Fulmar Holding ApS

Havneholmen 25, 8.
DK-1561 Copenhagen V
Business Registration No: 38 10 48 88

Annual report for 2019
(1 January 2019 – 31 December 2019)

The Annual General Meeting adopted the annual report on 16.06.2020

Chairman of the Annual General Meeting

Name: Søren Poulsgaard Jensen

Contents

Entity details

Company

Fulmar Holding ApS
Havneholmen 25, 8 th floor
1561 Copenhagen V, Denmark
Business Registration No: 38 10 48 88
Registered in: Copenhagen, Denmark
Financial year: 01.01.2019 – 31.12.2019
Phone: +45 33 15 15 15
Internet: www.scandlines.com
E-mail: scandlines@scandlines.dk

Board of Directors

Nicolas Grant, Chairman of the Board
Hamish Ambrose Lea-Wilson
Luke Erik Bugeja

Executive Board

Søren Poulsgaard Jensen
Per Johannesen Madsen

Company auditors

Deloitte
Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
P.O. Box 1600
2300 Copenhagen S, Denmark

Management commentary

Primary Activities

The Company’s primary activities is to own associated companies.

Development in Activities and Finances

The financial year 2019 shows a profit for the year of MEUR 67.4 which is MEUR 37.9 higher than 2018.

Events after the balance sheet date

The Company’s associated company, Scandlines Infrastructure ApS group is impacted by the outbreak of COVID-19 across Europe in early 2020 and subsequent travel restrictions. This impact has also materialized on Fulmar Holding and the financial statements. Any potential negative implications on our asset values or from liabilities arising as a result of the COVID-19 virus are considered 2020-events and will as such be reflected in our 2020 result.

Apart from this no events have occurred in the period from the balance sheet date until the date of release of this annual report that would materially affect the evaluation of the annual report.

Financial statements

Income statement

	Notes	2019 MEUR	2018 MEUR
Other income		0.7	0.0
Total income		**0.7**	**0.0**
Other external expenses		-0.3	-11.1
Total costs		**-0.3**	**-11.1**
Result before amortisation and depreciation (EBITDA)		**0.4**	**-11.1**
Result from operations (EBIT)		**0.4**	**-11.1**
Profit from associated companies	4	79.6	46.7
Financial expenses	2	-12.4	-6.0
Result before tax		**67.6**	**29.6**
Tax for the year	3	-0.2	0.0
Result for the year		**67.4**	**29.6**
Total comprehensive income		67.4	29.6
Attributable to owners		67.4	29.6

Financial statements

Balance sheet

	Notes	31.12.19 MEUR	31.12.18 MEUR
ASSETS			
Investments in associeted companies	4	975.9	1.118.2
Non-current financial assets		**975.9**	**1.118.2**
Total non-current assets		**975.9**	**1.118.2**
Other receiveables		0.0	0.1
Cash		6.4	25.2
Current assets		**6.4**	**25.3**
Total current assets		**6.4**	**25.3**
Assets		**982.3**	**1.143.5**

	Notes	31.12.19 MEUR	31.12.18 MEUR
EQUITY AND LIABILITIES			
Share capital		0.0	0.0
Capital reserves		-1.9	-1.3
Retained earnings		806.7	855.5
Dividend		0.0	49.4
Total equity		**804.8**	**903.6**
Interest-bearing liabilities	5	177.3	226.9
Total non-current liabilities		**177.3**	**226.9**
Interest-bearing liabilities	5	0.0	13.0
Company tax		0.2	0.0
Total current liabilities		**0.2**	**13.0**
Total liabilities		**177.5**	**239.9**
Equity and liabilities		**982.3**	**1.143.5**

Financial statements

Cash flow statement

	Notes	31.12.19 MEUR	31.12.18 MEUR
Result before amortisation and depreciation (EBITDA)		0.4	-11.1
Adjustments for non-cash operating items, etc.		0.2	0.0
Working capital changes	6	0.0	-0.1
Cash flows from operating activities, gross		**0.6**	**-11.2**
Taxes paid		0.2	0.0
Cash flows from operating activities, net		**0.8**	**-11.2**
Investment	4	0.0	-1.131.6
Cash flows to/from investing activities		**0.0**	**-1.131.6**
Payment of dividends		-165.6	23.7
Received dividends		221.3	0.0
Capital increase		0.0	910.4
Change in financing		0.0	245.8
Repayment, bank loan		-64.3	-5.8
Interest and other		-10.8	-6.0
Fair value derivatives and FX adjustments		-0.2	-0.1
Cash flows to/from financing activities		**-19.6**	**1.168.0**
Cash flows for the year, net			
Cash at 1 January		25.2	0.0
Change in Cash		-18.8	25.2
Cash at 31 December		**6.4**	**25.2**
Breakdown of cash at the end of the year			
Cash		6.4	25.2
Cash at 31 December		**6.4**	**25.2**

