

DMK Kolding A/S
Haderslevvej 140
6000 Kolding
Business Registration No
34353905

Annual report 2018

The Annual General Meeting adopted the annual report on 25.06.2019

Chairman of the General Meeting

Name: Imad Mousa Kadhim Al-Mousa

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Entity details

Entity

DMK Kolding A/S
Haderslevvej 140
6000 Kolding

Central Business Registration No (CVR): 34353905

Registered in: Kolding

Financial year: 01.01.2018 - 31.12.2018

Board of Directors

Imad Mousa Kadhim Al-Mousa
Ayad Musa Kazem Al-Mosawi
Haider Faris Hussein

Executive Board

Ayad Musa Kazem Al-Mosawi

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Dokken 8
Postbox 200
6701 Esbjerg

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of DMK Kolding A/S for the financial year 01.01.2018 - 31.12.2018.

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 Entity's financial position at 31.12.2018 and of the results of its operations for the financial year 01.01.2018 - 31.12.2018.

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

We recommend the annual report for adoption at the Annual General Meeting.

Kolding, 25.06.2019

Executive Board

Ayad Musa Kazem Al-Mosawi

Board of Directors

Imad Mousa Kadhim Al-Mousa

Ayad Musa Kazem Al-Mosawi

Haider Faris Hussein

Independent auditor's extended review report

To the shareholders of DMK Kolding A/S

Conclusion

We have performed an extended review of the financial statements of DMK Kolding A/S for the financial year 01.01.2018 - 31.12.2018, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Based on our extended review, in our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2018 and of the results of its operations for the financial year 01.01.2018 - 31.12.2018 in accordance with the Danish Financial Statements Act.

Basis for conclusion

We conducted our extended review in accordance with the assurance engagement standard for small enterprises as issued by the Danish Business Authority and the standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act as issued by FSR - Danish Auditors. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review of the financial statements". We are independent of the Entity 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 Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the extended review of the financial statements

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures to obtain limited assurance about our conclusion on the financial statements and that we also perform specifically required supplementary procedures for the purpose of obtaining additional assurance about our conclusion.

An extended review consists of making inquiries, primarily of management and, if appropriate, of other entity personnel, performing analytical and the specifically required supplementary procedures as well as evaluating the evidence obtained.

Independent auditor's extended review report

The procedures performed in an extended review are less in scope than in an audit, and accordingly we do not express an audit opinion on the financial statements.

Statement on the management commentary

Management is responsible for the management commentary.

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

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

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

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

Esbjerg, 25.06.2019

Deloitte

Statsautoriseret Revisionspartnerselskab
Central Business Registration No (CVR) 33963556

Anders Rasmussen
State Authorised Public Accountant
Identification No (MNE) mne34316

Management commentary

Primary activities

The Company's purpose is to sell medicine and medical equipment and other related services.

Development in activities and finances

The Company's loss is DKK 519k, which isn't satisfying.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK</u>
Gross profit		546.749	3.237.632
Staff costs	1	(1.216.970)	(1.552.455)
Depreciation, amortisation and impairment losses	2	<u>(22.797)</u>	<u>(18.997)</u>
Operating profit/loss		(693.018)	1.666.180
Other financial income	3	34.059	122.194
Other financial expenses		<u>(5.883)</u>	<u>(1.563)</u>
Profit/loss before tax		(664.842)	1.786.811
Tax on profit/loss for the year	4	<u>146.000</u>	<u>(396.202)</u>
Profit/loss for the year		<u>(518.842)</u>	<u>1.390.609</u>
Proposed distribution of profit/loss			
Retained earnings		<u>(518.842)</u>	<u>1.390.609</u>
		<u>(518.842)</u>	<u>1.390.609</u>

Balance sheet at 31.12.2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK</u>
Land and buildings		3.651.460	3.674.257
Property, plant and equipment	5	<u>3.651.460</u>	<u>3.674.257</u>
Investments in group enterprises		454.060	0
Fixed asset investments	6	<u>454.060</u>	<u>0</u>
Fixed assets		<u>4.105.520</u>	<u>3.674.257</u>
Trade receivables		1.126.697	1.404.892
Receivables from group enterprises		74.310	1.580.664
Deferred tax	7	129.000	0
Other receivables		32.192	121.908
Receivables		<u>1.362.199</u>	<u>3.107.464</u>
Cash		<u>344.989</u>	<u>11.338</u>
Current assets		<u>1.707.188</u>	<u>3.118.802</u>
Assets		<u>5.812.708</u>	<u>6.793.059</u>

Balance sheet at 31.12.2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK</u>
Contributed capital		500.000	500.000
Retained earnings		<u>4.389.450</u>	<u>4.908.292</u>
Equity		<u>4.889.450</u>	<u>5.408.292</u>
Deferred tax	7	<u>0</u>	<u>17.000</u>
Provisions		<u>0</u>	<u>17.000</u>
Bank loans		0	29.121
Payables to group enterprises		448.858	716.685
Payables to shareholders and management		242.677	20.895
Joint taxation contribution payable		0	387.202
Other payables		<u>231.723</u>	<u>213.864</u>
Current liabilities other than provisions		<u>923.258</u>	<u>1.367.767</u>
Liabilities other than provisions		<u>923.258</u>	<u>1.367.767</u>
Equity and liabilities		<u>5.812.708</u>	<u>6.793.059</u>
Assets charged and collateral	8		

Statement of changes in equity for 2018

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	500.000	4.908.292	5.408.292
Profit/loss for the year	0	(518.842)	(518.842)
Equity end of year	500.000	4.389.450	4.889.450

Notes

	2018	2017
	DKK	DKK
1. Staff costs		
Wages and salaries	1.191.930	1.491.502
Other social security costs	22.756	33.557
Other staff costs	2.284	27.396
	<u>1.216.970</u>	<u>1.552.455</u>
Average number of employees	<u>3</u>	
	2018	2017
	DKK	DKK
2. Depreciation, amortisation and impairment losses		
Depreciation of property, plant and equipment	22.797	18.997
	<u>22.797</u>	<u>18.997</u>
	2018	2017
	DKK	DKK
3. Other financial income		
Financial income arising from group enterprises	32.450	47.539
Exchange rate adjustments	1.609	74.655
	<u>34.059</u>	<u>122.194</u>
	2018	2017
	DKK	DKK
4. Tax on profit/loss for the year		
Current tax	0	387.202
Change in deferred tax	(146.000)	9.000
	<u>(146.000)</u>	<u>396.202</u>

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, changes in inventories of finished goods, other operating income, and consumables and external expenses.

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Accounting policies

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities, including administration fees.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Amortisation, depreciation and impairment losses relating to property, plant and equipment comprise amortisation, depreciation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of property, plant and equipment.

Other financial income

Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, net capital gains on securities, payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses and payables and transactions in foreign currencies.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Balance sheet

Property, plant and equipment

Land and building are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

Accounting policies

Interest expenses on loans for the financing of the manufacture of property, plant and equipment are included in cost if they relate to the manufacturing period. All other finance costs are recognised in the income statement.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Buildings	50 years
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Estimated useful lives and residual values are reassessed annually.

Investments in group enterprises

Investments in group enterprises are measured at cost and are written down to the lower of recoverable amount and carrying amount.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Cash

Cash comprises cash in bank deposits.

Other financial liabilities

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

Joint taxation contributions payable or receivable

Current joint taxation contributions receivable or joint taxation contributions payable are recognised in the balance sheet, calculated as tax computed on the taxable income of the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.