Deloitte
Statsautoriseret
Revisionspartnerselskab
CVR-nr. 33963556
Weidekampsgade 6
2300 København S

Phone 36 10 20 30
Fax 36 10 20 40
www.deloitte.dk

Sentia Denmark Holding ApS

Lyskær 3 A
2730 Herlev
Central Business Registration No 38059998

Annual report 2019

The Annual General Meeting adopted the annual report on 01.10.2020

Chairman of the General Meeting

Name: Claus Kuno

Contents

Entity details

Entity
Sentia Denmark Holding ApS
Lyskær 3 A
2730 Herlev

Central Business Registration No (CVR): 38059998
Registered in: Herlev
Financial year: 01.01.2019 - 31.12.2019

Board of Directors
Iyan Khaled Zein, Chairman of the Board
Finn Vagner
Michel Antoine van den Bogaard

Executive Board
Finn Vagner, CEO

Entity auditors
Grant Thornton Statsautoriseret Revisionspartnerselskab
Stockholmsgade 45
2100 København Ø

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Sentia Denmark Holding ApS for the financial year 01.01.2019 - 31.12.2019.

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 31.12.2019 and of the results of its operations and cash flows for the financial year 01.01.2019 - 31.12.2019.

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.

Herlev, 01.10.2020

Executive Board

Finn Vagner
CEO

Board of Directors

Iyan Khaled Zein Chairman of the Board	Finn Vagner	Michel Antoine van den Bogaard

Independent auditor's report

To the shareholder of Sentia Denmark Holding ApS

Opinion

We have audited the consolidated financial statements and the financial statements of Sentia Denmark Holding ApS for the financial year 1 January to 31 December 2019, which comprise accounting policies, income statement, statement of financial position, statement of changes in equity and notes, consolidated and of the company, respectively and consolidated statement af cash flows. The consolidated financial statements and the financial statements have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the financial statements present a fair view of the assets, equity and liabilities, and financial position, consolidated and of the company, respectively, at 31 December 2019 and of the results of the company's activities, consolidated and of the company, respectivelyand of consolidated cash flows , 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 and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the section "Auditor's responsibilities for the audit of the consolidated financial statements and the financial statements". We are independent of the company in accordance with international ethical requirements for auditors (IESBA's Code of Ethics), 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 parent financial statements

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

In preparing the consolidated financial statements and the financial statements, management is responsible for assessing the group's and 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 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 the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing, and the additional requirements applicable in Denmark, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate,

Independent auditor's report

they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements and 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 the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's and 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 preparation of the consolidated financial statements and the financial statements using the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists arising from events or conditions that may cast significant doubt on the group's and 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 consolidated financial statements and 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 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 the financial statements, including disclosures in notes, and whether the consolidated financial statements and the financial statements reflect the underlying transactions and events in a manner that presents a fair view.

- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or the business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely 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 the internal control that we identify during our audit.

Independent auditor's report

Statement on the management commentary
Management is responsible for the management commentary.

Our opinion on the consolidated financial statements and the financial statements does not cover the management commentary, and we express no assurance opinion thereon.

In connection with our audit of the consolidated financial statements and the financial statements, it is our responsibility to read the management commentary and to consider whether the management commentary is materially inconsistent with the consolidated financial statements or the financial statements or the evidence obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, 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 believe that the management commentary is consistent with the consolidated financial statements and the financial statements and that it has been prepared in accordance with the provisions of the Danish Financial Statement Act. We did not discover any material misstatement in the management commentary.

Copenhagen, 01.10.2020

Grant Thornton
Statsautoriseret Revisionspartnerselskab
Central Business Registration No (CVR) 34209936

Sebastian With Hansen
State Authorised Public Accountant
Identification No (MNE) mne36191

Claus Koskelin
State Authorised Public Accountant
Identification No (MNE) mne30140

Management commentary

	2019 DKK'000	2018 DKK'000
Financial highlights		
Key figures		
Gross profit	207.102	183.733
Operating profit/loss	(63.169)	(27.315)
Net financials	(32.631)	(26.865)
Profit/loss for the year	(91.062)	(50.774)
Profit/loss excl minority interests	(91.062)	(50.774)
Total assets	781.468	509.732
Investments in property, plant and equipment	48.499	-
Equity	(89.622)	(45.789)
Equity excl minority interests	(89.622)	(45.789)
Cash flows from (used in) operating activities	15.514	9.923
Cash flows from (used in) investing activities	(313.517)	(157.885)
Cash flows from (used in) financing activities	318.288	157.058
Ratios		
Equity ratio (%)	(11,5)	(9,0)

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the Danish Society of Financial Analysts.

