



**Senmatic A/S
Industrivej 8
5471 Søndersø**

ANNUAL REPORT 2018

1 JANUARY - 31 DECEMBER 2018

The Annual General Meeting adopted the annual report on 26 February 2019.

Chairman of the General Meeting

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Entity details

The Group develops, manufactures and markets electronic and electromechanical products within applied sensor and automation technology for industrial purposes and for horticulture.

The company is wholly owned by Indutrade Aktiebolag, Kista, Sweden.

The company is included in the consolidated financial statements of Indutrade Aktiebolag, Kista, Sweden.

Entity

Senmatic A/S
Industrivej 8
5471 Søndersø
Phone: +45 64 892 211
e-mail: dk@senmatic.com
www.senmatic.com

Board of Directors

Tomas Patrik Stolpe, Chairman
Lars Rune Persson, Vice-chairman
Mads Wackes Sckerl
Pia Banke*
Hanne Nielsen Benberg*
* employee representative

Executive board

Mads Wackes Sckerl, CEO

Auditors

PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab
Rytterkasernen 21
5000 Odense C

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Senmatic A/S for the financial year 1 January - 31 December 2018.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31 december 2018 and of the results of its operations for the financial year 1 January - 31 December 2018.

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

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

Søndersø, 26 February 2019

Executive Board



Mads Wackes Sckerl

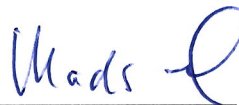
Board of Directors



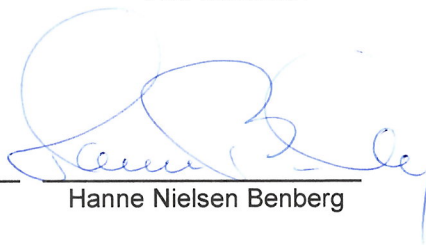
Tomas Patrik Stolpe
Chairman



Lars Rune Persson
Vice-chairman



Mads Wackes Sckerl



Hanne Nielsen Benberg

Pia Banke

Independent Auditor's Report

To the Shareholders of Senmatic A/S

Opinion

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2018, and of the results of the Group's and the Parent Company's operations as well as the consolidated cash flows for the financial year 1 January - 31 December 2018 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of C-Group for the financial year 1 January - 31 December 2018, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company, as well as consolidated statement of cash flows ("financial statements").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the financial statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

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

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

Based on the work we have performed, in our view, Management's Review is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement in Management's Review.

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation of Consolidated Financial Statements and Parent Company Financial Statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of 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 Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Group or the Parent Company 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 judgment and maintain professional skepticism 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 Group's and the Parent Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 Parent Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, 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 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 internal control that we identify during our audit.

Odense, 26 February 2019

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31



Bo Damgaard Hansen

State Authorised Public Accountant

mne34543

Management review on the annual report

Senmatic A/S develops, manufactures and markets electronic and electromechanical products within sensor and automation technology for industrial purposes and for horticulture. LED light and energy systems are marketed to the global horticulture industry based on technology from the subsidiary Fionia Lighting A/S.

Compared to 2017, the revenue for the Senmatic Group has increased by 4% in 2018.

For the sensor business, revenue during the year was characterized by a weak development in the market for reefer containers as well as in the oil and gas market due to low investment rates. Overall, revenue in the sensor business increased by 2%.

For the horticultural business, revenue increased by 10%. Sales to after-market, upgrade projects and smaller new installations remained at the same level as in 2017. Sales of LED grow light fixtures grew by 58%. The Danish market was negatively affected by delays in subsidy schemes for horticulture's investments.

The Group realized a gross profit of DKK 34.6 million in the financial year 1. January – 31. December 2018. In the financial year 1. January – 31. December 2017, the Group realized a gross profit of DKK 35.1 million.

Profit before financial items was DKK 8.3 million. In the financial year 1. January – 31. December 2017, profit before financial items was DKK 10.9 million.

The result for the year is considered unsatisfactory.

The investments among shipping companies is expected to improve in 2019, and the positive development in sales of sensors for reefer containers is expected to continue also driven by a new supply agreement with a large international customer. Significant sales increases are also expected for the wind turbine and marine industry. An increase in sales of sensors for oil and gas plants is expected, driven by an expected slightly improving investment appetite in the oil and gas industry.

