LaboGene ApS

Bjarkesvej 5, 3540 Allerød

CVR no. 32 25 91 54

Annual report 2017

Approved at the Company's annual general meeting on 9 May 2018

Chairman:

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Niels Boel Sørensen

Building a better
working world

Contents

Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of LaboGene ApS for the financial year 1 January - 31 December 2017.

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

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2017 and of the results of the Company's operations for the financial year 1 January - 31 December 2017.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

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

Allerød, 9 May 2018
Executive Board:

Stig Lumbye
CEO

Board of Directors:

Niels Boel Sørensen Chairman	Susanne Lervad	Jan Sørensen

Independent auditor's report

To the shareholders of LaboGene ApS

Opinion

We have audited the financial statements of LaboGene ApS for the financial year 1 January - 31 December 2017, which comprise 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 financial position of the Company at 31 December 2017 and of the results of the Company's operations for the financial year 1 January - 31 December 2017 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

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 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 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 the 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.

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 note 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 Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 9 May 2018
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Peter Gath
State Authorised Public Accountant
MNE no.: mne19718

Kennet Hartmann
State Authorised Public Accountant
MNE no.: mne40036

Management's review

Company details

Name	LaboGene ApS
Address, Postal code, City	Bjarkesvej 5, 3540 Allerød
CVR no.	32 25 91 54
Established	4 June 2009
Financial year	1 January - 31 December
Telephone	+45 39 40 25 66
Board of Directors	Niels Boel Sørensen, Chairman Susanne Lervad Jan Sørensen
Executive Board	Stig Lumbye, CEO
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Osvald Helmuths Vej 4, P.O. Box 250, 2000 Frederiksberg, Denmark

Management's review

Business review

During the year, the principal activities of LaboGene ApS consisted of manufacturing, marketing and selling basic laboratory equipment for hospitals, the pharmaceutical industry, research institutions and other pharmaceutical companies working with animals, chemicals, microbiology, cytostatics, genetic products, etc.

The Company's products are marketed and sold all over the world, and the export share amounts to approx. 74%. The products are sold to the end users in the respective markets through a network of distributors.

The products are marketed and sold under the trademarks: ScanLaf (Laminar flow equipment), ScanVac (freeze drying equipment), ScanSpeed (centrifuges) and ScanCool (Ultra low temperature freezers).

Recognition and measurement uncertainties

No special circumstances have affected recognition and measurement.

In recognising and measuring assets and liabilities, any predictable losses and risks occurring prior to the presentation of the annual report that evidence conditions existing at the balance sheet date are taken into account. In the opinion of Management, no material uncertainties related to the recognition and measurement of assets and liabilities have therefore not been considered.

Financial review

The results realized by LaboGene ApS are less satisfactory.

In previous years, extensive turnaround measures were initiated in the Company with special focus on streamlining procurement, inventory management, logistics and production. The implementation of a new ERP system with fully integrated manufacturing capabilities was deployed January 1st , 2018.

In order to be competitive on the world market for laboratory equipment, LaboGene ApS invested a further substantial amount in developing new products starting in 2016, some of which will be launched in 2018. An amount of approximately DKK 2,9 million has been capitalized in the financial statements for 2017.

As described in note 2 to the financial statements, the Company has received a commitment of financing from the Parent Company, ScanLaf Holding A/S. At year-end 2017, The Parent Company waived the Company's debt amounting to DKK 3,1 million.

The total liquidity in LaboGene ApS has developed as expected.

Events after the balance sheet date

No significant events have occurred after the balance sheet date.

Management expects that, in 2018, the financing and equity base will be sufficient for LaboGene ApS to meet its liabilities for a period of at least 12 months after the balance sheet date due to commitment for financing from the Parent Company, ScanLaf Holding A/S.

Outlook

Management expects that, in 2018, the Company will further improve its earnings and results and that the Company will realize a small profit.

