



CHRISTENSEN
KJÆRULFF

PERSONLIGT ENGAGEMENT

STATSAUTORISERET
REVISIONSAKTIESELSKAB

CVR: 15 91 56 41

STORE KONGENSGADE 68
1264 KØBENHAVN K

TLF: 33 30 15 15
E-MAIL: CK@CK.DK
WEB: WWW.CK.DK

DANSCAN A/S

Søholm Park 1, 2900 Hellerup

Company reg. no. 29 71 53 19

Annual report

1 May 2018 - 30 April 2019

The annual report has been submitted and approved by the general meeting on the 6 March 2020.

Peter Adser
Chairman of the meeting

Notes:

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



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Management's report

The board of directors and the managing director have today presented the annual report of DANSCAN A/S for the financial year 1 May 2018 to 30 April 2019.

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

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position at 30 April 2019 and of the company's results of its activities in the financial year 1 May 2018 to 30 April 2019.

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

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

Hellerup, 6 March 2020

Managing Director

Peter Adser
Managing Director

Board of directors

Svend Christian Rimestad

Lars Rønsholt

Claus Adser

Lars Adser

Peter Adser



Independent auditor's report

To the shareholders of DANSCAN A/S

Opinion

We have audited the annual accounts of DANSCAN A/S for the financial year 1 May 2018 to 30 April 2019, which comprise accounting policies used, profit and loss account, balance sheet, statement of changes in equity and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 30 April 2019 and of the results of the company's operations for the financial year 1 May 2018 to 30 April 2019 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the below section "Auditor's responsibilities for the audit of the annual accounts". We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

The management's responsibilities for the annual accounts

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

In preparing the annual accounts, the management is responsible for evaluating the company's ability to continue as a going concern, and, when relevant, disclosing matters related to going concern and using the going concern basis of accounting when preparing the annual accounts, unless the management either intends to liquidate the company or to cease operations, or if it has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the annual accounts

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



Independent auditor's report

As part of an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark, we exercise professional evaluations and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the annual accounts, whether due to fraud or error, design and perform audit procedures in response 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 the risk of not detecting a misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the 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 by the management and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's preparation of the annual accounts being based on the going concern principle and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may raise significant doubt about 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 annual accounts 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 annual accounts, including the disclosures in the notes, and whether the annual accounts reflect 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 the internal control that we identify during our audit.

Statement on the management's review

The management is responsible for the management's review.

Our opinion on the annual accounts does not cover the management's review, and we do not express any kind of assurance opinion on the management's review.



Independent auditor's report

In connection with our audit of the annual accounts, our responsibility is to read the management's review and in that connection consider whether the management's review is materially inconsistent with the annual accounts or our knowledge obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, 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 believe that the management's review is in accordance with the annual accounts and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not find any material misstatement in the management's review.

Copenhagen, 6 March 2020

Christensen Kjarulff

Company reg. no. 15 91 56 41



John Mikkelsen
State Authorised Public Accountant
mne26748



Company data

The company	DANSCAN A/S Søholm Park 1 2900 Hellerup
	Company reg. no. 29 71 53 19 Established: 1 September 1969 Domicile: Gentofte Financial year: 1 May - 30 April
Board of directors	Svend Christian Rimestad Claus Adser Peter Adser Lars Rønsholt Lars Adser
Managing Director	Peter Adser, Managing Director
Auditors	Christensen Kjærulff Statsautoriseret Revisionsaktieselskab Store Kongensgade 68 1264 København K
Parent company	Adserbi A/S
Subsidiaries	BJØRN THORSEN A/S, Gentofte THORKILD LARSEN A/S, Slangerup Scandiflex Nordic A/S, Gentofte



Financial highlights

DKK in thousands.	<u>2018/19</u>	<u>2017/18</u>	<u>2016/17</u>	<u>2015/16</u>	<u>2014/15</u>
Profit and loss account:					
Gross profit	136	-59	-5	247	350
Results from operating activities	-69	-83	-14	-1.905	155
Net financials	16.146	15.609	15.769	13.512	14.906
Results for the year	15.753	15.271	15.415	11.803	14.854
Balance sheet:					
Balance sheet sum	184.182	162.823	147.666	135.364	126.936
Equity	183.832	162.623	147.352	135.105	126.298
Employees:					
Average number of full time employees	1	1	1	1	1
Key figures in %:					
Acid test ratio	25.401,7	41.806,9	22.208,4	23.064,3	14.185,6
Solvency ratio	99,8	99,9	99,8	99,8	99,5
Return on equity	9,1	9,9	10,9	9,0	11,9

The calculation of key figures and ratios follow the Danish Association of Finance Analysts' recommendations.



