized as liabilities consist of received payments relating to income in subsequent financial years.

2 Staff costs

	1/1 2017 – 31/5 2018	1/1 – 31/12 2016
DKK'000		
Wages and salaries	83,806	40,771
Pensions	7,795	4,742
Other social security costs	795	594
Other staff costs	6,046	2,864
	<u>98,442</u>	<u>48,971</u>
Average number of full-time employees	<u>86</u>	<u>76</u>

Staff costs of the Group and the Parent Company include remuneration of the Parent Company's Executive Board of DKK 3,087 thousand (2016: DKK 2,277 thousand).

3 Depreciation, amortisation and impairment

	1/1 2017 – 31/5 2018	1/1 – 31/12 2016
DKK'000		
Intangible assets	0	569
Property, plant and equipment	676	899
Impairment of buildings	3,869	0
	<u>4,545</u>	<u>1,468</u>

Financial statements 1 January 2017 - 31 May 2018

Notes

DKK'000	1/1 2017 – 31/5 2018	1/1 – 31/12 2016	
4 Financial income			
Interest income from group entities	165	5	
Other financial income	35	14	
	<u>200</u>	<u>19</u>	
5 Financial expenses			
Other financial costs	132	94	
	<u>132</u>	<u>94</u>	
6 Tax on profit for the year			
Current tax for the year	31,324	3,999	
Deferred tax for the year	-272	-183	
	<u>31,052</u>	<u>3,816</u>	
7 Proposed profit appropriation			
Extraordinary dividends paid	108,498	14,000	
Reserve for net revaluation under equity method	-107	107	
Proposed dividends for the year	0	2,000	
Retained earnings	-3,735	-3,120	
	<u>104,656</u>	<u>12,987</u>	
8 Property, plant and equipment			
DKK'000	Land and buildings	Fixtures and fittings, tools and equipment	Total
Cost at 1 January 2017	24,175	3,267	27,442
Additions for the year	0	186	186
Disposals for the year	-7,655	0	-7,655
Cost at 31 May 2018	<u>16,520</u>	<u>3,453</u>	<u>19,973</u>
Revaluations for the year	-2,500	0	-2,500
Revaluations at 31 May 2018	<u>-2,500</u>	<u>0</u>	<u>-2,500</u>
Depreciation and impairment losses at 1 January 2017	-5,472	-2,691	-8,163
Depreciation for the year	-314	-362	-676
Reversed depreciation and impairment losses on assets sold	1,043	0	1,043
Depreciation and impairment losses at 31 May 2018	<u>-4,743</u>	<u>-3,053</u>	<u>-7,796</u>
Carrying amount at 31 May 2018	<u>9,277</u>	<u>400</u>	<u>9,677</u>

Financial statements 1 January 2017 - 31 May 2018

Notes

9 Investments

	Equity investments in group entities
DKK'000	
Cost at 1 January 2017	194
Cost at 31 May 2018	194
Revaluations at 1 January 2017	107
Exchange adjustment	0
Net profit/loss for the year	-1,353
Dividends to the Parent Company	0
Equity investments with negative net asset value	1,052
Revaluations 31 May 2018	-194
Carrying amount at 31 May 2018	0

Name/legal form	Registered office	Voting rights and ownership interest	Equity	Loss for the year
Subsidiaries:			DKK'000	DKK'000
Lessor GmbH	Ratingen, Germany	100%	-1,052	-1,353
			-1,052	-1,353

The value of the subsidiary has been written down to zero, the negative amount has reduced the intercompany receivable to zero.

10 Prepayments

Prepayments relate to prepaid costs for rent, insurance and subscriptions and prepayments from customers.

11 Contractual obligations, contingencies, etc.

Contingent liabilities

The Group's Danish entities are jointly and severally liable for tax on the Group's jointly taxed income and for certain withholding taxes such as dividend tax and royalty tax. Any subsequent corrections of the taxable income subject to joint taxation or withholding taxes on dividends, etc., may entail an increase in the entities' liability. The Group as a whole is not liable to any other parties.

Financial statements 1 January 2017 - 31 May 2018

Notes

12 Mortgages and collateral

DKK'000	1/1 2017 – 31/5 2018	1/1 – 31/12 2016
Property, financial value	9,277	18,702
	9,277	18,702

13 Related party disclosures

Ownership

The following shareholders are registered in the Company's register of shareholders as holding a minimum of 5% of the votes or a minimum of 5% of the contributed capital:

Lessor Holding A/S, Engholm Parkvej 8, 3450 Allerød

Related party transactions

DKK'000	1/1 2017 – 31/5 2018	1/1 – 31/12 2016
Purchase of services from group enterprises	7,760	2,962
	7,760	2,962

Purchase of products and services are bought from group enterprises on normal commercial terms and conditions.

The Company's balances with group enterprises at May 31 2018 are recognized in the balance sheet. For Intercompany interest refer to note 4.

No transactions have been carried out with the Board of Directors, the Executive Management, senior employees, shareholders or other related parties, apart from ordinary remuneration cf. note 2.