Ratios	**Calculation formula**	**Calculation formula reflects**
Equity ratio (%)	$\frac{\text{Equity excl minority interests} \times 100}{\text{Total assets}}$	The financial strength of the entity.

Management commentary

Primary activities
The company’s purpose is to run an IT business through investments in other IT companies.

Development in activities and finances
The result of the financial development in 2019 resulted in a loss of 91,061 t.kr. compared to last financial years result of -50,774 t.kr. The result was expected and is by the board of directors and the executive board considered satisfactory.

Unusual circumstances affecting recognition and measurement
The Company has in 2019 acquired Sentia Denmark Services 6 A/S and Ymor ApS.

In accordance with the uniting-of-interests method the figures of comparison have not been amended.

Outlook
The executive board and the board of directors have increased expectations for the company’s financial development and profit. The expectations for the financial year 2020 is a gross profit in the region of 240,000 t.kr. and a profit after tax in the region of 25,000 t.kr. The expectations are based on additional acquisitions as well as organic growth.

Particular risks
The Group is part to some ongoing lawsuits. Management is of the opinion that the outcome of these lawsuits will not affect the Group’s financial position in addition to the receivables and liabilities recognized in the balance sheet per December 31, 2019. The Group has no further particular risks.

Intellectual capital resources
The Company’s ambition is to be in the lead of private and public cloud. The Company has considerable intellectual capital resources within its filed of activity, which may be divided into four categories: Customers, Technology, Processes and Staff relations.

Environmental performance
The Company cares about the environment and is currently working on reducing the environmental impact from the Company’s operation, the processes and products offered. The Company possesses the relevant environmental approvals, and the Company’ activities do no involve harmful or extraordinary impacts to the environment.

Sentia Denmark A/S already decided back in 2008 to become a “green” business. Thus, we have supplied all electricity from Danish wind turbines and Norwegian hydroelectric power plant and signed in 2014, as the first Danish hosting/data centre business, an agreement on recycling of waste heat produced in the data centre for use for the production of district heating for private households in the immediate area. In 2016 we doubled the capacity.

We will stress our intention to be innovative in all parts of our Company, and we therefore maintain our focus on sustainability and a continued desire to run the Company with an environmental priority.

Management commentary

Events after the balance sheet date

The spread of COVID-19 throughout the world can potentially have an influence on the business for Sentia Denmark Holding ApS in 2020. Year to date, the spread of COVID-19 has not to a material extent impacted Sentia Denmark Holding ApS, however at this time it is not possible to predict the influence in the rest of 2020. As the potential impact is unknown at this time, this has not been included when setting the expectations for earnings in 2020.

Consolidated income statement for 2019

	Notes	2019 DKK'000	2018 DKK'000
Gross profit		**207.102**	**183.733**
Staff costs	2	(125.894)	(127.338)
Depreciation, amortisation and impairment losses	3	(144.377)	(83.710)
Operating profit/loss		**(63.169)**	**(27.315)**
Income from other fixed asset investments		1.157	0
Other financial income	4	93	1.646
Other financial expenses	5	(33.881)	(28.511)
Profit/loss before tax		**(95.800)**	**(54.180)**
Tax on profit/loss for the year	6	4.738	3.406
Profit/loss for the year	7	**(91.062)**	**(50.774)**