Management's review

The principal activities of the company

Like previous years, the principal activities are ownership of investments in subsidiaries.

Please refer to the consolidated financial statements for an explanation of the Group's policies on education, corporate social responsibility, etc.

Unusual matters

There have been no unusual matters during the year.

Uncertainties as to recognition or measurement

there has been no uncertainty in recognition or measurement during the year.

Development in activities and financial matters

The gross profit for the year is DKK 136.000 against DKK -59.000 last year. The results from ordinary activities after tax are DKK 15.753.000 against DKK 15.271.000 last year. The management consider the results satisfactory.

The expected development

For the consolidated group a positive development of the results of 2018/2019 is expected.

Events subsequent to the financial year

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



Profit and loss account 1 May - 30 April

All amounts in DKK.

<u>Note</u>	<u>2018/19</u>	<u>2017/18</u>
Gross profit	136.235	-58.849
1 Staff costs	-205.488	-24.608
Operating profit	-69.253	-83.457
Income from equity investments in group enterprises	14.603.891	14.369.673
2 Other financial income	1.542.275	1.239.426
Results before tax	16.076.913	15.525.642
Tax on ordinary results	-324.060	-254.298
3 Results for the year	15.752.853	15.271.344



Balance sheet 30 April

All amounts in DKK.

<u>Note</u>	<u>2019</u>	<u>2018</u>
Assets		
Fixed assets		
4 Equity investments in group enterprises	95.261.182	79.301.046
Financial fixed assets in total	<u>95.261.182</u>	<u>79.301.046</u>
Fixed assets in total	<u>95.261.182</u>	<u>79.301.046</u>
Current assets		
Amounts owed by group enterprises	30.583.562	34.551.790
Receivable corporate tax	32.033	0
Other debtors	2.198.933	1.224.999
5 Accrued income and deferred expenses	2.479	2.473
Debtors in total	<u>32.817.007</u>	<u>35.779.262</u>
Other securities and equity investments	24.170.884	23.585.918
Securities in total	<u>24.170.884</u>	<u>23.585.918</u>
Available funds	31.933.139	24.156.608
Current assets in total	<u>88.921.030</u>	<u>83.521.788</u>
Assets in total	<u>184.182.212</u>	<u>162.822.834</u>



Balance sheet 30 April

All amounts in DKK.

Equity and liabilities	2019	2018
<u>Note</u>	<u>2019</u>	<u>2018</u>
Equity		
Contributed capital	6.330.000	6.330.000
Reserves for net revaluation as per the equity method	84.335.799	68.171.968
Results brought forward	93.166.353	88.121.086
Equity in total	<u>183.832.152</u>	<u>162.623.054</u>
Liabilities		
Corporate tax	324.060	174.280
Other debts	26.000	25.500
Short-term liabilities in total	<u>350.060</u>	<u>199.780</u>
Liabilities in total	<u>350.060</u>	<u>199.780</u>
Equity and liabilities in total	<u>184.182.212</u>	<u>162.822.834</u>

6 Contingencies

7 Related parties



Statement of changes in equity

All amounts in DKK.

	<u>Contributed capital</u>	<u>Reserves for net revaluation as per the equity method</u>	<u>Results brought forward</u>	<u>In total</u>
Equity 1 May 2017	6.330.000	66.702.284	74.319.426	147.351.710
Share of results	0	1.469.684	13.801.660	15.271.344
Equity 1 May 2018	6.330.000	68.171.968	88.121.086	162.623.054
Share of results	0	10.703.831	5.049.022	15.752.853
Adjustment	0	5.460.000	-3.755	5.456.245
	6.330.000	84.335.799	93.166.353	183.832.152



Notes

All amounts in DKK.