Financial statements

Statement of changes in equity, MEUR

	Share capital	Retai- ned ear nings	Fair value adjustment of hedging instru- ments	Divi- dend	Total
Equity at 1 January 2019	**0.0**	**855.5**	**-1.3**	**49.4**	**903.6**
Comprehensive income/loss for the year					
Payment dividend	0.0	0.0	0.0	-49.4	-49.4
Result for the year	0.0	67.4	0.0	0.0	67.4
Payment of extraordinary dividend	0.0	-116.2	0.0	0.0	-116.2
Income/loss	0.0	0.0	-0.6	0.0	-0.6
Total comprehensive income/loss 31 December 2019	**0.0**	**806.7**	**-1.9**	**0.0**	**804.8**

Share capital

Share capital is nominal EUR 26 thousand.

Dividend

In 2019, there has been paid MEUR 49.4 in ordinary dividend to the shareholders and MEUR 116.2 in extraordinary dividend.

	Share capital	Retai- ned ear nings	Fair value adjustments of hedging instru- ments	Divi- dend	Total
Equity at 1 January 2018	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Comprehensive income/loss for the year					
Capital increase	0.0	910.4	0.0	0.0	910.4
Result for the year	0.0	29.6	0.0	0.0	29.6
Payment of extraordinary dividend	0.0	-35.1	0.0	0.0	-35.1
Income/loss	0.0	0.0	-1.3	0.0	-1.3
Proposed ordinary dividend	0.0	-49.4	0.0	49.4	0.0
Total comprehensive income/loss 31 December 2018	**0.0**	**855.5**	**-1.3**	**49.4**	**903.6**

Share capital

Share capital is nominal EUR 26 thousand.

Dividend

In 2018, there has been paid MEUR 35.1 in extraordinary dividend.

Financial statements

Overview of notes

Notes to the financial statements

1. Significant accounting estimates and judgements

Estimation uncertainty

Determining the carrying amount of certain assets and liabilities requires an estimate of how future events will affect the value of those assets and liabilities at the balance sheet date. Estimates that are significant to the Parent's financial reporting are made, for instance, by reviewing investments in subsidiaries for impairment. They constitute a major portion of the Parent's total assets.

Subsidiaries are tested for impairment if events or other circumstances indicate that the carrying amount is not recoverable. Measuring subsidiaries requires significant estimates to be made when making different assumptions, including expected future cash flows, discount rate and terminal value growth rates. The sensitivity to changes in the assumptions applied - collectively and individually - may be significant.

Particular risks are discussed in the management commentary.

Assumptions about the future and other estimation uncertainties at the balance sheet date are disclosed in the notes if they involve a material risk of changes that may lead to considerable adjustment of the carrying amounts of assets or liabilities within the next financial year.

Notes, MEUR

	2019	**2018**
2. Financial expenses		
Interest to credit institutions etc.	-12.4	-6.0
	-12.4	**-6.0**

3. Tax for the year

There is a tax asset of MEUR 0.1 which has not been recognised in the balance sheet as of 31 December 2019.

4. Investments in associated companies

	2019	**2018**
Current assets	81.0	90.0
Non-current assets	2,457.4	2.471.6
Current liabilities	-73.6	-129.8
Non-current liabilities	-963.4	-711.4
Carrying amount of the Entity's interest in the associate	**1,501.4**	**1.720.4**

Notes to the financial statements

Notes, MEUR

4. Investments in associated companies (continued)

	2019	2018
Revenue	475.0	253.5
Profit or loss from operations	141.3	90.5
Profit/(loss) for the year	**122.2**	**71.5**
Other comprehensive income	-0.6	-2.0
Total comprehensive income	**121.6**	**69.5**
Dividends received from the associate during the year	**221.3**	**58.8**

	31.12.19	31.12.18
Net assets of associate	1,501.4	1.720.4
Proportion of the Entity's ownership interest in the associate (%)	65%	65%
Carrying amount of the Entity's interest in the associate	**975.9**	**1.118.2**

Name of associate	Principal activity	Place of incorporation and principal place of business	Proportion of ownership interest and voting rights held by the Entity
Scandlines Infrastructure ApS	Holding	Copenhagen	65%

5. Interest-bearing liabilities

	31.12.19	31.12.18
Bank debt	177.3	226.9
Total non-current interest-bearing liabilities	**177.3**	**226.9**
Bank debt	0.0	13.0
Total current interest-bearing liabilities	**0.0**	**13.0**
Total current and non-current interest-bearing liabilities	**177.3**	**239.9**

Please refer to note 7 with respect to financial risk etc.