Consolidated balance sheet at 31.12.2019

	Notes	2019 DKK'000	2018 DKK'000
Completed development projects		7.219	8.126
Acquired trademarks		206	1.895
Acquired rights		308.670	183.813
Goodwill		232.736	148.428
Intangible assets	8	**548.831**	**342.262**
Land and buildings		17.708	18.082
Other fixtures and fittings, tools and equipment		78.335	74.425
Leasehold improvements		1.105	1.038
Property, plant and equipment	9	**97.148**	**93.545**
Deposits		3.381	2.106
Fixed asset investments	10	**3.381**	**2.106**
Fixed assets		**649.360**	**437.913**
Manufactured goods and goods for resale		3	178
Inventories		**3**	**178**
Trade receivables		63.747	43.464
Receivables from group enterprises		655	0
Other receivables		5.727	5.805
Joint taxation contribution receivable		0	4.159
Prepayments		24.114	806
Receivables		**94.243**	**54.234**
Cash		**37.862**	**17.407**
Current assets		**132.108**	**71.819**
Assets		**781.468**	**509.732**

Consolidated balance sheet at 31.12.2019

	Notes	2019 DKK'000	2018 DKK'000
Contributed capital		50	50
Revaluation reserve		9.026	9.438
Reserve for net revaluation according to the equity method		110	0
Reserve for development expenditure		4.938	2.665
Retained earnings		(103.746)	(57.942)
Equity		**(89.622)**	**(45.789)**
Deferred tax	11	64.894	38.132
Provisions		**64.894**	**38.132**
Mortgage debt		7.522	8.047
Finance lease liabilities		21.897	20.695
Trade payables		802	0
Payables to group enterprises		672.569	403.278
Non-current liabilities other than provisions	12	**702.790**	**432.020**
Current portion of long-term liabilities other than provisions	12	16.065	15.352
Bank loans		275	105
Prepayments received from customers		13.700	6.738
Trade payables		45.293	28.771
Payables to group enterprises		61	0
Income tax payable		1.421	6.186
Other payables	13	26.591	28.217
Current liabilities other than provisions		**103.406**	**85.369**
Liabilities other than provisions		**806.196**	**517.389**
Equity and liabilities		**781.468**	**509.732**

Events after the balance sheet date	1
Unrecognised rental and lease commitments	15
Assets charged and collateral	16
Transactions with related parties	17
Group relations	18
Subsidiaries	19

Consolidated statement of changes in equity for 2019

	Contributed capital DKK'000	Revaluation reserve DKK'000	Reserve for net revaluation according to the equity method DKK'000	Reserve for development expenditure DKK'000
Equity beginning of year	50	9.438	110	2.665
Group contributions etc	0	0	0	0
Transfer to reserves	0	(412)	0	2.273
Profit/loss for the year	0	0	0	0
Equity end of year	**50**	**9.026**	**110**	**4.938**

	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	(58.053)	(45.790)
Group contributions etc	47.230	47.230
Transfer to reserves	(1.861)	0
Profit/loss for the year	(91.062)	(91.062)
Equity end of year	**(103.746)**	**(89.622)**

Consolidated cash flow statement for 2019

	Notes	2019 DKK'000	2018 DKK'000
Operating profit/loss		(63.169)	(27.315)
Amortisation, depreciation and impairment losses		144.377	83.710
Working capital changes	14	(30.174)	(19.610)
Cash flow from ordinary operating activities		**51.034**	**36.785**
Financial income received		93	1.649
Financial expenses paid		(33.882)	(28.511)
Income taxes refunded/(paid)		(1.731)	0
Cash flows from operating activities		**15.514**	**9.923**
Acquisition etc of intangible assets		(25.386)	(38.832)
Sale of intangible assets		476	54
Acquisition of fixed asset investments		(742)	(419)
Acquisition of enterprises		(287.865)	(118.688)
Cash flows from investing activities		**(313.517)**	**(157.885)**
Loans raised		2.085	8.903
Repayments of loans etc		(525)	(67.658)
Incurrence of debt to group enterprises		269.498	215.813
Cash increase of capital		47.230	0
Cash flows from financing activities		**318.288**	**157.058**
Increase/decrease in cash and cash equivalents		**20.285**	**9.096**
Cash and cash equivalents beginning of year		17.302	8.206
Cash and cash equivalents end of year		**37.587**	**17.302**
Cash and cash equivalents at year-end are composed of:			
Cash		37.862	17.407
Short-term debt to banks		(275)	(105)
Cash and cash equivalents end of year		**37.587**	**17.302**

Notes to consolidated financial statements

1. Events after the balance sheet date

The spread of COVID-19 throughout the world can potentially have an influence on the business for Sentia Denmark Holding ApS in 2020. Year to date, the spread of COVID-19 has not to a material extent impacted Sentia Denmark Holding ApS, however at this time it is not possible to predict the influence in the rest of 2020. As the potential impact is unknown at this time, this has not been included when setting the expectations for earnings in 2020.