In China, sales of sensors is expected to significantly increase, driven by projects in liquefied gas storage and new OEM customers for temperature sensors in the marine industry.

The market for LED lighting for horticulture is still uncertain and will therefore affect the uncertainty of the sale of these products.

Operating profit for 2019 is expected to be DKK 12-16 million.

As in previous years, uncertainty factors in 2019 are particularly linked to exchange rates and prices of raw materials. Expectations are based on an unchanged level of this compared to 2018. In addition, Senmatic A/S is affected by usual commercial risks. These are regularly assessed by management.

It is essential for the Group's continued growth to attract and retain highly educated labor, including engineers with expertise in the development of electronics hardware and software for sensor solutions and for climate controls in industrial greenhouses. Therefore, the organizational competencies and resources are assessed and developed on an ongoing basis, so that the company is able to ensure continued positive development. At the end of the year 2018, the Group had 97 employees, of which 8 were employed in the development department.

In 2018, Senmatic A/S has incurred development costs that relate to both sensor and horticultural products. There will be a number of customer-specific product development activities for both existing and new customers in 2019. These activities are expected to result in a slight increase in revenue in the second half of 2019.

Senmatic A/S is aware of its environmental responsibility, both regarding the production and, not least, the company's products. Work is continuously being done to develop products that reduce the environmental impact.

No events of major importance to the company's financial position have occurred after the end of the financial year.

The Board of Directors and the Executive Board thank all employees for the great effort during the year.

Management review - continued

Key figures and ratios, 1.000 DKK

	2014/15	2015/16	2016	2017	2018
	(12 mdr)	(12 mdr)	(8 mdr)	(12 mdr)	(12 mdr)
<u>Key figures</u>					
Gross profit	38.077	35.351	23.665	35.090	34.613
Profit form primary operations	19.617	16.104	10.679	10.861	8.348
Profit form primary operations / 8x12	0	0	16.019	0	0
Profit from investments in associates	-423	0	0	0	0
Financial income, net	344	287	-468	-1.254	-112
Profit of the year	14.955	13.032	8.173	7.263	6.177
Profit af the year / 8x12	0	0	12.260	0	0
Total balance	83.284	81.499	91.382	76.555	79.591
Investment in intangible fixed assets, net	342	869	849	537	179
Investment in tangible fixed assets, net	2.606	345	463	1.418	342
Investment in financial assets, net	0	0	0	492	0
Equity excl. dividend	29.405	42.437	34.510	32.073	30.908
Average number of fulltime employees	86	86	84	91	91
<u>Ratios %</u>					
Return on investment *	23,6%	19,8%	17,5%	14,2%	10,5%
Return on equity *	58,2%	36,3%	31,9%	21,8%	19,6%
Equity ratio	35,3%	52,1%	37,8%	41,9%	38,8%

*) Key figures for the financial year 2016 (8 month) have been multiplied to 12 months, in order to compare keyfigures with the other financial years.

Share majority in Fionia Lighting A/S has been aquired on 13. march 2015. Key figures for previous financial years have not been adjusted accordingly.

ACCOUNTING POLICIES

Reporting class

The annual report of Senmatic A/S for 2018 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class C.

The Annual Report is prepared consistently with the accounting principles used 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. Value adjustments of financial assets and liabilities are recognized in the income statement as financial income or financial expenses.

Consolidation

The consolidated financial statements include Senmatic A/S and the companies in which the parent company has a controlling influence and directly or indirectly owns more than 50% of the voting rights. Companies in which the Group directly or indirectly owns between 20% and 50% of the voting rights and exercises significant but non-controlling interest are considered associates.

The consolidated financial statements have been prepared on the basis of audited accounts for the parent company and the subsidiaries. The accounts used in the consolidation have been prepared in accordance with the Group's accounting policies.

In the consolidated financial statements, the elimination of internal income and expenses, shareholdings, balances and dividends as well as unrealized

gains and losses on transactions between the consolidated companies has been made.

In the consolidated financial statements, the subsidiaries' accounting items are recognized 100%. Minority interests' proportionate share of profit and net assets are presented as separate items in the consolidated income statement and balance sheet.

