MAZARS

Erhvervsstyrelsen

MWH AF 2015 APS

Annual Report for the period 1 January – 31 December 2019 (5th financial year)

The Annual Report was presented and adopted at the Company's annual general meeting, held on 24 August 2020

John Korsø Jensen
Chairman of the meeting

CVR-no. 36 96 68 90

MIDTERMOLEN 1, 2. TV - 2100 KØBENHAVN Ø
TEL: +45 35 26 52 22 - E-MAIL: INFO@MAZARS.DK - WWW.MAZARS.DK
CVR-NR. 31061741 - KØBENHAVN

MAZARS
STATSAUTORISERET REVISIONSPARTNERSELSKAB

COMPANY INFORMATION

The Company:	MWH af 2015 ApS Staktoften 16 2950 Vedbæk	
	Telephone:	+45 45 89 01 33
	Fax:	+45 45 89 31 55
	Homepage:	www.multi-wing.com
	E-mail:	info@multi-wing.com
	CVR-no.	36 96 68 90
	Date of foundation:	29 April 2016
	Registered office:	Rudersdal
	Financial year:	1 January – 31 December
Board of Directors:	John Korsø Jensen (chairman) Annette Bernhoft Andersen Jesper Bernhoft	
Board of Executives:	Daniel Williams	
Audit:	MAZARS, statsautoriseret revisionspartnerselskab Midtermolen 1, 2 tv. 2100 København Ø	

TABLE OF CONTENT

STATEMENT BY MANAGEMENT

The Board of Directors and Board of Executives have today presented and adopted the Annual Report of MWH af 2015 ApS for 2019.

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

In our opinion, the Consolidated Financial Statements and the Financial Statements gives a true and fair view of the Company's and Group's financial position at 31 December 2019 and of the results of its operations and cash flows for the financial year 1 January – 31 December 2019.

In our opinion the management report contains a fair statement of the matters under review.

The Annual Report is submitted for adoption by the general meeting.

Vedbæk, 24 August 2020

Board of Executives:

Daniel Williams

Board of directors:

John Korsø Jensen (Chairman)

Annette Bernhoft Andersen

Jesper Bernhoft

INDEPENDENT AUDITOR'S REPORTS

To the shareholders of MWH af 2015 ApS

Opinion

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of MVH af 2015 ApS for the financial year 1 January – 31 December 2019, which comprise an income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policies, for both the Group and the Parent Company, as well as consolidated statement of cash flows. The Consolidated Financial Statements and the Parent Company Financial Statements are prepared under the Danish Financial Statements Act.

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

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and Parent Company Financial Statements" section of our report. We are independent of the Group 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 audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Consolidated Financial Statements and the Financial Statements

Management is responsible for the preparation of Consolidated Financial Statements and Parent Company 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 Consolidated Financial Statements and Parent Company Financial Statements that are free from material misstatement, whether due to fraud or error. In preparing the Consolidated Financial Statements and Parent Company Financial Statements, Management is responsible for assessing the Group's and the Parent 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 Consolidated Financial Statements and Parent Company Financial Statements unless Management either intends to liquidate the Group or the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and Parent Company Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements and Parent Company Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements and Parent Company Financial Statements As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

INDEPENDENT AUDITOR'S REPORT, continued

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements and Parent 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.
- 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 Group's and the Parent 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 Consolidated Financial Statements and Parent Company 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 Group's and the Parent 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 Consolidated Financial Statements and Parent Company 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 Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Consolidated Financial Statements and Parent Company Financial Statements, including the disclosures, and whether the Consolidated Financial Statements and Parent Company Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient and appropriate audit evidence regarding the financial information for the Group's entities or business activities to express an opinion on the consolidated financial statements. We are responsible for directing, supervising, and conducting the audit of the Group. We alone are responsible for our audit opinion. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on Management's Review

Management is responsible for Management's Review.

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

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

INDEPENDENT AUDITOR'S REPORT, continued

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

Based on the work we have performed, we conclude, that Management's Review is in accordance with the Consolidated Financial Statements and Parent Company 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 Management's Review.

Copenhagen, 24 August 2020
MAZARS
statsautoriseret revisionspartnerselskab
CVR no. 31 06 17 41

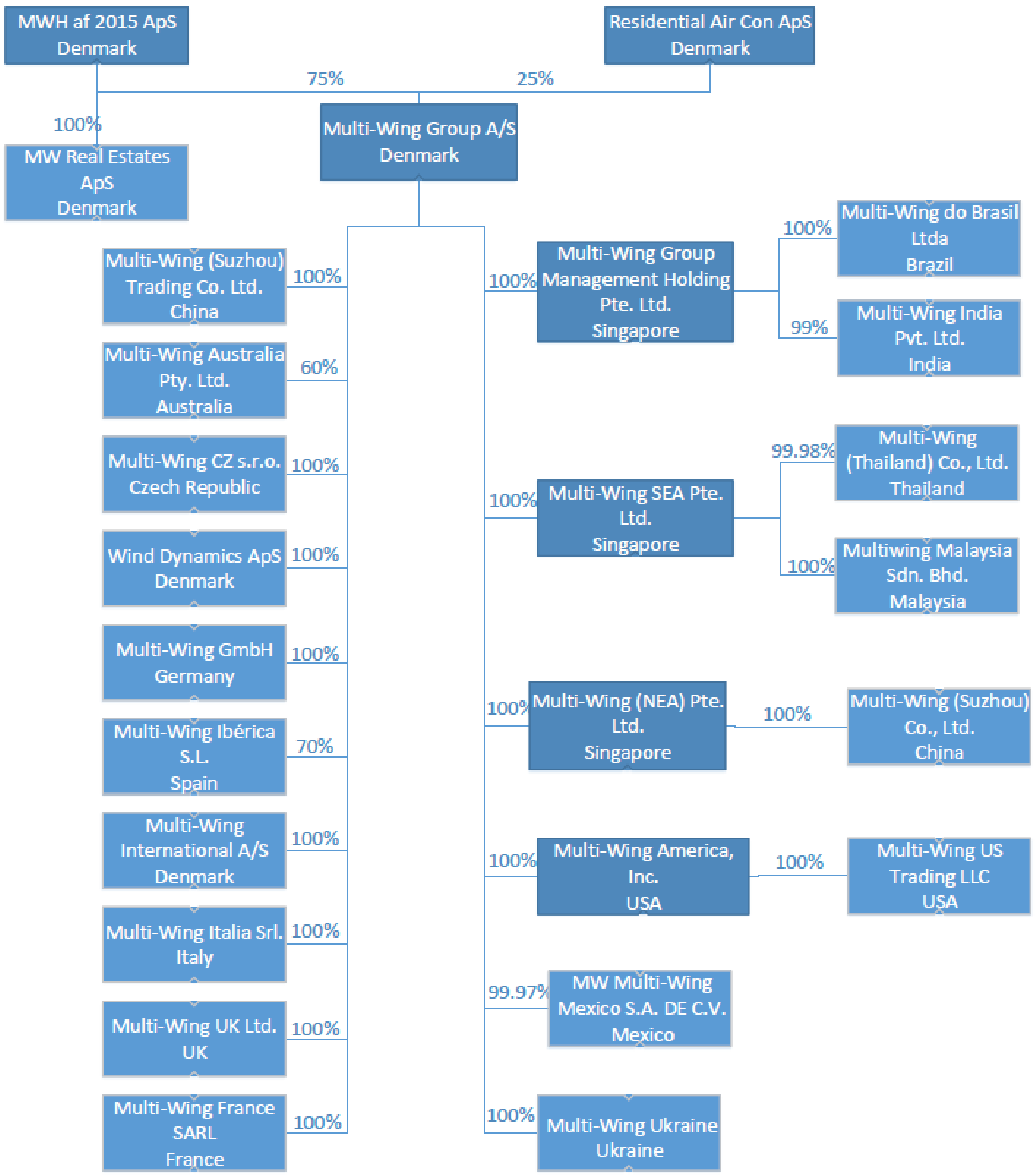
Kurt Christensen
statsautoriseret revisor
(State-authorised public accountant)
MNE-no. mne26824