Notes to the financial statements

Notes, MEUR

5. Interest-bearing liabilities (continued)

	31.12.19	31.12.18
Distribution of currency, nominal principal		
DKK	0.0	0.0
EUR	177.3	239.9
Total interest-bearing liabilities	**239.9**	**239.9**

Bank debt 2019

	Currency	Fixed/float interest	Nominal value	Fair value
Tranche 2 (expiry 2028)	EUR	Fixed	127.3	127.3
Tranche 3 (expiry 2032)	EUR	Fixed	50.0	50.0
			177.3	**177.3**

Facilities 2019	Facility	Utilised	Remaining facilities
Tranche 2 (expiry 2028)	127.3	127.3	0.0
Tranche 3 (expiry 2032)	50.0	50.0	0.0
	177.3	**177.3**	**0.0**

Bank debt 2018

	Currency	Fixed/float interest	Nominal value	Fair value
Tranche 1 (expiry 2023)	EUR	Floating	64.2	64.2
Tranche 2 (expiry 2028)	EUR	Fixed	125.7	125.7
Tranche 3 (expiry 2032)	EUR	Fixed	50.0	50.0
			239.9	**239.9**

Facilities 2018	Facility	Utilised	Remaining facilities
Tranche 1 (expiry 2023)	64.2	64.2	0.0
Tranche 2 (expiry 2028)	125.7	125.7	0.0
Tranche 3 (expiry 2032)	50.0	50.0	0.0
	239.9	**239.9**	**0.0**

Notes to the financial statements

Notes, MEUR

5. Interest-bearing liabilities (continued)

The fair value of the bank debt is calculated at present value of future payment and payment of interest applying the actual yield curve which derives from the actual market interest (level 2 in the fair value hierarchy).

The existing loan agreement is subject to covenants.

	31.12.19	31.12.18
6. Working capital changes		
Increase (-)/decrease (+) in trade payables	0.0	-0.1
	0.0	**-0.1**

7. Financial risks and use of derivatives

Risk management policy

Financial market risks derive from operating, financing and investment activities. The group Treasury Policy approved annually by the Executive Management defines responsibilities, procedures and risk limits per risk type. The Fulmar group does not actively speculate in financial risks. Financial risk management is performed centrally for the group and includes the responsibility for identifying, measuring, managing and reporting of financial risks in accordance with the group Treasury Policy.

Risks related to foreign exchange rates

Foreign exchange rate risk derives primarily from operating cash flows and financing arrangement in other currencies than EUR.

Liquitity risks

The Fulmar group has a strong and stable seasonality in the cash flow with a positive net cash flow in most calendar months. The liquidity risk is considered to be very low.

The Entity’s debt falls due as follows (excl. interest):

31.12.19	Within 1 year	1-5 years	After 5 years	Nominal values
Non-derivatives				
Credit institutions and banks*	0.0	25.8	151.5	177.3
	0.0	**25.8**	**151.5**	**177.3**

Notes to the financial statements

Notes, MEUR

7. Financial risks and use of derivatives(continued)

31.12.18	**Within 1 year**	**1-5 years**	**After 5 years**	**Nominal values**
Non-derivatives				
Credit institutions and banks*	13.0	61.3	165.6	239.9
	13.0	**61.3**	**165.6**	**239.9**

*Due to immaterial effects between fair values and nominal value, the difference is not shown.

Capital management

The Group regularly evaluates the need for adjusting the capital structure in order to match the requirement for increased returns on capital invested and flexibility to realise the strategic objectives.

The entity's dividend policy is closely related to the existing loan agreement. This means that dividend may be allotted only if the assumptions determined in the agreement have been met. This ensures that dividend is allotted only if specific financial ratios have been observed, and that instal ments in respect of the debt are made depending on the size of the dividend.

Fair value hierarchy of financial instruments measured at fair value in the balance sheet forward exchange transactions and interest rate swaps are valued using an income approach (discounted cash flow). Expected future cash flows are based on relevant observable swap rates and forward exchange rates and discounted using a discount rate that reflects the credit risk of the relevant counterparties (level 2).