Investments in subsidiaries are offset by the proportionate share of the subsidiaries' net assets at the acquisition date, calculated at fair value.

Acquisitions

Newly acquired and divested companies are included in the income statement for the ownership period. When acquiring new companies, the acquisition method is applied, according to which the newly acquired companies' identifiable assets and liabilities are measured at fair value at the time of acquisition. Provisions are made to cover costs of resolved and unpublished restructurings in the acquired company in connection with the acquisition. The tax effect of the revaluations made is taken into account.

Positive differences (goodwill) between the cost price of the acquired shareholding and the fair value of the acquired assets and liabilities are recognized under intangible assets and depreciated systematically over the income statement after an individual assessment of the useful life, however, a maximum of 20 years. Negative differences (negative goodwill), which correspond to expected unfavorable developments in the company in question, are recognized in the balance sheet as a separate prepayment and recognized in the income statement as the unfavorable development is realized.

Foreign currency translation

Transactions in foreign currencies are translated at the rate of exchange on the transaction date. Exchange differences arising between the rate on the transaction date and the rate on the payment date are recognised in the income statement as a financial income or expense.

Receivables, payables and other monetary items in foreign currencies that are not settled on the balance sheet date are translated at the exchange rate on the balance sheet date. The difference between the exchange rate on the balance sheet date and the exchange rate at the time of occurrence of the receivables or payables is recognised in the income statement as financial income or expenses.

Fixed assets acquired in foreign currencies are translated at the rate of exchange on the transaction date.

Derivative financial instruments

On initial recognition in the balance sheet, derivative financial instruments are measured at cost and subsequently at fair value. Derivative financial instruments are recognised under other receivables or other payables.

Changes in the fair value of derivative financial instruments classified as and complying with the requirements for hedging the fair value of a recognised asset or a recognised liability are recorded in the income statement together with changes in the value of the hedged asset or the hedged liability.

Income statement

All significant income and expenses are accrued on an accrual basis. The income statement is divided into functions, which means that all types of costs are related to the production, sales and distribution and administration functions.

Net revenue from sale of merchandise and finished goods is recognised in the Income Statement if supply and risk transfer to purchaser has taken place before the end of the year and if the income can be measured reliably and is expected to be received. Net revenue is recognised exclusive of VAT, duties and less discounts related to the sale.

Gross profit includes net sales, where the invoicing principle is used as the revenue criterion. Revenue is therefore the year's invoiced sales on completed orders less commission, discounts etc. The net revenue is deducted from production costs, which are goods consumption, direct wages, assembly costs and indirect production costs, including development costs that do not meet the criteria for recognition in the balance sheet, salaries and depreciation.

Sales and distribution costs comprise costs incurred for sale and distribution of the Entity's products, including wages and salaries for sales staff, advertising costs, travelling and entertainment expenses, etc as well as amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment attached to the distribution process.

Administrative costs comprise expenses incurred for the Entity's administrative functions, including wages and salaries for administrative staff and Management, stationery and office supplies as well as amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment used for administration of the Entity.

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

Financial income and expenses include interest income and expenses, debt and transactions in foreign currencies, amortisation of financial assets and liabilities as well as charges and allowances under the tax-on-account scheme etc. Financial income and expenses are recognised in the income statement by the amounts that relate to the financial year.

The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the income statement by the portion that may be attributed to the profit for the year, and is recognised directly in the equity by the portion that may be attributed to entries directly to the equity.

Current tax liabilities and receivable current tax are recognised in the balance sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carry-forwards, are measured at the expected realisable value of the asset, either by setoff against tax on future earnings or by setoff against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the balance sheet date would be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

The company is jointly taxed with Danish group companies. The current Danish tax is distributed among the individual Danish companies in the joint taxation in relation to the taxable income. If a company has a loss in the joint taxation, an amount corresponding to the tax value of the loss is refunded.

Re-taxation balance and any interest-rate adjustment in the Danish joint taxation are recognized in the administration company.

Balance sheet

Fixed assets

Intangible fixed assets. Development projects are recognised - when certain criteria are met - under intangible assets and are measured at cost less accumulated depreciation. The company's assessment is that the product development that is taking place in the company does not allow meaningful separation between the development of new products and the further development of existing products, which is why development costs are still recognised in the income statement at the time of their holding.