FINANCIAL HIGHLIGHTS AND RATIO’S FOR THE GROUP

	2019	2018	2016	2015	2014
	DKK million	DKK million	DKK million	DKK million	DKK million
Income statement					
Revenue	501,1	396,3	348,7	293,1	302,2
Gross margin	243,9	184,1	168,9	132,2	129,5
Operating result	79,4	73,5	63,2	40,8	41,7
Financials, net	-2,2	-3	-7,3	-1,7	-5,9
Profit / loss for the year	53,0	52,7	42,3	29,4	26,3
Balance sheet					
Investment in property, plant and equipment	35,0	13,8	12,7	33,6	16,0
Total balance	555,6	347,0	304,2	274,2	247,3
Equity	221,3	209,2	177,1	152,8	130,6
Ratios in %					
Return on invested capital	33.5 %	39.3 %	36.7 %	29.6 %	36.8 %
Return on equity	24.6 %	27.3 %	25.6 %	20.7 %	21.1 %

For definition, see section on accounting policies.

GROUP CHART


MWH af 2015 ApS Denmark
Residential Air Con ApS Denmark
75%
25%
100%
MW Real Estates ApS Denmark
Multi-Wing Group A/S Denmark
Multi-Wing (Suzhou) Trading Co. Ltd. China
100%
Multi-Wing Australia Pty. Ltd. Australia
60%
Multi-Wing CZ s.r.o. Czech Republic
100%
Wind Dynamics ApS Denmark
100%
Multi-Wing GmbH Germany
100%
Multi-Wing Ibérica S.L. Spain
70%
Multi-Wing International A/S Denmark
100%
Multi-Wing Italia Srl. Italy
100%
Multi-Wing UK Ltd. UK
100%
Multi-Wing France SARL France
100%
100%
Multi-Wing Group Management Holding Pte. Ltd. Singapore
100%
Multi-Wing do Brasil Ltda Brazil
99%
Multi-Wing India Pvt. Ltd. India
100%
Multi-Wing SEA Pte. Ltd. Singapore
99.98%
Multi-Wing (Thailand) Co., Ltd. Thailand
100%
Multiwing Malaysia Sdn. Bhd. Malaysia
100%
Multi-Wing (NEA) Pte. Ltd. Singapore
100%
Multi-Wing (Suzhou) Co., Ltd. China
100%
Multi-Wing America, Inc. USA
100%
Multi-Wing US Trading LLC USA
99.97%
MW Multi-Wing Mexico S.A. DE C.V. Mexico
100%
Multi-Wing Ukraine Ukraine

MANAGEMENT REVIEW

Business Activities

The Multi-Wing Group develops, design, produce, markets, sells and supplies a flexible and modular variety of axial impellers utilized in engine cooling, commercial refrigeration, industrial ventilation, and HVAC applications.

The activities include now axial impellers, as well as a service line for these and related replacement parts.

The year at a glance and follow-up on expectations expressed last year

The Financial Statements of the Group reflects an increase in net sales of 26 % compared to the previous year. The operating result affected by the significant on-off acquisition cost grew with 9 %. Profit before tax and net result for the year improved with 9 % and 1 % respectively. All markets experienced an increase in sales.

As part of the continuing strategic consolidation of its activities the Group succeeded in acquiring the former distributer in the US. The acquisition was concluded beginning of the year and as expected it has led to an significant increase in the turnover of the Group, but also as expected the net result of the year is almost unchanged, partly due to increased amortization of goodwill but also due to changes in Management, as the former owners has retired as part of the transaction. Including this new entity in the Multi-Wing Group, brand and systems is ongoing and is expected to be seamless.

At the end of December 2019, the Group also acquired the remaining 30 % of shares in Multi-Wing (NEA) Pte., Ltd., Singapore from the minority shareholder.

In total 2019 is considered a very satisfying year affected mainly by stable development in the existing markets and the acquisitions of Multi-Wing America and the minority post in Multi-Wing North East Asia.

Uncertainty relating to recognition and measurement

There is no uncertainty related to recognition and measurement.

Unusual matters

No unusual matters have affected the Financial Statements for 2019.

Outlook

The outlook for 2020 is that we expect that the sales of components to the mature markets will be significantly lower compared to 2019, we expect especially the North American and the European markets to be affected. Earnings are expected to remain at almost same rate as there are no expectations to increases in raw materials.

It is expected that 2020 will be a year where the Group will continue to participate in various development projects with large global customer and research institutes. It is a resource consuming process and will also involve a significant opportunity for close a long-lasting cooperation.