	2019 DKK'000	2018 DKK'000
2. Staff costs		
Wages and salaries	112.783	127.338
Pension costs	12.115	0
Other social security costs	996	0
	125.894	**127.338**
Average number of employees	**186**	**146**

Referring to section 98b (3) of the Danish Financial Statements Act, management remuneration is not disclosed.

	2019 DKK'000	2018 DKK'000
3. Depreciation, amortisation and impairment losses		
Amortisation of intangible assets	99.941	83.710
Depreciation of property, plant and equipment	44.436	0
	144.377	**83.710**

	2019 DKK'000	2018 DKK'000
4. Other financial income		
Financial income arising from group enterprises	0	1.646
Other interest income	93	0
	93	**1.646**

	2019 DKK'000	2018 DKK'000
5. Other financial expenses		
Financial expenses from group enterprises	32.063	28.511
Other interest expenses	1.663	0
Exchange rate adjustments	155	0
	33.881	**28.511**

Notes to consolidated financial statements

	2019 DKK'000	2018 DKK'000
6. Tax on profit/loss for the year		
Current tax	1.180	1.489
Change in deferred tax	(5.918)	(4.895)
	(4.738)	**(3.406)**

	2019 DKK'000	2018 DKK'000
7. Proposed distribution of profit/loss		
Retained earnings	(91.062)	(50.774)
	(91.062)	**(50.774)**

	Completed develop-ment projects DKK'000	Acquired trademarks DKK'000	Acquired rights DKK'000	Goodwill DKK'000
8. Intangible assets				
Cost beginning of year	15.581	5.430	200.634	198.992
Addition through business combinations etc	592	0	0	0
Additions	2.544	2.883	146.627	153.864
Cost end of year	**18.717**	**8.313**	**347.261**	**352.856**
Amortisation and impairment losses beginning of year	(7.455)	(3.535)	(16.821)	(50.564)
Amortisation for the year	(4.043)	(4.572)	(21.770)	(69.556)
Amortisation and impairment losses end of year	**(11.498)**	**(8.107)**	**(38.591)**	**(120.120)**
Carrying amount end of year	**7.219**	**206**	**308.670**	**232.736**

Completed development projects comprise both development of own systems for use in the operations of the Company, as well as the development of products and services with which the Company expects to generate additional revenues and where a future market and profit for the Company can be proven.

Notes to consolidated financial statements

	Land and buildings DKK'000	Other fixtures and fittings, tools and equipment DKK'000	Leasehold improve-ments DKK'000
9. Property, plant and equipment			
Cost beginning of year	8.802	227.073	6.778
Addition through business combinations etc	0	25.147	460
Additions	50	22.565	277
Disposals	0	(1.046)	0
Cost end of year	**8.852**	**273.739**	**7.515**
Revaluations beginning of year	13.206	0	0
Revaluations end of year	**13.206**	**0**	**0**
Depreciation and impairment losses beginning of year	(3.926)	(152.648)	(5.740)
Depreciation for the year	(424)	(43.342)	(670)
Reversal regarding disposals	0	586	0
Depreciation and impairment losses end of year	**(4.350)**	**(195.404)**	**(6.410)**
Carrying amount end of year	**17.708**	**78.335**	**1.105**
Recognised assets not owned by entity	**-**	**43.614**	**-**

Land and buildings, which are measured at fair value in accordance with the "first year return"-method, comprises one well-maintained headquarter property, including offices and a datacenter in Glostrup. The average price per square meter is calculated at DKK 685, which corresponds to the average prices per square meter in the area. The estimated first year return is calculated at DKK 1,367,000 corresponding to a return of 7,5 %.