Acquired development costs are recognised as assets. Capitalized costs are measured at cost less accumulated depreciation. The projects are amortised on a straight-line basis over the estimated useful life. The amortisation period is usually 5-10 years.

Patents are measured at cost less accumulated depreciation and write-downs. The remaining patent period is amortised over a maximum of 10 years.

Goodwill, rights etc. is measured at the acquisition value less depreciation. It is depreciated on a straight-line basis over 5 years.

Tangible fixed assets are measured at cost including improvements less accumulated depreciation and write-down.

The depreciation base is cost less estimated residual value after end of useful life.

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value:

Buildings	10 - 40 years
Plant and machinery	5 - 15 years
Other plants, fixtures and equipment	3 - 10 years

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used.

Tangible fixed assets are written down to recoverable amount if this is lower than the carrying amount.

Profit or loss on disposal of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the time of sale. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

In the case of operational leasing, the lease payments are expensed over the lease term. Under

contingent liabilities, the lease obligation is stated at the nominal value.

Financial assets

Investments that are not subsidiaries or associates that comprise unlisted equity interests are calculated at an estimated fair value based on market data or a recognised valuation method. Unlisted investments, where it is not considered possible to calculate a reliable fair value, are measured at cost less any impairment losses.

Investments in associates are recognised and measured in the company's accounts at the net asset value.

Associated companies with a negative net asset value are measured at negative value, and any receivables from these companies are written down by the parent company's share of the negative net asset value, if deemed to be unrecoverable. If the negative net asset value exceeds the receivable, the remaining amount is recognised under provisions if the parent company has a legal or constructive obligation to cover the liabilities of that entity.

Net revaluation of investments in group companies and associates is transferred to the reserve for net revaluation of investments to the extent that the carrying amount exceeds the cost price.

Current assets

Inventories are measured at cost using the FIFO-principle. If the net realisable value is lower than cost, write-down is provided to the lower value.

The cost of merchandise as well as raw materials and consumables is calculated at acquisition price with addition of transportation and similar costs.

The cost of finished goods and work in progress includes cost of raw materials, consumables, direct payroll cost and indirect production cost. Indirect production costs include indirect materials and payroll and maintenance and depreciation of the machines, factory buildings and equipment used in the production process, cost of factory administration and management and capitalised development costs relating to the products.

Receivables are measured at amortised cost which usually corresponds to nominal value. The value is reduced by write-down to meet expected losses.

Equity

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity. Extraordinary dividend adopted in the financial year is recognised directly in equity when

distributed and disclosed as a separate item in Management's proposal for distribution of profit/loss.

Other provisions

Other provisions comprise anticipated costs of non-recourse guarantee commitments, loss on contract work in progress, pensions, etc. Other provisions are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date. Provisions that are estimated to mature more than one year after the balance sheet date are measured at their discounted value. Once it is probable that total costs will exceed total income from a contract in progress, provision is made for the total loss estimated to result from the relevant contract.

Liabilities

Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less borrowing costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognized in the income statement over the term of loan.

Cash flow statement

The cash flow statement is drawn up according to the indirect method and shows the cash flows broken down by the main activities, operations, investments and financing.

The liquidity impact of the purchase and sale of companies is shown separately under cash flows relating to investment activities. Cash flows from acquired companies are recognized in the cash flow statement from the time of acquisition, and cash flows relating to sold companies are recognized up to the time of sale.

Cash flows from operating activities are calculated as the operating profit adjusted for non-cash operating items, changes in working capital and paid corporate tax.

Cash flows from investing activities include payments in connection with the purchase and sale of companies and activities, as well as the purchase and sale of intangible, tangible and financial fixed assets.

Cash flows from financing activities include changes in the size or composition of share capital and related costs, as well as the raising of loans, repayment of interest-bearing debt, the provision of loans and the payment of dividends.

Cash and cash equivalents comprise cash and cash equivalents.