Like all development projects, they are subjected to external factors like demands and supply, regulatory developments and resources that cannot be predicted with any certainty. For example, the success depends on many factors such as oil pricing and not least whether the final applications can meet the new US and EU standards.

The Company is expected to make major investments in 2020. These investments will be capital-intensive, and their implementation will require vast internal resources. 2020 will be a year placing high demands on the organization's flexibility and ability to adapt.

Knowledge resources

With the ambition to be market leader the Group consistently focuses on having a highly skilled workforce in order to be at the forefront of the latest technologies in its core competency areas. The Group's main objective is to work with innovative approaches that will improve and streamline the Group's interaction with customers.

Special risks

Price risks

The impeller components are cast in aluminium and engineered thermoplastics. Both markets are relatively volatile and are especially sensitive to increasing oil prices and, to some extent, the development of the USD exchange rate.

MANAGEMENT REVIEW, continued

Currency and interest-rate risks

Since the Group is increasingly doing business in foreign currencies, it assumes a growing currency risk. The risk has grown with the acquisition in US caused by the dollar exposure in the financing hereof.

The Group's interest-rate risks are limited at balance sheet date.

Research and development activities

The Group has ongoing development projects, which are derived from the expectations of future demand as well as the potential development of the technology involved.

The major part of development projects is related to the development of new types of fans with a particular focus on noise reduction and energy optimization. The projects are proceeding as planned and expected to be completed within 1 to 5 years. The increased demands for environmental impact in both the US and the EU mean that there is increased focus and demand for this type of fans.

Environmental performance

Multi-Wing Group is environmentally conscious and is working at reducing the environmental impact of the Group's activities. It is the Group's policy to use "less damaging" products.

Driven by regulators demands and expectations of the customers, the Group has a constant focus on energy optimization of the solutions. Our impellers are (among) the most efficient within our business segments which is also considered to have a positive environmental impact of the industries to which the impellers are supplied.

Business model

The Group's main activities are to develop, produce and supply components and spare parts for axial impellers utilized in engine cooling and HVAC applications.

Production is outsourced to suppliers whereas customization and assembly are carried out in regional hubs.

Companies included in the Group are operating globally, and in recent years the Group has consolidated its position on the global marketplace.

Policies

Multi-Wing Group's social responsibility policies include our environmental and climate policy and our OHS policy. Our environment and climate policy are based on environmentally and energy-efficient management and is a natural part of the Group's objectives for product quality and production conditions. Our safety and health policy aim to make continuous improvements in relation to the safety, health, and overall satisfaction of employees.

Having experienced an increasing focus on climate among the majority of our customers as well as regulatory requirements for different standard setters, we are drafting a policy and action plan for the Company in relation to climate. In 2010 Multi-Wing Group introduced and implemented a Code of Conduct in key areas such as environment and climate, human rights, labour rights, and anti-corruption, reflecting the Company's values.

In addition, the Company continues to assess future suppliers in relation to requirements, now set out in our Code of Conduct, to avoid the Group being associated with companies that do not share our values.

Activities

In the implementation of the environmental policy adopted by Multi-Wing Group, we have incorporated an environmental management system into the Group's mail assembly facilities in the Czech Republic and China. The system is certifiable according to the ISO 14001 standard.

MANAGEMENT REVIEW, continued

Activities, continued

Planned activities related to corporate responsibility:

Area	2019	2020	2021
Environment	Development of climate policy.	Implementation of an energy audit.	Reporting on selected KPIs reflecting the Company's climate policy.
Working environment and employee satisfaction	Ongoing assessment and adaptation of policy, management system and KPIs. No significant changes are foreseen.		
UN Global Compact	Analysis of the UN Global Compact and decision to connect.	Possible connection to the UN Global Compact.	Reporting.

Significant risks related to social responsibility

No significant risks have been identified in relation to human rights. It is important that our sites remain free from all forms of discrimination, intimidation, and harassment. An environment where employees can maximize their potential is only possible when each person is treated fairly and with respect. Employees are expected to comply with this principle. Multi-Wing Group is committed to enforcing this principle at all levels within the organization. In 2019 no harassment or discrimination incidents was reported.

Also, no significant risks have been identified in relation to anti-corruption. The reason for this is primarily that Multi-Wing Group is B2B oriented, why attempts at corruption are rare, and specifically the Company has not experienced such in the past several years. This, there are no risks to be identified as requiring policies in anti-corruption,

Results

Management estimates that work on the environment and working environment contributes positively to the Company's reputation and efficiency. The Company records statistics on:

- Work accident rate
- Sickness absence hours

As part of the energy audit the Group will determine measures for the environmental impacts.

Gender policy

It is Multi-Wing's policy to place the best person in a position regardless of their gender, orientation, ethnic origin, religious beliefs, or other private considerations.

There is no under-representation of any gender neither on the Board of MWH af 2017 ApS nor in the other management groups in the Group.

Events after the balance sheet date

The business will be significantly impacted by the Covid 19 pandemic. Several measures have been implemented to save cost and reduce investments. The final impact of the pandemic is at this point still uncertain, Further, we have multi country legal issue with the supplier KB Components. The outcome of this matter is also uncertain.

The acquisition of the minority shares in Multi-Wing (NEA) has been subject to renegotiation during 2020. The negotiations were initiated by both additional information on the financial position of the entity but also based on the Covid-19 situation in the US. The result is an adjustment of the purchase prince and payment terms, that will be included in the Financial Statements for 2020.

Change in legal form

In 2019 the Company has converted from an ApS (Anpartsselskab) to a limited Company A/S. The conversion was completed through issuances of fund shares in April 2019 and the share capital has been increased to 1,000 DKK'000.

ACCOUNTING POLICIES

The Annual Report of MWH af 2015 ApS for 2019 has been prepared in accordance with the provisions of the Danish Financial Statements Act (Årsregnskabsloven) governing reporting class C (Large size).

The accounting policies remain unchanged compared with last year.

Changes in classification and comparative figures
Bank acceptance drafts has been classified as other receivable as opposed to trade receivables from prior years. The change has been made as the bank acceptance drafts are not able to be reclaimed by the debtor and since the nature of the receivable changes at the point of deposit. The change has no impact on net result, assets, or equity.

The accounting policies applied are otherwise consistent with those applied last year.