	Deposits DKK'000
10. Fixed asset investments	
Cost beginning of year	2.038
Addition through business combinations etc	641
Additions	742
Disposals	(40)
Cost end of year	**3.381**
Carrying amount end of year	**3.381**

Notes to consolidated financial statements

	2019 DKK'000	2018 DKK'000
11. Deferred tax		
Intangible assets	974	1.984
Property, plant and equipment	(2.895)	(3.574)
Receivables	0	4
Other investments	67.953	40.856
Provisions	(1.138)	(1.138)
	64.894	**38.132**

Changes during the year	
Beginning of year	38.132
Recognised in the income statement	5.918
Addition in relation to acquisitions and legal mergers 2019	20.844
End of year	**64.894**

	Due within 12 months 2019 DKK'000	Due within 12 months 2018 DKK'000	Due after more than 12 months 2019 DKK'000	Outstanding after 5 years DKK'000
12. Liabilities other than provisions				
Mortgage debt	530	182	7.522	4.952
Finance lease liabilities	14.567	15.170	21.897	0
Trade payables	968	0	802	0
Payables to group enterprises	0	0	672.569	0
	16.065	**15.352**	**702.790**	**4.952**

	2019 DKK'000	2018 DKK'000
13. Other short-term payables		
VAT and duties	10.318	1.491
Wages and salaries, personal income taxes, social security costs, etc payable	1.418	317
Holiday pay obligation	12.827	9.551
Other costs payable	2.028	16.858
	26.591	**28.217**

Notes to consolidated financial statements

	2019 DKK'000	2018 DKK'000
14. Change in working capital		
Increase/decrease in inventories	175	(108)
Increase/decrease in receivables	(43.512)	(13.651)
Increase/decrease in trade payables etc	21.687	19.760
Other changes	(8.524)	(25.611)
	(30.174)	**(19.610)**

	2019 DKK'000	2018 DKK'000
15. Unrecognised rental and lease commitments		
Liabilities under rental or lease agreements until maturity in total	**48.954**	**11.150**

16. Assets charged and collateral

As security for third party debt a way of mortgage on properties totaling DKK 8,052k.

As security for third party debt a cloating charge totaling 8,000k has been issued. The floating charge covers tangible and intangible assets as well as inventories and trade receivables.

17. Transactions with related parties

Only non arm's-length transactions with related parties are disclosed in the financial statements. All related party transactions carried out during the financial year have been made on arm's length bases.

18. Group relations

Name and registered office of the Parent preparing consolidated financial statements for the smallest group: Sentia Group B.V., Amsterdam-Duivendrecht, Netherland

	Registered in	Corpo- rate form	Equity inte- rest %
19. Subsidiaries			
Sentia Denmark A/S	Herlev	A/S	100,0
Sentia Denmark Services 5 ApS	Herlev	ApS	100,0
Ymor ApS	København	ApS	100,0

Parent income statement for 2019

	Notes	2019 DKK'000	2018 DKK'000
Income from investments in group enterprises		(63.631)	(31.134)
Other financial income	3	0	1.015
Other financial expenses	4	(32.018)	(25.454)
Profit/loss before tax		**(95.649)**	**(55.573)**
Tax on profit/loss for the year	5	4.587	4.283
Profit/loss for the year	6	**(91.062)**	**(51.290)**

Parent balance sheet at 31.12.2019

	Notes	2019 DKK'000	2018 DKK'000
Investments in group enterprises		574.665	350.330
Fixed asset investments	7	**574.665**	**350.330**
Fixed assets		**574.665**	**350.330**
Receivables from group enterprises		14.787	34.456
Other receivables		2.311	0
Joint taxation contribution receivable		10.477	4.159
Receivables		**27.575**	**38.615**
Cash		**89**	**89**
Current assets		**27.664**	**38.704**
Assets		**602.329**	**389.034**