The key figures are calculated as follows:

Return on investment = (profit from primary operations / total assets) * 100

Return on equity = (profit for the year / average equity) * 100

Equity ratio = (Equity / total assets) * 100

INCOME STATEMENT FOR 2018

Parent		Note	(1.000 DKK)	Group	
2017	2018			2018	2017
34.468	33.715		Gross profit	34.613	35.090
-11.581	-13.376		Sales- and distribution expenses	-14.158	-12.137
<u>-9.211</u>	<u>-9.208</u>		Administrative expenses	<u>-12.107</u>	<u>-12.092</u>
13.676	11.131		Profit from operations	8.348	10.861
-2.070	-2.142	4	Income from investment in associates.....	0	0
89	37		Finance income	43	94
<u>-1.343</u>	<u>-150</u>		Finance expense	<u>-155</u>	<u>-1.348</u>
10.352	8.876		Profit before tax	8.236	9.607
-3.089	-2.441	6	Tax expense	-2.059	-2.626
<u>7.263</u>	<u>6.435</u>		Profit for the year.....	<u>6.177</u>	<u>6.981</u>

BALANCE SHEET AT 31 DECEMBER

Parent			(1.000 DKK)		Group	
2017	2018	Note			2018	2017
			<u>Fixed assets</u>			
			3 Intangible assets			
64	23		Development projects	6.366	7.520	
0	0		Patents	3.510	4.459	
975	865		Aquired licenses	865	975	
<u>1.039</u>	<u>888</u>		Intangible assets total	<u>10.741</u>	<u>12.954</u>	
			3 Property, plant and equipment			
11.947	11.674		Property	11.674	11.947	
2.627	2.171		Plant and equipment	2.171	2.628	
1.700	1.228		Other equipment	1.232	1.707	
1.089	848		Assets in course of construction.....	848	1.089	
<u>17.363</u>	<u>15.921</u>		Property, plant and equipment total.....	<u>15.925</u>	<u>17.371</u>	
			Financial assets			
11.970	10.890	4	Investment in associates.....	0	0	
800	800	5	Other financial assets	800	800	
<u>12.770</u>	<u>11.690</u>		Financial assets total.....	<u>800</u>	<u>800</u>	
<u>31.172</u>	<u>28.499</u>		FIXED ASSETS TOTAL.....	<u>27.466</u>	<u>31.125</u>	
			<u>Current assets</u>			
			Inventories			
19.207	21.771		Rawmaterials	21.772	19.207	
5.376	6.372		Finished goods.....	6.492	5.376	
<u>24.583</u>	<u>28.143</u>		Inventories total.....	<u>28.264</u>	<u>24.583</u>	
			Receivables			
19.720	20.456		Trade receiveables	20.607	19.786	
60	444		Amount owed by affiliates.....	0	0	
618	894		Other receiveables	2.503	629	
97	531		Tax receiveables	547	97	
<u>20.495</u>	<u>22.325</u>		Receivables total	<u>23.657</u>	<u>20.512</u>	
<u>19</u>	<u>15</u>		Cash and cash equivalents	<u>204</u>	<u>335</u>	
<u>45.097</u>	<u>50.483</u>		CURRENT ASSETS TOTAL	<u>52.125</u>	<u>45.430</u>	
<u>76.269</u>	<u>78.982</u>		ASSETS TOTAL	<u>79.591</u>	<u>76.555</u>	

BALANCE SHEET AT 31 DECEMBER

Parent		(1.000 DKK)		Group	
2017	2018	Note		2018	2017
		7	Equity		
5.200	5.200		Share capital	5.200	5.200
26.873	25.708		Retained earnings.....	25.708	26.873
9.700	7.600		Interim dividend for the year.....	7.600	9.700
<u>41.773</u>	<u>38.508</u>			<u>38.508</u>	<u>41.773</u>
			Minority shares	<u>2.597</u>	<u>2.855</u>
<u>41.773</u>	<u>38.508</u>		EQUITY TOTAL	<u>41.105</u>	<u>44.628</u>
			Provisions		
2.810	2.782	6	Deferred tax	3.128	3.534
766	437	8	Other provisions	437	766
<u>3.576</u>	<u>3.219</u>		Provisions total	<u>3.565</u>	<u>4.300</u>
		9	Longterm liabilities		
37	0		Lease liability.....	0	37
<u>37</u>	<u>0</u>		LONGTERM LIABILITIES	<u>0</u>	<u>37</u>
			Current liabilities		
170	162		Lease liability.....	162	170
9.239	10.715		Trade payables.....	10.768	9.246
24	49		Amount owed to subsidiaries	0	0
5	3		Amount owed to affiliates	3	5
14.409	20.010		Amount owed to parent	16.048	10.747
0	0		Tax payables.....	0	0
7.036	6.316		Other liabilities.....	7.940	7.422
<u>30.883</u>	<u>37.255</u>		CURRENT LIABILITIES TOTAL	<u>34.921</u>	<u>27.590</u>
<u>76.269</u>	<u>78.982</u>		EQUITY AND LIABILITIES TOTAL	<u>79.591</u>	<u>76.555</u>