Basis of recognition and measurement

Income is recognised in the income statement as it is earned, including adjustments to the value of financial assets and liabilities. All expenses, including depreciation, amortisation, and impairment losses, are also recognised in the income statement.

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

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the Company and the value of the liabilities can me reliably measured.

On initial recognition assets and liabilities are measured at cost and subsequently as described for each item below. Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any instalments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report are presented and which confirm or invalidate matters existing at the balance sheet date.

Consolidated Financial Statements

The Consolidated Financial Statements include the Parent Company MWH af 2015 ApS and its subsidiaries, in which MWH af 2015 ApS has a controlling interest.

The Consolidated Financial Statements are prepared by combining items of a uniform nature based on the accounting policies applied by the group. On consolidation intercompany revenue and expenses, intra-group balances and dividends, and any realised and unrealised gains and losses on transactions between the Consolidated Companies are eliminated.

Newly acquired or newly established companies are recognised in the Consolidated Financial Statements as from the date of acquisition. Enterprises sold are included in the consolidated income statement until the date of disposal.

Comparative figures for newly acquired or divested companies are not corrected.

On acquisition of new enterprises, the acquisition method is applied, according to which the identifiable assets and liabilities are measured at fair value at the time of acquisition.

Positive differences (goodwill) between cost and fair value of acquired identifiable assets and liabilities are recognised under intangible assets and amortised systematically on an individual assessment of the economic life not exceeding 20 years. When deciding the economic life, it is taken into consideration that the majority of the Company’s products are part of long-term development projects and used in machinery and equipment with a long lifetime of the individual model, often leading to a lifetime exceeding 5 years.

Acquisitions and sales of minority interests under continuing controlling interest are recognized directly in equity as a transaction between the shareholders.

Costs incurred in connection with acquisitions of companies are recognized in the income statement in the year of operation.
Gains and losses on disposal of subsidiaries are calculated as the difference between selling price and carrying amount of net assets at the time of disposal and expected costs of sale.

ACCOUNTING POLICIES, continued

Group acquisitions, where both companies are under common control are recognised in accordance with the method of "pooling of interest", where after recognised assets and liabilities are aggregated with no fair value re-valuation. The acquired companies are recognised in the financial statements and group financial statements as if the companies had been merged from the earliest period which is presented in the accounts.

Minority interest

In the Consolidated Financial Statements, the items of subsidiaries are recognised in full. The minority interests' proportionate share of subsidiaries' profit / loss and equity is presented separately under appropriation of profit and under equity.

Reporting currency

The Annual Report is presented in Danish kroner.

Translation adjustments

Foreign currency transactions are adjusted applying the rate of exchange applicable at the date of transaction.

Receivables, payables, and other monetary items denominated in foreign currencies, which have not been settled by the balance sheet date, are translated applying the rate of exchange applicable at the balance sheet date.

Property, plant and equipment purchased in foreign currencies are translated using the exchange rate applicable at the date of transaction.

THE INCOME STATEMENT

Revenue

Revenue is recognised in the income statement, provided that the products and services have been delivered and the risk has passed to the buyer before the end of the year.

Revenue is recognised exclusive of VAT and less sales discount.

Other external costs

Other external costs include expenses related to distribution, sale, advertising, administration, premises, losses on receivables, lease payments under operating leases etc.

Other operating income / costs

Other operating income / costs comprise items of secondary nature in relation to the Company's core business.

Staff costs

Staff costs consist of wages and salaries, including holiday pay and pensions and other costs to social security to the Company's employees. There is deducted received compensation from public authority in staff costs.

Result of investments in group enterprises

In the income statement the proportionate share of the individual group enterprises result after tax are recognised.

Items under financial income and expenses

Financial income and cost are recognised in the income statement with those amounts, which concerns the financial year. Items under financial income and expenses consists of interest income and costs, financial cost with financial leasing, realised and unrealised capital gain and loss concerning transactions in foreign currency, additions, and compensations under the tax prepayment scheme etc.

ACCOUNTING POLICIES, continued

THE INCOME STATEMENT, continued

Tax on result of the year

Tax of the year, which contains the actual tax of the year and the displacement in deferred tax, are recognised in the income statement with the part which can attribute to the result of the year and directly in the equity with the part which can attribute to entries directly on the equity.

The Company is jointly taxed with other Danish companies in the Multi-Wing Group. The Danish income tax is allocated between the jointly taxed Danish companies in proportion to their taxable income. The jointly taxed companies are taxed under the advance payment tax scheme.

BALANCE SHEET

Intangible assets

Goodwill is amortised over its estimated useful life determined based on Management experience within the individual business areas. Goodwill is amortised over the amortisation period, not exceeding 20 years, and based on an individual judgement of the companies' market position and earning profile.

The carrying value of goodwill is assessed currently and written down to recoverable amount through the income statement if the carrying value exceeds the future net income from the enterprise or activity to which the goodwill is related.

Development costs incurred in development, patents, and licenses, includes internal and external costs directly attributable to the Company's development and fulfilling criteria for recognition.

Capitalised development costs are measured at cost less accumulated depreciation and recoverable amount, whichever is lower.

Property, plant and equipment

Buildings, leasehold improvements, test stand and other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation.

Straight-line depreciation is made on property, plant and equipment following estimated useful lives as follows:

	Useful life	Residual value
Development costs	5 years	0 %
Buildings	16 years	0 %
Leasehold improvements	3 years	0 %
Other fixtures and fittings, tools and equipment	3 – 5 years	0 %

Profits or losses from disposal of property, plant and equipment are stated as the difference between the selling prices less than selling costs and the carrying amount at the date of sale. Profits or losses are recognised in the income statement under depreciation.

ACCOUNTING POLICIES, continued

BALANCE SHEET, continued

Investment in subsidiaries

Investment in subsidiaries are recognised at the proportionate share of the net asset value of the entities, calculated on the Group's accounting policies, less or plus unrealised intra-group gains or losses and plus remaining value of positive goodwill made up in accordance with the acquisition method. Equity accounting is considered being a consolidation method.

Group enterprises with a negative equity are recognised with zero kroner and any receivables with these companies are written down with the Parent Company's share of the negative equity value in that extent, it is estimated uncollectible. Provided that the negative value of equity exceeds the receivable, the remaining amount will be recognised under provisions in that extent that the Parent Company has a legal or actual obligation to cover group enterprises negative balance.