Parent balance sheet at 31.12.2019

	Notes	2019 DKK'000	2018 DKK'000
Contributed capital		50	50
Retained earnings		(89.672)	(45.841)
Equity		**(89.622)**	**(45.791)**
Payables to group enterprises		677.903	403.278
Non-current liabilities other than provisions		**677.903**	**403.278**
Trade payables		50	48
Payables to group enterprises		13.998	13.999
Other payables		0	17.500
Current liabilities other than provisions		**14.048**	**31.547**
Liabilities other than provisions		**691.951**	**434.825**
Equity and liabilities		**602.329**	**389.034**
Events after the balance sheet date	1		
Staff costs	2		
Contingent liabilities	8		
Related parties with controlling interest	9		
Transactions with related parties	10		

Parent statement of changes in equity for 2019

	Contributed capital DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	50	(45.840)	(45.790)
Group contributions etc	0	47.230	47.230
Profit/loss for the year	0	(91.062)	(91.062)
Equity end of year	**50**	**(89.672)**	**(89.622)**

Notes to parent financial statements

1. Events after the balance sheet date

The spread of COVID-19 throughout the world can potentially have an influence on the business for Sentia Denmark Holding ApS in 2020. Year to date, the spread of COVID-19 has not to a material extent impacted Sentia Denmark Holding ApS, however at this time it is not possible to predict the influence in the rest of 2020. As the potential impact is unknown at this time, this has not been included when setting the expectations for earnings in 2020.

	2019	2018
2. Staff costs		
Average number of employees	**0**	**0**

	2019 DKK'000	2018 DKK'000
3. Other financial income		
Financial income arising from group enterprises	0	1.015
	0	**1.015**

	2019 DKK'000	2018 DKK'000
4. Other financial expenses		
Financial expenses from group enterprises	31.863	20.232
Other interest expenses	0	4.802
Exchange rate adjustments	155	0
Other financial expenses	0	420
	32.018	**25.454**

	2019 DKK'000	2018 DKK'000
5. Tax on profit/loss for the year		
Current tax	(4.587)	(4.283)
	(4.587)	**(4.283)**

	2019 DKK'000	2018 DKK'000
6. Proposed distribution of profit/loss		
Retained earnings	(91.062)	(51.290)
	(91.062)	**(51.290)**

Notes to parent financial statements

	Investments in group enterprises DKK'000
7. Fixed asset investments	
Cost beginning of year	391.007
Addition through business combinations etc	287.966
Cost end of year	**678.973**
Impairment losses beginning of year	(40.677)
Amortisation of goodwill	(83.128)
Share of profit/loss for the year	19.497
Impairment losses end of year	**(104.308)**
Carrying amount end of year	**574.665**

A specification of investments in subsidiaries is evident from the notes to the consolidated financial statements.

8. Contingent liabilities

The Entity serves as the administration company in a Danish joint taxation arrangement. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for these entities.

To a third party, the company has issued a mortgage in shares in Sentia Denmark A/S and in receivables from group companies.

9. Related parties with controlling interest

Sentia Group B.V., Amsterdam, Netherland, wholly owns the shares of the Entity and thus has control over the Entity.

10. Transactions with related parties

Only non arm’s-length transactions with related parties are disclosed in the financial statements. All related party transactions carried out during the financial year have been made on arm’s length bases.

Accounting policies

Reporting class
This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

The accounting policies applied to these consolidated financial statements and parent 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.

Consolidated financial statements
The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence.

Basis of consolidation
The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the acquisition date, with net assets having been calculated at fair value.

Accounting policies

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. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

When recognising foreign subsidiaries and associates that are independent entities, the income statements are translated at average exchange rates for the months that do not significantly deviate from the rates at the transaction date. Balance sheet items are translated using the exchange rates at the balance sheet date. Goodwill is considered belonging to the independent foreign entity and is translated using the exchange rate at the balance sheet date. Exchange differences arising out of the translation of foreign subsidiaries' equity at the beginning of the year at the balance sheet date exchange rates as well as out of the translation of income statements from average rates to the exchange rates at the balance sheet date are recognised directly in equity.

Exchange adjustments of outstanding accounts with independent foreign subsidiaries which are considered part of the total investment in the subsidiary in question are classified directly as equity.