Notes without reference to income statement, balance or cashflow: 1, 4, 5, 10 - 12

EQUITY AT 31 DECEMBER 2018

Parent

(1.000 DKK)	Share- capital	Retained earnings	Interim dividend for the year	Total
Equity 1 January 2017	5.200	29.310	16.100	50.610
Net profit for the year 2017.....	0	7.263	0	7.263
Interim dividend for the year.....	0	-9.700	9.700	0
Dividens paid for previous year	0	0	-16.100	-16.100
Equity 31 December 2017	5.200	26.873	9.700	41.773
Net profit for the year 2018.....	0	6.435	0	6.435
Interim dividend for the year.....	0	-7.600	7.600	0
Dividens paid for previous year	0	0	-9.700	-9.700
Equity 31 December 2018	5.200	25.708	7.600	38.508

The share capital has been unchanged for the last 5 years.

Group

(1.000 DKK)	Share- capital	Minority shares	Retained earnings	Interim dividend for the year	Total
Equity 1 January 2017	5.200	3.137	29.310	16.100	53.747
Net profit for the year 2017.....	0	-282	7.263	0	6.981
Interim dividend for the year.....	0	0	-9.700	9.700	0
Dividens paid for previous year	0	0	0	-16.100	-16.100
Equity 31 December 2017	5.200	2.855	26.873	9.700	44.628
Net profit for the year 2018.....	0	-258	6.435	0	6.177
Interim dividend for the year.....	0	0	-7.600	7.600	0
Dividens paid for previous year	0	0	0	-9.700	-9.700
Equity 31 December 2018	5.200	2.597	25.708	7.600	41.105

GROUP CASHFLOW

(1.000 DKK)	2018	2017
CASHFLOW FROM OPERATING ACTIVITIES		
Operating profit	12.527	14.534
Interest and other financial income/costs, net	-112	-1.254
Corporate tax paid in the year	-2.924	-5.571
Change in receivables.....	-2.695	3.112
Change in inventories.....	-3.681	-2.410
Change in payables.....	1.711	-2.590
CASHFLOW FROM OPERATING ACTIVITIES	<u>4.826</u>	<u>5.821</u>
CASHFLOW FROM INVESTING ACTIVITIES		
Investments in tangible fixed assets	-795	-1.546
Disposal of tangible fixed assets.....	453	128
Investments in intangible fixed assets.....	-179	-1.745
Disposal of intangible fixed assets.....	0	1.208
CASHFLOW FROM INVESTING ACTIVITIES	<u>-521</u>	<u>-1.955</u>
Free cashflow.....	<u>4.305</u>	<u>3.866</u>
FINANCING ACTIVITIES		
Dividend paid in the year.....	-9.700	-16.100
Change in long term debt, net	-37	-10.880
Change in cashpool with Parent company.....	5.301	23.434
CASHFLOW FROM FINANCING ACTIVITIES	<u>-4.436</u>	<u>-3.546</u>
Decrease in cash and cash equivalents	<u>-131</u>	<u>320</u>
Cash beginning of the year	335	15
Decrease in cash during the year	-131	320
CASH END OF THE YEAR	<u><u>204</u></u>	<u><u>335</u></u>

NOTES

All amounts are 1.000 DKK, unless specified otherwise.