Net revaluation of equity investments in group enterprises are transferred under equity to net revaluation reserve according to the equity method in that extent, that the carrying amount exceed the acquisition cost with deduction of amortisation of goodwill.

Inventories

Inventories are measured at cost based on the FIFO method. Where cost exceeds the net realisable value, inventories are written down to the lower of these two values.

Cost for merchandise and raw materials and consumables used extents cost with addition of delivery costs.

The cost of finished goods and work in progress comprises the cost of raw materials, direct labour and direct as well as indirect production costs.

Net realisable value of inventories is calculated as selling price less costs of completion, costs and expenses incurred in making the sale and are determined according to the convertible unit, obsolescence, and development in expected sales.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value. Provisions for bad debts are made to meet expected losses at net realisable value.

Prepayments

Prepayments, recognised under assets or liabilities, cover costs paid respectively payments received for the ensuing years.

Short-term investments

Listed securities are recognised to market value on the balance sheet date.

Equity

The expected dividend payment for the year is shown as a separate item under equity. Dividends are recognised as a liability at the time of adoption by the General Assembly.

ACCOUNTING POLICIES, continued

BALANCE SHEET, continued

Corporation tax and deferred tax

Current tax and current tax receivable are recognised in the balance sheet as computed tax of taxable income for the financial year adjusted for tax of taxable income for previous years and paid account taxes.

Deferred tax is measured using the balance sheet liability method and all temporary difference between carrying amount and tax base of assets and liabilities.

Deferred tax is measured based on the tax rules and tax rates, which are operative at the balance sheet date, if the deferred tax was expected to be released as current tax. Changes in deferred tax due to changes in the tax rate are measured in the income statement. For the present financial year, a tax rate of 22.5 % has been applied for the Danish entities in the Group.

Total payable Danish company tax for the Group is showed in the Parent Company.

Deferred tax is only accrued for the Danish entities when the deferred tax is incumbent on the jointly taxed companies.

Financial liabilities

Other liabilities are measured at amortised cost, normally corresponding to nominal value.

Derivative financial instruments

On initial recognition in the balance sheet, derivative financial instruments are measured at cost and subsequently at fair value. Positive and negative fair values of derivative financial instruments are included in other receivables or other payables, respectively.

Fair value adjustments of derivative financial instruments designated as and qualifying for recognition as a fair value hedge of recognised assets and liabilities are recognised in the income statement together with changes in the fair value of the hedged asset or liability.

Fair value adjustments of derivative financial instruments designated as and qualifying for hedging of future cash flows are recognised in other receivables or other payables and in equity. If the future transaction results in recognition of assets or liabilities, amounts previously recognised in equity are transferred to the cost of the asset or liability, respectively. If the future transaction results in income or expenses, amounts previously recognised in equity are transferred to the income statement in the period in which the hedged item affects the income statement.

As for derivative financial instruments that do not qualify for hedge accounting, fair value adjustments are recognised in the income statement on a current basis.

ACCOUNTING POLICIES, continued

CASH FLOW STATEMENT

The cash flow statement shows the Group's cash flows for the year broken down by operating, investing and financing activities, changes for the year in cash and cash equivalents as well as the Group's cash and cash equivalents at the beginning and end of the year.

No cash flow statement has been prepared for the Parent Company as the Parent Company's cash flows are included in the Consolidated Cash Flow Statement.

Cash flow from operating activities

Cash flow from operating activities are calculated as the operating profit / loss for the year adjusted for changes in working capital and non-cash operating items such as depreciation, amortisation and impairment losses and provisions. Working capital comprises current assets less short-term debt excluding items included in cash and cash equivalents.

Cash flow from investing activities

Cash flow from investing activities comprises cash flows from acquisitions and disposals of intangible assets, property, plant and equipment as well as fixed assets investments.

Cash flow from financing activities

Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt as well as payments to and from shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise "Cash and cash equivalents" and "Short-term investments" subtracted "Bank debt".

The cash flow statement cannot be immediately derived from the published financial records.

RATIOS

Ratios have been calculated as:

Return on invested capital	$\frac{\text{Operating profit x 100}}{\text{Average invested capital exclusive of goodwill}}$
Return on equity	$\frac{\text{Profit / loss for the year x 100}}{\text{Average equity}}$

INCOME STATEMENT FOR THE PERIOD
1 JANUARY – 31 DECEMBER 2019

		Group		Parent Company	
	Note	2019	2018	2019	2018
		DKK'000	DKK'000	DKK'000	DKK'000
Revenue	1	501,097	396,322	0	0
Cost of sales		-160,920	-136,625	0	0
Other income		1,400	4,394	0	0
Other external expenses		-97,648	-79,979	-125	-129
GROSS MARGIN:		243,929	184,112	-125	-129
Other costs		-957	-159	0	0
Staff costs	2	-142,374	-96,607	-75	-75
		100,598	87,346	-200	-204
Depreciation	3	-21,195	-13,799	0	0
OPERATING RESULT:		79,403	73,547	-200	-204
Result from subsidiaries after tax	4	0	0	35,666	35,822
Financial income	5	11,791	5,037	0	67
Financial expenses	6	-13,960	-7,803	-29	-48
PROFIT BEFORE TAX:		77,234	70,781	35,437	35,637
Tax on profit / loss for the year	7	-24.212	-18,034	44	38
PROFIT FOR THE YEAR:	8	53,022	52,747	35,481	35,675

BALANCE SHEET AT 31 DECEMBER 2019

	Note	Group 2019 DKK'000	Group 2018 DKK'000	Parent Company 2019 DKK'000	Parent Company 2018 DKK'000
ASSETS:					
Completed development projects		5,929	5,816	0	0
Development projects under development		9,659	7,742	0	0
Goodwill		136,847	23,687	0	0
Intangible assets	9	152,435	37,245	0	0
Land and property		52,700	38,314	0	0
Leasehold improvements		2,217	1,435	0	0
Other fixtures and fittings, tools and equipment		33,480	25,391	0	0
Property, plant and equipment	10	88,397	65,140	0	0
Investment in subsidiaries	4	0	0	146,987	130,151
Deposits	11	3,105	2,036	0	0
Financial fixed assets		3,105	2,036	146,987	130,151
FIXED ASSETS:		243,937	104,421	146,987	130,151
Inventories		80,009	55,531	0	0
Trade receivables		92,811	94,115	0	0
Receivables from group enterprises		0	0	7,269	7,596
Receivable company tax		426	1,657	0	1,579
Deferred tax asset	12	1,385	862	0	0
Other receivables		25,163	12,193	0	0
Prepayments	13	6,285	5,205	0	0
Receivables		126,070	114,032	7,269	9,175
Current asset investments		5,669	4,675	0	0
Cash and cash equivalents		99,873	68,345	28,284	20,192
CURRENT ASSETS:		311,621	242,583	35,553	29,367
ASSETS:		555,558	347,004	182,540	159,518