	31.12.19	**31.12.18**
Bank debt	177.3	239.9
Financial liabilities measured at amortised cost	**177.3**	**239.9**

8. Related parties

Fulmar Holding ApS' only shareholder is Fulmar Investments ApS.

Related parties also include all companies owned by Fulmar Holding ApS.

The members of the Scandlines Infrastructure ApS' Executive Management and these persons' close family members are also related parties.

During the period, there have been no transactions with related parties aside from intragroup transactions (primarily management fees, dividend etc.).

Notes to the financial statements

9. Events after the balance sheet date
The Company's associated company, Scandlines Infrastructure ApS group is impacted by the outbreak of COVID-19 across Europe in early 2020 and subsequent travel restrictions. This impact has also materialized on Fulmar Holding and the financial statements. Any potential negative implications on our asset values or from liabilities arising as a result of the COVID-19 virus are considered 2020-events and will as such be reflected in our 2020 result. Apart from this no events have occurred in the period from the balance sheet date until the date of release of this annual report that would materially affect the evaluation of the annual report.

10. Accounting policies
The financial statements are presented in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for annual reports of reporting class B enterprises.

The Company was established on 1 October 2016 and the purpose has in 2019 been to be holding company in Scandlines Infrastructure ApS.

Basis of accounting
The financial statements are presented in EUR, the functional currency of Fulmar Holding ApS. The financial statements are prepared under the historical cost convention, with the exception of derivatives, which are measured at fair value. Non-current assets and disposal groups classified as held for sale are measured at the lower of carrying amount before the change in classification and fair value net of selling costs. The accounting policies described below have been applied consistently throughout the financial year.

Standards and interpretations effective in the current period
The following new and revised standards and interpretations are relevant for the entity and have been adopted as applicable in the current period:

- IFRS 16 ´Leases´
- IFRIC 23 – Uncertainty over Income tax treatments

IFRS 16 - Leases was published in January 2016 and introduces a single lessee accounting model, requiring lessees to recognise leases in the balance sheet as a right-of-use asset and a lease liability, unless the lease term is 12 months or less or the underlying asset has a low value. In the income statement, the lease cost is replaced by depreciation of the leased asset and an interest expense for the financial liability. The entity has adopted the standard with effect of 1 January 2019.

The implementation of IFRS 16 has not had any impact on the financial statements.
The implementation of IFRIC 23 has not had any impact on the financial statements.

Notes to the financial statements

10. Accounting policies (continued)

Critical accounting policies

Management believes that the critical accounting policies are thosed applied to the consolidated financial statements, business combinations, non-current intangible assets. Below, each of those fields are described together with other accounting policies applied. Significant accounting estimates and judgements made when applying the entity’s accounting policies are described in note 1 to the consolidated financial statements.

Foreign currency translation

Translation adjustments of balances considered part of the total net investment in enterprises using a functional currency other than EUR are recognised in financial income or financial expenses in the income statement of the financial statements.

However, when the forecast transaction that is hedged results in the recognition of a non-financial asset, the gains or losses previously recognised in other comprehensive income are transferred from equity and included in the initial measurement of the cost of the non-financial asset.

If the hedging instrument no longer qualifies for hedge accounting, the hedging relationship will cease going forward. Accumulated changes in value recognised in equity are transferred to profit or loss through other comprehensive income when the cash flows hedged affect profit or loss.

If the cash flows hedged are no longer expected to be realised, the accumulated changes in value are immediately taken to the income statement.

Income statement

Other external expenses

These expenses comprise expenses incurred for administration including stationery and office supplies.

Share of profit or loss of associates

The proportionate share of associates' profit or loss after tax and after elimination of the proportionate share of intercompany profits or losses is recognised in the income statement.

Financial income and expenses

Financial income and expenses comprise interest income and expenses, realised and unrealised exchange gains and losses on debt and foreign currency transactions, as well as surcharges and reliefs under the Danish Tax Prepayment Scheme, etc.

Notes to the financial statements

10. Accounting policies (continued)

Taxation

Tax for the year, which consists of income tax, and the annual joint taxation contribution for Danish affiliated companies and changes in deferred tax, are recognised in the income statement by the portion attributable to profit or loss for the year and taken directly to equity by the portion attributable to entries directly in equity. Corrections concerning previous years are included in this item as well.

When settling joint taxation contributions, the current Danish income tax is allocated among the jointly taxed enterprises proportionally to their taxable income. Enterprises with tax losses receive joint taxation contributions from enterprises that could have used such losses to reduce their own taxable profit.