1 STAFF COSTS

Staff costs is distributed as follows:

	Parent		Group	
	2018	2017	2018	2017
Wages and salaries	36.836	36.029	37.645	36.685
Pension costs.....	2.774	2.711	2.774	2.711
Other social security costs	-35	-64	112	66
Staff costs total	<u>39.575</u>	<u>38.676</u>	<u>40.531</u>	<u>39.462</u>
Included:				
Excutive board and board of directors	1.831	1.796	1.831	1.796
Other employees.....	37.744	36.880	38.700	37.666
	<u>39.575</u>	<u>38.676</u>	<u>40.531</u>	<u>39.462</u>

The average number of employees by the Group has been 92 (2017: 91) calculated as full time employees. The average number of employees by the Parent company has been 89 (2017: 88).

At the end of the year the group had 97 employees (2017: 98).

2 PROPOSED DISTRIBUTION OF PROFIT AND LOSS

Dividend for the year.....	7.600	9.700	7.600	9.700
Income from minority shares.....	0	0	-258	-282
Retained earnings.....	-1.165	-2.437	-1.165	-2.437
Distribution total	<u>6.435</u>	<u>7.263</u>	<u>6.177</u>	<u>6.981</u>

3 FIXED ASSETS - GROUP

	Property, plant and equipment			
	Property	Plant and equipment	Other equipment	Assets in course of construction
Cost 1 January 2018	20.304	37.295	8.545	1.089
Additions	0	264	319	1.715
Disposals.....	0	0	0	-1.956
Cost 31 December 2018	20.304	37.559	8.864	848
Depreciations 1 January 2018	8.357	34.668	6.838	0
Depreciations for the year	273	720	794	0
Depreciations 31 January 2018	8.630	35.388	7.632	0
Carrying amount 31 December 2018	11.674	2.171	1.232	848
Included are assets on a financial lease:		27	120	

3 INTANGIBLE ASSETS - GROUP

	Intangible assets		
	Acquired licenses	Development projects	Patents
Cost 1 January 2018	1.230	14.966	5.808
Additions	179	0	0
Cost 31 December 2018	1.409	14.966	5.808
Depreciations 1 January 2018	255	7.446	1.349
Depreciations for the year	289	1.154	949
Depreciations 31 December 2018	544	8.600	2.298
Carrying amount 31 December 2018	865	6.366	3.510
	2018	2017	
Distribution depreciation:			
Intangible assets.....	2.392	1.646	
Fixed assets.....	1.787	2.267	
Total.....	4.179	3.913	

Development projects originate primarily from a project in Fionia Lighting A/S, which is a specialized LED lamp for horticulture

3 FIXED ASSETS - PARENT

	Fixed assets			
	Property	Plant and equipment	Other equipment	Assets in course of construction
Cost 1 January 2018	20.304	37.295	8.538	1.089
Additions	0	264	319	1.715
Disposals.....	0	0	0	-1.956
Cost 31 December 2018	20.304	37.559	8.857	848
Depreciations 1 January 2018	8.357	34.668	6.838	0
Depreciations for the year	273	720	791	0
Depreciations 31 December 2018	8.630	35.388	7.629	0
Carrying amount 31 December 2018	11.674	2.171	1.228	848
Included are assets on a financial lease:		27	120	

3 INTANGIBLE ASSETS - PARENT

	Intangible assets		
	Aquired licenses	Development projects	Patents
Cost 1 January 2018	1.230	3.572	85
Additions	179	0	0
Cost 31 December 2018	1.409	3.572	85
Depreciations 1 January 2018	255	3.508	85
Depreciations for the year	289	41	0
Depreciations 31 December 2018	544	3.549	85
Carrying amount 31 December 2018	865	23	0
	2018	2017	
Distribution depreciation:			
Intangible assets.....	330	245	
Fixed assets.....	1.784	1.647	
Total.....	2.114	1.892	

Development projects consist of climate computers and fertilizer mixers.