BALANCE SHEET AT 31 DECEMBER 2019

	Note	Group		Parent Company	
		2019	2018	2019	2018
		DKK'000	DKK'000	DKK'000	DKK'000
LIABILITIES AND EQUITY:					
Share capital	14	125	125	125	125
Net revaluation under equity method		0	0	64,218	49,993
Retained profit		176,884	147,084	112,665	96,741
Proposed dividend for the financial year		0	5,000	0	5,000
Minority interest		44,253	57,066	0	0
EQUITY:		221,262	209,275	177,008	151,859
Deferred tax	15	4,527	2,725	0	0
Provision in regard of deficiency in subsidiaries		0	0	0	0
PROVISIONS:		4,527	2,725	0	0
Instrument of debt	16	126,084	32,979	0	0
Other payables		642	0	0	
Long-term liabilities other than provisions		126,726	32,979	0	0
Short-term part of long-term debt	16	42,377	10,156	0	0
Bank debt		55,436	23,055	0	0
Prepayments from customers		0	0	0	0
Trade creditors		21,755	30,769	108	86
Payables to group enterprises		0	0	0	0
Company tax		10,184	12,257	5,424	7,573
Other payables		73,291	25,788	0	0
Short-term liabilities other than provisions		203,043	102,025	5,532	7,659
LIABILITIES OTHER THAN PROVISIONS:		329,769	135,004	5,532	7,659
LIABILITIES AND EQUITY:		555,558	347,004	182,540	159,518

Assets charged and security	17
Hedging instruments	18
Contractual obligations	19
Other contingent liabilities	20
Related parties	21
Fee to auditors appointed at the general meeting	22

STATEMENT OF CHANGES IN EQUITY FOR 2019

	Group		Parent Company	
	2019	2018	2019	2018
	DKK'000	DKK'000	DKK'000	DKK'000
EQUITY:				
Balance at 1 January	125	125	125	125
Share capital	125	125	125	125
Balance at 1 January	0	0	49,993	37,708
Retained earnings	0	0	35,666	35,822
Exchange rate adjustments, subsidiaries	0	0	1.059	-1,037
Adjustment, financial instruments	0	0	0	0
Dividends for the year	0	0	-22,500	-22,500
Net revaluation under equity method	0	0	64,218	49,993
Balance at 1 January	147,084	117,060	96,741	79,388
Retained earnings	35,481	30,677	-185	-5,147
Dividends from subsidiaries	0	0	22,500	22,500
Exchange rate adjustment, subsidiaries	710	-653	0	0
Added value on acquisition of minority shares	-6,391	0	-6,391	0
Adjustment, financial instruments	0	0	0	0
Retained profit	176,884	147,084	112,665	96,741
Balance at 1 January	5,000	11,250	5,000	11,250
Dividend paid	-5,000	-11,250	-5,000	-11,250
Dividends proposed for the year	0	5,000	0	5,000
Dividends	0	5,000	0	5,000
Balance at 1 January	57,066	48,621	0	0
Retained earnings	17,541	17,070	0	0
Dividend for the year	-10,062	-8,075	0	0
Groups acquisition of minority shares	-21,147	0	0	0
Exchange rate adjustment, subsidiaries	854	-550	0	0
Adjustment, financial instruments	0	0	0	0
Minority interests	44,252	57,066	0	0
EQUITY AT 31 DECEMBER:	221,261	209,275	177,008	151,859

CASH FLOW STATEMENT

	Note	2019	2018
		DKK'000	DKK'000
CASH FLOW FROM OPERATING ACTIVITIES:			
Operating profit		79,403	73,547
Depreciation for the year		21,195	13,799
Adjustments		1,244	-1,079
Tax		-23,775	-14,550
Change in working capital	23	1,905	-25,505
CASH FLOW FROM OPERATING ACTIVITIES:		79,972	46,212
CASH FLOW FROM INVESTING ACTIVITIES:			
Purchase of intangible assets		-125,171	-3,802
Purchase of property, plant and equipment		-35,044	-10,056
Acquisition of minority shares		-27,538	0
Addition, financial assets		-1,069	-379
Sale of property, plant and equipment		894	72
Purchase of securities		-994	0
Sale of securities		0	275
CASH FLOW FROM INVESTING ACTIVITIES:		-188,922	-13,890
CASH FLOW FROM FINANCING ACTIVITIES:			
Repayment of debt instrument		-42,000	-24,080
New loans		167,283	30,000
Interest receivable		11,791	5,037
Interest payable		-13,916	-7,473
Minority interest, share of dividend		-10,062	-8,075
Dividends paid		-5,000	-11,250
CASH FLOW FROM FINANCING ACTIVITIES:		108,096	-15,841
Changes in cash and cash equivalents		-854	16,481
Cash and cash equivalents 1 January		45,290	28,809
CASH AND CASH EQUIVALENTS, END OF YEAR:	24	44,436	45,290

NOTES TO THE FINANCIAL STATEMENTS

Note

1 INFORMATION ON SEGMENTS

With reference to the Danish Financial Statements act *(Årsregnskabsloven)* § 96 section 1 the Company has excluded the information on segments as the market only includes a limited number of competitors and disclosing the information could be harmful to the Company's business.

	Group		Parent Company	
	2019	2018	2019	2018
	DKK'000	DKK'000	DKK'000	DKK'000
2 STAFF COSTS:				
Wages and salaries	121,932	81,186	75	75
Pension	7,233	8,015	0	0
Social security costs	8,702	6,872	0	0
Other staff costs	7,887	3,226	0	0
	145,754	99,299	75	75
Transferred to development projects	-3,380	-2,692	0	0
	142,374	96,607	75	75
Average number of employees	374	258	0	0

With reference to the Danish Financial Statements Act (Årsregnskabsloven) § 98 B, section 3 the Company has excluded information regarding Management's salary.

