



Sunrise Medical ApS

Mårkærvej 7
2630 Taastrup
CVR No. 37005665

Annual report 01.07.2019 - 30.06.2020

The Annual General Meeting adopted the
annual report on 04.12.2020

Adrian John Platt
Chairman of the General Meeting

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Entity details

Entity

Sunrise Medical ApS

Mårkærvej 7

2630 Taastrup

CVR No.: 37005665

Registered office: Høje Taastrup

Financial year: 01.07.2019 - 30.06.2020

Board of Directors

Adrian John Platt, Chairman

James Barratt

Executive Board

Adrian John Platt

James Barratt

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

P. O. Box 1600

0900 Copenhagen C

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Sunrise Medical ApS for the financial year 01.07.2019 - 30.06.2020.

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 30.06.2020 and of the results of its operations for the financial year 01.07.2019 - 30.06.2020.

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.

Taastrup, 04.12.2020

Executive Board

Adrian John Platt

James Barratt

Board of Directors

Adrian John Platt

Chairman

James Barratt

Independent auditor's report

To the shareholders of Sunrise Medical ApS

Opinion

We have audited the financial statements of Sunrise Medical ApS for the financial year 01.07.2019 - 30.06.2020, 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.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 30.06.2020 and of the results of its operations for the financial year 01.07.2019 - 30.06.2020 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of 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 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, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements 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 audit of the financial statements

Our objectives are to obtain reasonable assurance about 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 these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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 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 audit 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 audit 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 the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Copenhagen, 04.12.2020

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Thomas Hermann

State Authorised Public Accountant
Identification No (MNE) mne26740

Management commentary

Primary activities

The company's main activity consists in selling, marketing and servicing proprietary and servicing proprietary tools for the elderly and disabled. Furthermore the company handles expert advice of therapists and users of assistive technology.

Development in activities and finances

The company's income statement shows a loss of DKK 3,273,267 and the balance sheet shows a positive equity per 30th June 2020 of DKK 3,015,064.

Events after the balance sheet date

With the extensive shutdown of Denmark at the end of March 2020, the company repatriated 10 employees to use the available compensation scheme. Since June 1, no employees have been repatriated and the company hasn't used any other aid packages.

Sales in April and May were severely affected by the shutdown, with a decline of approximately 40 % compared to a situation without COVID-19. Since the end of May, the company has seen an increase in revenue.

The situation has not led to any losses on receivables either during the financial year or subsequently.

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

Income statement for 2019/20

	Notes	2019/20 DKK	2018/19 DKK
Gross profit/loss		8,938,630	10,923,603
Staff costs	1	(9,345,236)	(10,918,484)
Depreciation, amortisation and impairment losses	2	(2,425,501)	(2,455,489)
Operating profit/loss		(2,832,107)	(2,450,370)
Other financial income	3	163,962	95,638
Other financial expenses	4	(605,122)	(485,010)
Profit/loss for the year		(3,273,267)	(2,839,742)
Proposed distribution of profit and loss			
Retained earnings		(3,273,267)	(2,839,742)
Proposed distribution of profit and loss		(3,273,267)	(2,839,742)

Balance sheet at 30.06.2020

Assets

	Notes	2019/20 DKK	2018/19 DKK
Goodwill		1,587,771	3,869,784
Intangible assets	5	1,587,771	3,869,784
Other fixtures and fittings, tools and equipment		352,894	161,348
Leasehold improvements		0	15,033
Property, plant and equipment	6	352,894	176,381
Deposits		588,813	845,141
Other financial assets	7	588,813	845,141
Fixed assets		2,529,478	4,891,306
Manufactured goods and goods for resale		4,794,015	6,361,101
Inventories		4,794,015	6,361,101
Trade receivables		1,772,848	2,639,307
Receivables from group enterprises		0	435,779
Other receivables		1,000	6,490
Prepayments		55,270	215,863
Receivables		1,829,118	3,297,439
Cash		4,482,697	2,755,141
Current assets		11,105,830	12,413,681
Assets		13,635,308	17,304,987