4 INVESTMENT IN ASSOCIATES	<u>Parent</u>
Cost 1 January 2018	13.642
Additions	<u>0</u>
Cost 31 December 2018	<u>13.642</u>
Net impairments 1 January 2018	-1.672
Profit of the year associates	-2.142
Net impairment deducted from receivables.....	<u>1.062</u>
Net impairments 31 December 2018	<u>-2.752</u>
Carrying amount 31 December 2018	<u>10.890</u>
Carrying amount 1 January 2018	<u>11.970</u>

	<u>Share of capital</u>	<u>Equity 2018</u>
Fionia Lighting A/S	80,74%	10.890
Senmatic Trading (Shanghai) Co. Ltd.....	100%	-1.465

5 OTHER FINANCIAL ASSETS	Parent	Group
Cost 1 January 2018	3.200	3.200
Impairment previous year	<u>2.400</u>	<u>2.400</u>
Carrying amount 31 December 2018.....	<u>800</u>	<u>800</u>

6 TAXES

	Group	
	2018	2017
Parent company	2.441	3.089
Subsidiaries.....	<u>-382</u>	<u>-463</u>
Total	<u>2.059</u>	<u>2.626</u>
Specified as follows:		
Tax on profit of the year	2.465	2.924
Adjustment deferred tax	-406	-394
Adjustment taxes previous years	<u>0</u>	<u>96</u>
Total	<u>2.059</u>	<u>2.626</u>
Paid corporate tax in the year	<u>2.924</u>	<u>5.571</u>

Deferred tax	Parent		Group	
	2018	2017	2018	2017
Specified as follows:				
Intangible assets.....	195	229	2.524	2.851
Fixed assets	2.210	2.325	2.049	2.325
Current assets	473	424	473	424
Taxable loss carried forward.....	0	0	-1.822	-1.898
Other provisions	<u>-96</u>	<u>-168</u>	<u>-96</u>	<u>-168</u>
Total	<u>2.782</u>	<u>2.810</u>	<u>3.128</u>	<u>3.534</u>
The netvalue is regonized as follows:				
Deferred tax	<u>2.782</u>	<u>2.810</u>	<u>3.128</u>	<u>3.534</u>
	<u>2.782</u>	<u>2.810</u>	<u>3.128</u>	<u>3.534</u>

7 EQUITY

	<u>Parent</u>	<u>Group</u>
Share capital		
Carrying amount 1 January 2018	5.200	5.200
Carrying amount 31 December 2018	<u>5.200</u>	<u>5.200</u>
Retained earnings		
Carrying amount 1 January 2018	26.873	26.873
Profit for the year.....	<u>-1.165</u>	<u>-1.165</u>
Carrying amount 31 December 2018	<u>25.708</u>	<u>25.708</u>
Interim dividend for the year		
Carrying amount 1 January 2018	9.700	9.700
Interim dividend for the year	7.600	7.600
Paid dividend previous year.....	<u>-9.700</u>	<u>-9.700</u>
Carrying amount 31 December 2018	<u>7.600</u>	<u>7.600</u>
Equity 31 December 2018	<u>38.508</u>	<u>38.508</u>
Minority shares		
Carrying amount 1 January 2018		2.855
Net profit of the year.....		<u>-258</u>
Minority shares 31 December 2018		<u>2.597</u>

8 <u>OTHER PROVISIONS</u>	Parent		Group	
	2018	2017	2018	2017
Beginning of the year.....	766	910	766	910
This years adjustments.....	-329	-144	-329	-144
Carrying amount 31 December 2018	437	766	437	766

Other provisions consists of provisions for warranty 437 t.DKK. Parent / 437 t.DKK. Group.

9 **LEASE COMMITMENTS AND CONTINGENT LIABILITIES**

Parent

Liabilities under rental or lease agreements until maturity totals 0,7 mio. DKK.

The Entity participates in a Danish joint taxation arrangement where Indutrade A/S serves as the administration company. 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 the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

Group

Liabilities under rental or lease agreements until maturity totals 0,7 mio. DKK.

10 **COLLATERAL**

As part of the Company's ordinary activities, the Company's bank has issued guarantees according to AB92 for subcontracting projects totalling 887 t.DKK.

11 **RELATED PARTIES**

Controlling interest:

Indutrade Aktiebolag, Kista, Sverige, principal shareholder.

Other related parties:

Associated companies, part of the Indutrade Aktiebolag Group and board of directors and executive board

12 **GROUP RELATIONS**

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:

Indutrade Aktiebolag, Box 6044, 16406 Kista, Sverige