	Group	
	2019	2018
	DKK'000	DKK'000
Salaries and wages to the executive and advisory board	710	1,230

NOTES TO THE FINANCIAL STATEMENTS, continued

Note		Group		Parent Company	
		2019	2018	2019	2018
		DKK'000	DKK'000	DKK'000	DKK'000
3	**DEPRECIATION:**				
	Completed development projects	2,744	2,281	0	0
	Goodwill	6,910	1,944	0	0
	Property	1,210	1,190	0	0
	Leasehold improvements	819	451	0	0
	Other fixtures and fittings, tools and equipment	9,512	7,933	0	0
		21,195	13,799	0	0

		Parent Company	
4	**INVESTMENT IN SUBSIDIARIES:**	2019	2018
		DKK'000	DKK'000
	Cost at 1 January	76,300	70,800
	Additions	9,000	5,500
	Cost at 31 December	85,300	76,300
	Impairment at 1 January	53,851	41,531
	Dividends paid	-22,500	-22,500
	Profit for the year	35,666	35,822
	Exchange rate, adjustment	1,061	-1,002
	Adjustment, financial instruments	-6,391	0
	Impairment at 31 December	61,687	53,851
	CARRYING AMOUNT AT 31 DECEMBER:	146,987	130,151
	Goodwill included	21,742	23,687

Note

4 INVESTMENT IN SUBSIDIARIES, continued:

Investment in subsidiaries are specified as follows (DKK'000):

	Registered office	*Ownership*	*Share capital*	
Multi-Wing Group A/S	Rudersdal , Denmark	75 %	TDKK	1,000
Multi-Wing Real Estates ApS	Rudersdal , Denmark	100%	TDKK	50
Multi-Wing International A/S	Rudersdal Denmark	75 %	TDKK	500
Multi-Wing Australia Pty., Ltd.	Australia	45 %	TAUD	150
Multi-Wing France, SARL	France	75 %	TEUR	100
Multi-Wing (Suzhou) Co. Ltd.	China	75 %	TCNY	1,738
Multi-Wing Ibérica S.L.	Spain	52.5 %	TEUR	27
Multi-Wing GmbH	Germany	75 %	TEUR	25
Multi-Wing CZ s.r.o.	Czech, Republic	75 %	TCZK	200
Wind Dynamic ApS	Rudersdal Denmark	75 %	TDKK	125
Multi-Wing Italia Srl.	Italy	75 %	TEUR	100
Multi-Wing Suzhou Trading Co. Ltd.	China	75 %	TCNY	2,040
Multi-Wing SEA Pte. Ltd.	Singapore	75 %	TSGD	1,194
Multi-Wing NEA Pte. Ltd.	Singapore	75 %	SGD	100
Multi-Wing GMH Pte. Ltd.	Singapore	75 %	TSGD	1,146
Multi-Wing India Pvt. Ltd ..	India	75 %	TINR	4,000
Multi-Wing Brazil Lta. .	Brazil	75 %	TBRL	3,984
Multi-Wing US Inc.	USA	75 %	USD	3,200
Multi-Wing UK Limited.	UK	75 %	TGBP	26
Multi-Wing Malaysia sdn. Bhd	Malaysia	75 %	TMYR	500
Multi-Wing Thailand Co.Ltd	Thailand	75 %	TBaht	1,000
Multi-Wing UA LLC	Ukraine	75 %	TUAH	161
Multi-Wing Mexico S.A. DE. C.V.	Mexico	75 %	TMEP	3

NOTES TO THE FINANCIAL STATEMENTS, continued

Note		Group 2019 DKK'000	Group 2018 DKK'000	Parent Company 2019 DKK'000	Parent Company 2018 DKK'000
5	**FINANCIAL INCOME:**				
	Interest receivables from group enterprises	0	0	0	68
	Exchange rate gains	10,885	4,703	0	0
	Other financial income	906	334	0	0
		11,791	5,037	0	68
6	**FINANCIAL EXPENSES:**				
	Interest payables to group enterprises	0	0	0	0
	Exchange rate loss	8,872	5,351	0	0
	Other financial expenses	5,088	2,452	29	48
		13,960	7,803	29	48
7	**TAX ON PROFIT / LOSS FOR THE YEAR:**				
	Current tax for the year	-22,410	-17,312	0	0
	Adjustment of tax from previous year	0	0	0	0
	Joint tax income to group enterprises	0	0	44	38
	Deferred tax adjustment	-1,802	-722	0	0
		-24,212	-18,034	44	38
8	**PROPOSED APPROPRIATION OF PROFIT / LOSS:**				
	Net revaluation under the equity method	0	0	35,666	35,822
	Dividend for the year	0	5,000	0	5,000
	Retained profit / loss	37,481	30,677	-185	-5,147
	Minority interest of share of earnings	15,541	17,070	0	0
		53,022	52,747	35,481	35,675

NOTES TO THE FINANCIAL STATEMENTS, continued

Note		Group		
		Development projects		
9	**INTANGIBLE ASSETS (DKK'000):**	Completed	Under construction	Goodwill
	Cost at 1 January	33,020	7,742	37,395
	Currency adjustment	93	12	0
	Additions	253	4,849	120,205
	Disposals	-84	-349	0
	Transferred to completed development projects	2,595	-2,595	0
	Cost at 31 December	35,877	9,659	157,600
	Depreciation and amortisation at 1 January	-27,204	0	-13,843
	Exchange rate adjustment	-29	0	0
	Depreciation and amortisation during the year	-2,744	0	-6,910
	Disposals	29	0	0
	Depreciation at 31 December	-29,948	0	-20,753
	CARRYING AMOUNT AT 31 DECEMBER:	5,929	9,659	136,847

The major part Group's development projects are related to the development of new types of axial impellers with a particular focus on noise reduction and energy optimization. The projects are proceeding as planned and expected to be completed within 1 to 5 years. The increased demands for environmental impact in both the US and the EU mean that there is increased focus and demand for these types of axial impellers.

In addition, development costs for implementing a new ERP system are also recognized in the balance sheet. The development has progressed as planned, and the rollout is almost completed in all of the group companies in 2019. A more efficient and timely financial reporting is expected as a result of the implementation.