Equity and liabilities

	Notes	2019/20 DKK	2018/19 DKK
Contributed capital		15,000,000	12,203,484
Retained earnings		(11,984,936)	(8,711,669)
Equity		3,015,064	3,491,815
Prepayments received from customers		47,037	84,754
Trade payables		137,141	470,862
Payables to group enterprises		3,627,667	9,989,563
Other payables	8	6,808,399	3,267,993
Current liabilities other than provisions		10,620,244	13,813,172
Liabilities other than provisions		10,620,244	13,813,172
Equity and liabilities		13,635,308	17,304,987

Unrecognised rental and lease commitments

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Statement of changes in equity for 2019/20

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	12,203,484	(8,711,669)	3,491,815
Increase of capital	2,796,516	0	2,796,516
Profit/loss for the year	0	(3,273,267)	(3,273,267)
Equity end of year	15,000,000	(11,984,936)	3,015,064

Notes

1 Staff costs

	2019/20 DKK	2018/19 DKK
Wages and salaries	8,388,726	9,888,647
Pension costs	718,543	733,313
Other social security costs	204,750	250,245
Other staff costs	33,217	46,279
	9,345,236	10,918,484
Average number of full-time employees	19	20

Wages and salaries includes received COVID-19 compensation with 563 t.DKK.

2 Depreciation, amortisation and impairment losses

	2019/20 DKK	2018/19 DKK
Amortisation of intangible assets	2,282,000	2,282,000
Depreciation of property, plant and equipment	110,448	173,489
Profit/loss from sale of intangible assets and property, plant and equipment	33,053	0
	2,425,501	2,455,489

3 Other financial income

	2019/20 DKK	2018/19 DKK
Other interest income	1,066	23,194
Exchange rate adjustments	162,896	42,376
Fair value adjustments	0	30,068
	163,962	95,638

4 Other financial expenses

	2019/20 DKK	2018/19 DKK
Financial expenses from group enterprises	298,472	327,946
Other interest expenses	1,031	5,671
Exchange rate adjustments	295,171	151,393
Other financial expenses	10,448	0
	605,122	485,010

5 Intangible assets

	Goodwill DKK
Cost beginning of year	11,409,997
Cost end of year	11,409,997
Amortisation and impairment losses beginning of year	(7,540,226)
Amortisation for the year	(2,282,000)
Amortisation and impairment losses end of year	(9,822,226)
Carrying amount end of year	1,587,771

6 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost beginning of year	599,244	149,743
Additions	335,014	0
Disposals	(200,042)	(149,743)
Cost end of year	734,216	0
Depreciation and impairment losses beginning of year	(437,896)	(134,710)
Depreciation for the year	(106,153)	(4,295)
Reversal regarding disposals	162,727	139,005
Depreciation and impairment losses end of year	(381,322)	0
Carrying amount end of year	352,894	0

7 Financial assets

	Deposits DKK
Cost beginning of year	845,141
Additions	23,200
Disposals	(279,528)
Cost end of year	588,813
Carrying amount end of year	588,813

8 Other payables

	2019/20	2018/19
	DKK	DKK
VAT and duties	3,608,472	919,438
Wages and salaries, personal income taxes, social security costs, etc payable	973,847	255,796
Holiday pay obligation	1,707,499	1,692,293
Other costs payable	518,581	400,466
	6,808,399	3,267,993

9 Unrecognised rental and lease commitments

	2019/20	2018/19
	DKK	DKK
Liabilities under rental or lease agreements until maturity in total	3,795,927	4,973,687

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.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, changes in inventories of finished goods, cost of raw materials 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 is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

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 intangible assets and 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 intangible assets as well as property, plant and equipment.

Other financial income

Other financial income comprises interest income, including interest income from 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, including interest expenses on payables to group enterprises, payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Balance sheet**Goodwill**

Goodwill is the positive difference between cost and value in use of assets and liabilities taken over as part of the acquisition. Goodwill is amortised straight-line over its estimated useful life which is fixed based on the experience gained by Management for each business area. Useful life is determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long-term earnings profile. If it is not possible to estimate the useful life reliably, it is set at 10 years. Useful lives are reassessed on an annual basis. The amortisation periods used are 5 years.

Goodwill is written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Other fixtures and fittings, tools and equipment and leasehold improvements are measured at cost less accumulated depreciation and impairment losses.

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.

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:

Other fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	3 years

Estimated useful lives and residual values are reassessed annually.

Property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Receivables

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

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises bank deposits.

Operating leases

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

Other financial liabilities

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

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.