Income tax and tonnage tax computed for the year are recognised in the balance sheet as current tax payable or receivable or as a joint taxation contribution for Danish enterprises, allowing for prepayments made. Pursuant to the Danish rules governing joint taxation, affiliated companies' liability for own income taxes is settled as and when the joint taxation contributions are paid to the administration company.

Deferred taxes are not recognised as they are not considered recoverable.

Assets

Current assets are defined as:

- Assets expected to be realised or are held for sale or consumption during the normal operating cycle, or
- Assets primarily held for trading or expected to be realised within one year of the balance sheet date, or
- Cash with no restrictions on use

All other assets are classified as non-current.

Notes to the financial statements

10. Accounting policies (continued)

Investments in associates

Investments in associates are measured according to the equity method. This means that, in the balance sheet, investments are measured at the proportionate share of the enterprises' equity value, calculated applying the entity's accounting policies, plus the carrying amount of goodwill and plus or less the proportionate share of unrealised intercompany profits and losses.

Associates with a negative equity value are measured at EUR 0. If there are a legal or constructive obligation to cover the negative balance of the associate, this amount is recognised in liabilities.

Other assets

On initial recognition, other non-current assets and current assets are measured at cost. Subsequently, these assets are measured in one of the following categories:

- Held for trading: The asset is measured at fair value, and value adjustments are recognised through profit or loss
- Available for sale: The asset is measured at fair value, and value adjustments are recognised through other comprehensive income and transferred to a separate reserve in equity
- Loans and receivables: The asset is measured at amortised cost, and value adjustments are recognised through profit or loss

Impairment

The carrying amounts of non-current financial assets are reviewed regularly, at least once a year, to determine any indication of impairment. If such indication exists, the recoverable amount of the asset is determined. The recoverable amount is the higher of the asset's net selling price and value in use. The value in use is calculated by discounting to net present value the expected future net cash flows from the asset – either from the asset itself or from the lowest cash-generating unit that the asset belongs to.

Receivables

Receivables are recognised at amortised cost net of write-downs for bad and doubtful debts if an objective indication of impairment is estimated to exist. Such estimate is made on an individual basis.

Equity

Dividend

Proposed dividend is recognised as a liability at the time of adoption at the general meeting (time of declaration). Dividend expected to be paid for the year is disclosed as a separate equity item.

Notes to the financial statements

10. Accounting policies (continued)

Foreign currency translation adjustments reserve

The reserve for foreign currency translation adjustments includes currency translation differences arising from the translation of financial statements of enterprises using a functional currency other than EUR as well as currency translation adjustments relating to assets and liabilities which represent part of net investments in such enterprises.

Liabilities

Current liabilities are defined as:

- Liabilities expected to be settled during the normal operating cycle, or
- Liabilities to be settled within twelve months after the balance sheet date

All other liabilities are classified as non-current.

Other provisions

Provisions are recognised when, as a result of previous events, there is a legal or constructive obligation that will lead to a probable outflow of the economic resources, if the amount thereof can be estimated reliably. Allowance is made for the time value of money if this has a major bearing on the measurement of the obligation.

Statement by Management on the annual report

The Board of Directors and the Executive Management have today considered and approved the annual report of Fulmar Holding ApS for the financial year 1 January 2019 - 31 December 2019.

The annual report is prepared in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements of the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company´s financial position at 31 December 2019 and of the results of their operations for the financial year 1 January 2019 - 31 December 2019.

In our opinion, the management commentary contains a fair review of the development of the Company´s business and financial matters, the results for the year and of the entitys financial position and the financial position as a whole of the entities included in the financial statements.

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

Copenhagen, 16.06.2020

Executive Management

Søren Poulsgaard Jensen, CEO

Per Johannesen Madsen, CFO

Board of Directors

Nicolas Grant
Chairman of the Board

Hamish Ambrose Lea-Wilson

Luke Erik Bugeja

Independent auditor's report

To the shareholder of Fulmar Holding ApS

Opinion

We have audited the financial statements of Fulmar Holding ApS for the financial year 1 January 2019 - 31 December 2019, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, and the cash flow statement. The financial statements are prepared in accordance with the International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the entitys financial position at 31 December 2019, and of the results of their operations for the financial year 1 January 2019 - 31 December 2019 in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of 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. 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 Company´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 Company´s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the entity to express an opinion on the 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 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, 16.06.2020

Deloitte
Statsautoriseret Revisionspartnerselskab
Business Registration No 33 96 35 56

Kirsten Aaskov Mikkelsen	Bjarne Iver Jørgensen
State-Authorised	State-Authorised
Public Accountant	Public Accountant
MNE no 21358	MNE no 35659