	<u>2018/19</u>	<u>2017/18</u>
1. Staff costs		
Salaries and wages	150.176	0
Other staff costs	55.312	24.608
	<u>205.488</u>	<u>24.608</u>
Average number of employees	<u>1</u>	<u>1</u>
2. Other financial income		
Interest, banks	146	13
Interest, debt instruments	307.589	183.198
Interest, loans	7.500	7.500
Interest, group enterprises	642.074	763.025
Market value adjustment, securities that are current assets	555.096	285.356
Capital gain on loans	29.870	334
	<u>1.542.275</u>	<u>1.239.426</u>
3. Proposed distribution of the results		
Reserves for net revaluation as per the equity method	10.703.831	1.469.684
Allocated to results brought forward	5.049.022	13.801.660
	<u>15.752.853</u>	<u>15.271.344</u>



Notes

All amounts in DKK.

4. Equity investments in group enterprises

Acquisition sum, opening balance 1 May	11.069.089	11.069.089
Cost 30 April	11.069.089	11.069.089
Revaluations, opening balance 1 May	68.231.957	66.702.284
Results for the year before goodwill amortisation	14.600.136	14.369.673
Dividend	-4.100.000	-12.840.000
Adjustment	5.460.000	0
Revaluation 30 April	84.192.093	68.231.957
Book value 30 April	95.261.182	79.301.046

The financial highlights for the enterprises according to the latest approved annual reports

	Share of ownership	Equity DKK	Results for the year DKK	Book value at DANSCAN A/S DKK
BJØRN THORSEN A/S, Gentofte	80 %	87.390.188	14.342.098	69.912.150
THORKILD LARSEN A/S, Slangerup	80 %	20.640.405	3.519.084	18.960.698
Scandiflex Nordic A/S, Gentofte	100 %	6.388.333	266.885	6.388.334
		114.418.926	18.128.067	95.261.182

5. Accrued income and deferred expenses

Prepaid interest	2.479	2.473
	2.479	2.473



Notes

All amounts in DKK.

6. Contingencies

Joint taxation

Adserbi A/S, company reg. no 87 80 23 10 being the administration company, the company is subject to the Danish scheme of joint taxation and it is proportionally liable for tax claims within the joint taxation scheme.

The company is proportionally liable for any obligation to withhold tax on interest, royalties and dividends of the jointly taxed companies.

The liabilities amount to a maximum corresponding to that share of the company capital, which is owned directly or indirectly by the ultimate parent company.

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

7. Related parties

Controlling interest

Adserbi A/S
Dybensøvej 10
2830 Virum
Denmark

Majority shareholder

Consolidated annual accounts

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:

Adserbi A/S, Dybensøvej 10, 2830 Virum, Denmark



Accounting policies used

The annual report for DANSCAN A/S is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class C enterprises (medium sized enterprises).

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

No consolidated annual accounts have been prepared, cf. section 112(1) of the Danish Financial Statements Act. The annual accounts of DANSCAN A/S and its group enterprises are included in the consolidated annual accounts for ADSEBBI A/S, Lyngby-Taarbæk, CVR nr. 87 80 23 10.

Pursuant to section 86(4) of the Danish Financial Statements Act, no cash flow statement for the enterprise has been prepared, as the relevant information is included in the consolidated annual accounts of Adserbi A/S.

Recognition and measurement in general

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

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

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

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

Certain fixed asset investments and liabilities are measured at amortised cost, by which method a fixed, effective interest is recognised during the useful life of the asset or the liability. Amortised cost is recognised as the original cost with deduction of any payments and additions/deductions of the accrued amortisation of the difference between cost and nominal amount. In this way capital losses and capital profits are spread over the useful life.

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



Accounting policies used

The profit and loss account

Gross profit

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

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

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

Staff costs

Staff costs include salaries and wages including holiday allowances, pensions and other costs for social security etc. for staff members. Staff costs are less public reimbursements.

Net financials

Net financials comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the profit and loss account with the amounts that concern the financial year.