Financial statements 1 January - 31 December

Income statement

Note	DKK	2017	2016
	Revenue	56,657,770	55,998,685
	Cost of sales	-30,309,948	-31,382,709
	Other operating income	1,000,000	0
	Other external expenses	-8,866,190	-7,277,188
	Gross margin	18,481,632	17,338,788
3	Staff costs	-19,364,406	-19,061,279
4	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-1,035,489	-169,960
	Profit/loss before net financials	-1,918,263	-1,892,451
5	Financial income	7,473	9,814
6	Financial expenses	-803,323	-626,969
	Profit/loss before tax	-2,714,113	-2,509,606
7	Tax for the year	568,481	576,044
	Loss for the year	-2,145,632	-1,933,562

	Recommended appropriation of profit/loss		
	Reserve for development costs	2,122,698	1,541,249
	Retained earnings/accumulated loss	-4,268,330	-3,474,811
		-2,145,632	-1,933,562

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	2017	2016
	ASSETS		
	Fixed assets		
8	**Intangible assets**		
	Completed development projects	1,237,999	1,252,138
	Software	0	575,941
	Development projects in progress	2,921,517	853,347
		4,159,516	2,681,426
9	**Property, plant and equipment**		
	Land and buildings held for sale	0	4,257,000
	Other fixtures and fittings, tools and equipment	418,561	244,618
	Leasehold improvements	606,887	0
		1,025,448	4,501,618
10	**Investments**		
	Deposits	899,774	0
		899,774	0
	Total fixed assets	6,084,738	7,183,044
	Non-fixed assets		
	Inventories		
	Raw materials and consumables	4,865,767	5,584,762
	Work in progress	605,286	634,587
	Finished goods and goods for resale	1,370,696	1,405,177
		6,841,749	7,624,526
	Receivables		
	Trade receivables	6,720,625	10,122,073
	Deferred tax assets	574,638	226,668
	Joint taxation contribution receivable	220,511	349,376
	Other receivables	807,361	325,863
		8,323,135	11,023,980
	Cash	946,651	346,920
	Total non-fixed assets	16,111,535	18,995,426
	TOTAL ASSETS	22,196,273	26,178,470

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	2017	2016
	EQUITY AND LIABILITIES		
	Equity		
	Share capital	125,000	125,000
	Reserve for development costs	3,663,947	1,541,249
	Retained earnings	-1,208,928	-139,184
	Total equity	2,580,019	1,527,065
	Provisions		
	Other provisions	500,000	500,000
	Total provisions	500,000	500,000
	Liabilities other than provisions		
	Non-current liabilities other than provisions		
	Mortgage debt	0	1,840,001
		0	1,840,001
	Current liabilities other than provisions		
	Current portion of long-term liabilities	0	108,307
	Bank debt	13,024,273	11,761,513
	Trade payables	3,045,797	5,827,382
	Payables to group entities	0	2,007,111
	Other payables	2,781,184	2,607,091
	Prepayments received	265,000	0
		19,116,254	22,311,404
	Total liabilities other than provisions	19,116,254	24,151,405
	TOTAL EQUITY AND LIABILITIES	22,196,273	26,178,470

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Statement of changes in equity

DKK	Share capital	Reserve for development costs	Retained earnings	Total
Equity at 1 January 2017	125,000	1,541,249	-139,184	1,527,065
Transfer through appropriation of loss	0	2,122,698	-4,268,330	-2,145,632
Contribution from group	0	0	3,198,586	3,198,586
Equity at 31 December 2017	125,000	3,663,947	-1,208,928	2,580,019

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of LaboGene ApS for 2017 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

The accounting policies applied by the Company are consistent with those of last year.

Basis of recognition and measurement

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the Company and the value of the asset can be reliably measured.

Liabilities are recognised in the balance sheet when an outflow of economic benefits is probable and when the liability can be reliably measured.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described below for each individual item.

Certain financial assets and liabilities are measured at amortised cost implying the recognition of a constant effective interest rate to maturity. Amortised cost is calculated as initial cost minus any principal repayments and plus or minus the cumulative amortisation of any difference between cost and nominal amount.

In recognising and measuring assets and liabilities, any gains, losses and risks occurring prior to the presentation of the annual report that evidence conditions existing at the balance sheet date are taken into account.

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities measured at fair value or amortised cost. Equally, costs incurred to generate the year's earnings are recognised, including depreciation, amortisation, impairment losses and provisions as well as reversals as a result of changes in accounting estimates of amounts which were previously recognised in the income statement.

Reporting currency

The financial statements are presented in Danish kroner (DKK).

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate 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.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate 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 most recent financial statements is recognised in the income statement as financial income or financial expenses.