When recognising foreign subsidiaries that are integral entities, monetary assets and liabilities are translated using the exchange rates at the balance sheet date. Non-monetary assets and liabilities are translated at the exchange rate of the time of acquisition or the time of any subsequent revaluation or writedown. The items of the income statement are translated at the average rates of the months; however, items deriving from non-monetary assets and liabilities are translated using the historical rates applicable to the relevant non-monetary items.

Income statement
Gross profit or loss
Gross profit or loss comprises revenue, cost of sales 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.

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

Accounting policies

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
Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, as well as gains and losses from the sale of intangible assets as well as property, plant and equipment.

Income from investments in group enterprises
Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of internal profits or losses.

Income from other fixed asset investments
Income from other fixed asset investments comprises gains in the form of interest, dividends, etc on fixed asset investments which are not investments in group enterprises or associates.

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

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.

Accounting policies

Balance sheet

Goodwill

Goodwill is the positive difference between cost and fair value of assets and liabilities arising from acquisitions. 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 lives are reassessed annually. The amortisation periods used are 5 years.

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

Intellectual property rights etc

Intellectual property rights etc comprise development projects completed and in progress with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity under Reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. If the useful life cannot be estimated reliably, it is fixed at 10 years. For development projects protected by intellectual property rights, the maximum amortisation period is the remaining duration of the relevant rights. The amortisation periods used are 5-10 years.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised over their remaining duration, and licences are amortised over the term of the agreement.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Land and buildings, plant and machinery as well as other fixtures and fittings, tools and equipment 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. For assets held under finance leases, cost is the lower of the asset’s fair value and present value of future lease payments.

Accounting policies

Land and buildings are revaluated systematically and consistently to fair value based on the "first year return method". Positive revaluations are recognised on revaluation reserves in the equity. Deferred tax liabilities following revaluations are set of in the revaluation reserve in the equity.

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
Other fixtures and fittings, tools and equipment	3-10 years
Leasehold improvements	3-10 years

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

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

Investments in group enterprises
In the parent financial statements, investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus unamortised goodwill and plus or minus unrealised intra-group profits and losses. Refer to the above section on business combinations for more details about the accounting policies used on acquisitions of investments in group enterprises.

Group enterprises with negative equity value are measured at DKK 0. Any receivables from these en-terprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation will involve a loss, a provision is recognised that is measured at present value of the costs necessary to settle the obligations at the balance sheet date.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to Reserve for net revaluation according to the equity method under equity.

Goodwill is the positive difference between cost and fair value of assets and liabilities arising from acquisitions. 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 lives are reassessed annually. The amortisation periods used are 5 years.

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

Accounting policies

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.

Joint taxation contributions receivable or payable
Current joint taxation contributions payable or joint taxation contributions receivable are recognised in the balance sheet, calculated as tax computed on the taxable income for 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.

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

Cash
Cash comprises bank deposits.

Deferred tax
Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset or the planned settlement of each liability. However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

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.

Deferred tax relating to retaxation of previously deducted losses in foreign subsidiaries is recognised on the basis of an actual assessment of the purpose of each subsidiary.

Mortgage debt
At the time of borrowing, mortgage debt to mortgage credit institutions is measured at cost which corresponds to the proceeds received less transaction costs incurred. Mortgage debt is subsequently measured at amortised cost. This means that the difference between the proceeds at the time of borrowing and the nominal repayable amount of the loan is recognised in the income statement as a financial expense over the term of the loan applying the effective interest method.

Accounting policies

Finance lease liabilities
Lease commitments relating to assets held under finance leases are recognised in the balance sheet as liabilities other than provisions, and, at the time of inception of the lease, measured at the present value of future lease payments. Subsequent to initial recognition, lease commitments are measured at amortised cost. The difference between present value and nominal amount of the lease payments is recognised in the income statement as a financial expense over the term of the leases.

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.

Income tax receivable or payable
Current tax receivable or payable is recognised in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

Cash flow statement
The cash flow statement shows cash flows from operating, investing and financing activities as well as cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes and income taxes paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments as well as purchase, development, improvement and sale, etc of intangible assets and property, plant and equipment, including acquisition of assets held under finance leases.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs as well as the raising of loans, inception of finance leases, instalments on interest-bearing debt, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash and short termed bank debt.