		Group		
10	**PROPERTY, PLANT AND EQUIPMENT (DKK'000):**	Land and property	Other fixtures and fittings, tools and equipment	Leasehold Improvements
	Cost at 1 January	46,086	91,403	3,182
	Currency adjustment	63	616	61
	Additions	15,562	17,908	1,575
	Disposals	0	-4,318	0
	Cost at 31 December	61,711	105,609	4,818
	Depreciation and amortization at 1 January	-7,772	-66,012	-1,747
	Exchange rate adjustment	-29	-432	-35
	Depreciation and amortization during the year	-1,210	-9,512	-819
	Reversal of disposals on depreciation	0	3,828	0
	Depreciation at 31 December	-9,011	-72,128	-2,601
	CARRYING AMOUNT AT 31 DECEMBER:	52,700	33,481	2,217

Note		2019	2018
		DKK'000	DKK’000
11	**DEPOSIT:**		
	Cost at 1 January	2,036	1,657
	Additions	1,069	379
	CARRYING AMOUNT AT 31 DECEMBER:	3,105	2,036

12 DEFERRED TAX ASSETS:

In 2019, Australia, CZ, Wind Dynamic and UK reported deferred tax assets. These deferred tax assets arise mainly due to a higher net tax value of fixed assets than the net book value, and the provision for bad debts and employee benefits that are recognised in the accounting books in 2019 but are only allowed for tax purposes in the later reporting periods when payment is made or when the liability becomes certain.

13 PREPAYMENTS:

Activated accrued costs include prepaid expenses concerning insurance, licenses, subscriptions, leasing and interest.

		Group / Parent Company	
		2019	2018
14	**EQUITY:**	DKK'000	DKK'000
	The share capital is as follows:		
	Shares, 125 pieces of DKK 1,000	125	125
	SHARE CAPITAL AT 31 DECEMBER:	125	125

		Group		**Parent Company**	
		2019	2018	2019	2018
		DKK'000	DKK'000	DKK'000	DKK'000
15	**PROVISION FOR DEFERRED TAX:**				
	Provision for deferred tax at 1 January 2019	2,725	2,261	0	0
	Provision in year	1,802	464	0	0
		4,527	2,725	0	0

Note

16 LONG TERM DEBT

	Debt at 31.12.2019	Due within 1 year	Debt after 5 years
	DKK'000	DKK'000	DKK'000
Bank loan	148,374	42,000	0
Mortgage loans	20,088	377	18,318
	168,462	42,377	18,318

17 ASSETS CHARGED AND SECURITY:

As security for debt, Multi-Wing Group A/S has pledged investments in subsidiaries with a total booked value representing 215,964 DKK'000.

As security for credit institute engagement pledges are given in group entities operating equipment, stocks, and receivables amounting to 10,000 DKK'000.

In provision of security for credit institute engagement, group entities have pledged fixed assets in the form of tools and equipment with a total value of 17,994 DKK'000 and carrying value of 13,710 DKK'000.

Multi-Wing Group A/S and certain subsidiaries have provided joint and several liabilities guarantee for Multi-Wing International A/S.

18 HEDGING INSTRUMENTS:

The Parent Company as decided to hedge against expected interest risk on the major part of loans.

		Contractual value		Gains and losses recorded under equity	
DKK'000	Period	2019	2018	2019	2018
Interest swap	< 1 year	0	20,000	0	-167
Interest swap	> 1 year	0	0	0	0

19 CONTRACTUAL OBLIGATIONS:

The Group has signed the following lease obligations:

The Group has signed leases with a maturity of up to 120 months. The lease-obligation amounts to 14,231 DKK'000 exclusive of VAT.

Note

20 OTHER CONTINGENT LIABILITIES:

The Company was founded as a spin off from a split of Multi-Wing Group Holding ApS as per 29 April 2015. As a result, the Company is on a pro-rata apportionment liable for existing and potential liabilities towards Multi-Wing Group Holding ApS as per that date.

Multi-Wing Group ApS has issued a letter of support towards Multi-Wing SEA Pte. Ltd. and Multi-Wing GMH Pte. Ltd. and will provide the necessary financing and funds for the companies, to support the continuous operations as a Going Concern.

The Company is jointly taxed with other Danish group companies. The Danish companies of the Group are jointly and severally liable to tax of the Group’s jointly taxed income etc. The total payable corporate tax is shown in MWH af 2015 ApS’ Annual Report, CVR-no. 31 18 48 43, who is managing company in relation to the joint taxation. Furthermore, the Danish companies of the Group are jointly and severally liable in relation to the Danish withholding taxes in form of dividend tax, royalty tax and interest tax. Any future corrections to corporate taxes and withholding taxes can result in a larger amount of the Company’s liability.

21 OTHER RELATED PARTIES:

MWH af 2015 ApS’ related parties include as follows:

Controlling influence:	**Basis:**
MWH af 2015 ApS	Parent
Other related parties:	**Basis:**
Jesper Bernhoft	Member of Board of Directors
Annette Bernhoft Andersen	Member of Board of Directors
John Korsø Jensen	Member of Board of Directors
Subsidiaries etc.	Reference is made to the Group Overview in the section “Management Review” and note 8 respectively.

Transactions with related parties:
There have been no transactions with related parties besides transactions between Group Companies in regard of ordinary intercompany trade. All transactions are considered to be completed on an arms-length basis, and in accordance with section 97c of the Danish Financial Statements Act, no information on transactions is given.

		Group	
		2019	2018
22	**FEE TO AUDITORS APPOINTED AT THE GENERAL MEETING:**	DKK'000	DKK'000
	Audit fee	593	622
	Other assurance engagements	24	0
	Tax advisory services	105	125
	Non-audit services	1,260	444
		1,982	1,191

NOTES TO THE FINANCIAL STATEMENTS, continued

Note		Group
		2019
23	**CHANGE IN WORKING CAPITAL:**	DKK'000
	Change in inventories	-24,478
	Change in trade receivables	1,304
	Change in other receivables	-12,971
	Change in prepayments	-1,079
	Change in trade creditors	-10,138
	Change in other payables	49,267
	CARRYING AMOUNT AT 31 DECEMBER:	1,905

		Group
		2019
24	**CASH AND CASH EQUIVALENTS AT YEAR-END:**	DKK'000
	Cash and cash equivalents, year-end	99,873
	Bank debt, year-end	-55,436
	CARRYING AMOUNT AT 31 DECEMBER:	44,437