Leases

Leases that do not transfer substantially all the risks and rewards incident to the ownership to the Company are classified as operating leases. Payments relating to operating leases and any other rent agreements are recognised in the income statement over the term of the lease. The Company's aggregate liabilities relating to operating leases and other rent agreements are disclosed under "Contingent liabilities".

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Income statement

Revenue

Income from the sale of goods for resale and finished goods is recognised in revenue when transfer of the most significant rewards and risks to the buyer has taken place and provided that the income can be reliably measured and payment is expected to be received. The date of the transfer of the most significant rewards and risks is based on standardised terms of delivery based on Incoterms® 2010.

All discounts and rebates granted are recognised in revenue.

Other operating income

Other operating income comprise items of a secondary nature relative to the Company's core activities.

Cost of sales

Cost of sales includes the cost of goods used in generating the year's revenue.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

Amortisation/depreciation and impairment

The item comprises amortisation/depreciation and impairment of intangible assets and property, plant and equipment.

The cost net of the expected residual value for completed development projects and acquired IP rights is amortised over the expected useful life. Acquired IP rights include software.

The basis of amortisation/depreciation, which is calculated as cost less any residual value, is amortised/depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Completed development projects	3 years
Software	3 years
Buildings	25 years
Other fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	5-8 years

Land is not depreciated.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial reporting period. The items comprise interest income and expenses, e.g. from group entities and associates, declared dividends from other securities and investments, financial expenses relating to finance leases, realised and unrealised capital gains and losses relating to other securities and investments, exchange gains and losses and amortisation of financial assets and liabilities.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The Company and its Danish group entities are jointly taxed. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Balance sheet

Intangible assets

Intangible assets include development projects in progress.

Intangible assets are measured at cost less accumulated amortisation and impairment losses.

Development costs comprise expenses, salaries and amortisation directly or indirectly attributable to development activities.

Development projects that are clearly defined and identifiable, where the technical feasibility, sufficient resources and a potential future market or development opportunities are identifiable and where the Company intends to produce, market or use the project, are recognised as intangible assets provided that the cost can be measured reliably and that there is sufficient assurance that future earnings can cover production costs, selling costs and administrative expenses and development costs. Other development costs are recognised in the income statement as incurred.

Development costs that are recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

On completion of a development project, development costs are amortised on a straight-line basis over the estimated useful life. The amortisation period is 3 years.

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

As regards self-produced fixed assets, the cost includes the cost of materials and labour, etc., directly relating to the production.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses.

Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments in subsidiaries and associates is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

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 expenses required to effect the sale and is determined taking into account marketability, obsolescence and development in the expected selling price.

The cost of raw materials and consumables comprises the cost of acquisition plus delivery costs.

The cost of finished goods and work in progress includes the cost of raw materials, consumables, direct labour and indirect production overheads.

Production overheads comprise the indirect cost of material and labour as well as maintenance and amortisation/depreciation of intangible assets and property, plant and equipment used in the production process.

Goods for resale are measured at cost, which comprises the cost of acquisition plus delivery costs as well as other expenses directly attributable to the acquisition.

Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Equity

Reserve for development costs

The reserve for development costs comprises recognised development costs. The reserve cannot be used to distribute dividends or cover losses. The reserve will be reduced or dissolved if the recognised development costs are no longer part of the Company's operations by a transfer directly to the distributable reserves under equity.

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Provisions

Provisions comprise anticipated expenses relating to warranty commitments. Provisions are recognised when the Company has a legal or constructive obligation at the balance sheet date as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Warranties comprise obligations to make good any defects within the warranty period of 2 years. Provisions for warranties are measured at net realisable value and recognised based on past experience. Provisions that are estimated to mature more than one year after the balance sheet date are discounted at the average bond yields.

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to 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. Deferred tax assets are recognised at the expected value of their utilisation; 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. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

Financial statements 1 January - 31 December

Notes to the financial statements

1 **Accounting policies (continued)**

Prepayments received

Prepayments received recognised as a liability comprises discounts received concerning rent for subsequent financial reporting years.

2 **Capital resources**

Owing to the outlook for the coming year, the future cash flows and the commitment for financing from ScanLaf Holding A/S of the Company's operations and necessary investments in the coming years through bridge financing with group enterprises, in the opinion of the Executive Board, it is appropriate to base the financial reporting on the going concern assumption.