Interest and other costs concerning loans for financing the production of intangible and tangible fixed assets and concerning the production period are not recognised in the cost of the fixed asset.

Results from equity investments in group enterprises

After full elimination of intercompany profit or loss and deduction of amortisation of consolidated goodwill, the equity investment in the individual group enterprises are recognised in the profit and loss account at a proportional share of the group enterprises' results after tax.

Tax of the results for the year

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

The company is subject to the Danish legislation concerning compulsory joint taxation with the Danish group enterprises.

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



Accounting policies used

The balance sheet

Financial fixed assets

Equity investments in group enterprises

Equity investments in group enterprises are recognised in the balance sheet at a proportional share under the equity method, the value being calculated on the basis of the accounting policies of the parent company by the deduction or addition of unrealised intercompany profits and losses, and with the addition or deduction of residual value of positive or negative goodwill measured by applying the acquisition method.

Group enterprises and associated enterprises with negative equity are recognised without any value, and to the extent they are considered irrevocable, amounts owed by these companies are written down by the parent's share of the equity. If the negative equity exceeds the debtors, the residual amount is recognised under liability provisions to the extent the parent has a legal or actual liability to cover the negative equity of the subsidiary.

To the extent the equity exceeds the cost, the net revaluation of equity investments in group enterprises are transferred to the reserves under the equity for net revaluation as per the equity method. Dividends from group enterprises expected to be decided before the approval of this annual report are not subject to a limitation of the revaluation reserves. The reserves are adjusted by other equity movements in group enterprises.

Newly taken over or newly established companies are recognised in the annual accounts as of the time of acquisition. Sold or liquidated companies are recognised at the time of cession.

Profit or loss in connection with the sale of group enterprises are measured as the difference between the sales amount and the book value of net assets at the time of the sale, inclusive of remaining consolidated goodwill and expected costs for sale and cession. Profit and loss are recognised in the profit and loss account under net financials.

In connection with the acquisition of new group enterprises and associated enterprises, the acquisition method is applied, by which the acquirees' assets and liabilities are measured at fair value at the time of acquisition. Provisions for payment of costs for decided restructuring activities in the acquirees in relation to the acquisition are recognised. The tax effect of the revaluations carried out is taken into consideration.



Accounting policies used

Positive differences (goodwill) between cost and fair value of identifiable, acquired assets and liabilities, inclusive of liability provisions for restructuring, are recognised under equity investments in group enterprises, and they are amortised over their estimated useful life. The useful life is determined on the basis of the management's experience with the individual business areas. The amortisation period is maximum 20 years, being the longer for strategical acquirees with a strong market position and a long-range earnings potential. The book value of goodwill is evaluated currently and written down in the profit and loss account in those cases where the book value exceeds the expected future net income from the enterprise or the activity, to which the goodwill is attached.

Other securities and equity investments

Securities and equity investments recognised under fixed assets comprise listed bonds and shares which are measured at fair value on the balance sheet date. Listed securities are measured at market price.

Other unlisted securities are measured at cost. Writedown takes place to the recoverable amount, if this value is lower than the book value.

Debtors

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

Accrued income and deferred expenses

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

Securities and equity investments

Securities and equity investments recognised as current assets are measured at fair value on the balance sheet date.

Available funds

Available funds comprise cash at bank and in hand.

Equity

Reserves for net revaluation as per the equity method

Reserves for net revaluation as per the equity method comprise net revaluation of equity investments in subsidiaries and associates in proportion to cost.

The reserves may be eliminated in case of losses, realisation of equity investments or changes in the financial estimates.

It is not possible to recognise the reserves with a negative amount.



Accounting policies used

Corporate tax and deferred tax

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

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

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

Deferred tax assets, including the tax value of tax losses eligible for carry-over, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax.

Liabilities

Mortgage debt and bank debt are for instance measured at amortised cost. As to cash loans, this corresponds to the outstanding debt of the loan. For bond loans, the amortised cost corresponds to an outstanding debt calculated as the underlying cash value at the date of borrowing adjusted by amortisation of the market value adjustment on the date of the borrowing carried out over the repayment period.

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