	DKK	2017	2016
3	**Staff costs**		
	Wages/salaries	18,575,311	18,320,899
	Pensions	591,503	564,217
	Other social security costs	197,592	176,163
		19,364,406	19,061,279
	Average number of full-time employees	40	41
4	**Amortisation/depreciation and impairment of intangible assets and property, plant and equipment**		
	Amortisation of intangible assets	920,684	707,737
	Depreciation of property, plant and equipment	114,805	147,916
	Impairment of property, plant and equipment	0	-685,693
		1,035,489	169,960
5	**Financial income**		
	Other financial income	7,473	9,814
		7,473	9,814
6	**Financial expenses**		
	Interest expenses, group entities	91,475	7,111
	Other financial expenses	711,848	619,858
		803,323	626,969
7	**Tax for the year**		
	Estimated tax charge for the year	-568,481	-576,044
		-568,481	-576,044

The estimated tax charge for the year include tax refunds between jointly taxed entities.

Financial statements 1 January - 31 December

Notes to the financial statements

8 Intangible assets

DKK	Completed development projects	Software	Development projects in progress	Total
Cost at 1 January 2017	1,878,208	689,902	853,347	3,421,457
Additions in the year	0	674,848	2,892,382	3,567,230
Disposals in the year	0	-1,364,750	0	-1,364,750
Transfer from other accounts	824,212	0	-824,212	0
Cost at 31 December 2017	2,702,420	0	2,921,517	5,623,937
Impairment losses and amortisation at 1 January 2017	626,070	113,961	0	740,031
Amortisation/depreciation in the year	838,351	82,333	0	920,684
Amortisation/depreciation and impairment of disposals in the year	0	-196,294	0	-196,294
Impairment losses and amortisation at 31 December 2017	1,464,421	0	0	1,464,421
Carrying amount at 31 December 2017	1,237,999	0	2,921,517	4,159,516

Financial statements 1 January - 31 December

Notes to the financial statements

9 Property, plant and equipment

DKK	Land and buildings held for sale	Other fixtures and fittings, tools and equipment	Leasehold improvements	Total
Cost at 1 January 2017	7,251,699	1,025,502	0	8,277,201
Additions in the year	0	335,328	615,422	950,750
Disposals in the year	-7,251,699	-652,243	0	-7,903,942
Cost at 31 December 2017	0	708,587	615,422	1,324,009
Impairment losses and depreciation at 1 January 2017	2,994,699	780,884	0	3,775,583
Amortisation/depreciation in the year	11,700	94,570	8,535	114,805
Reversal of prior-year impairment losses	-3,006,399	0	0	-3,006,399
Reversal of amortisation/depreciation and impairment of disposals	0	-585,428	0	-585,428
Impairment losses and depreciation at 31 December 2017	0	290,026	8,535	298,561
Carrying amount at 31 December 2017	0	418,561	606,887	1,025,448

10 Investments

DKK	Deposits
Cost at 1 January 2017	0
Additions in the year	899,774
Cost at 31 December 2017	899,774
Carrying amount at 31 December 2017	899,774

11 Contractual obligations and contingencies, etc.

Other contingent liabilities

The Company is jointly taxed with its ultimate parent, Kontiki Holding ApS, which acts as management company, and is jointly and severally liable with other jointly taxed group entities for payment of income taxes.

Other financial obligations

Rent and lease liabilities include a rent obligation totalling DKK 12,222 thousand in interminable rent agreements with remaining contract terms of 92 months. Furthermore, the Company has liabilities under operating leases for cars, IT and production equipment, totalling DKK 907 thousand, with remaining contract terms up to 36 months.

Financial statements 1 January - 31 December

Notes to the financial statements

12 **Collateral**

A company charge in the form of ordinary debt, tools and equipment was provided as collateral for bank debt of DKK 13,024 thousand, however, limited to DKK 6,000 thousand.

13 **Related parties**

Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
Kontiki Holding ApS	Lindevej 14, 1877 Frederiksberg C	A copy of the consolidated financial statements can be obtained from the Company.

Ownership

The following shareholders are registered in the Company's register of shareholders as holding minimum 5% of the share capital:

Name	Domicile
ScanLaf Holding A/S	Bjarkesvej 5, 3450 Allerød