CHRISTENSEN
KJÆRULFF
PERSONLIGT ENGAGEMENT

STATSAUTORISERET
REVISIONSAKTIESELSKAB

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Delfi Holding ApS

Gl. Hastrupvej 8, 4600 Køge

Company reg. no. 77 18 63 28

Annual report

2017/18

The annual report has been submitted and approved by the general meeting on the 30 November 2018.

Palle Normann Svendsen
Chairman of the meeting

Notes:

- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Contents

Management's report

The managing director has today presented the annual report of Delfi Holding ApS for the financial year 1 July 2017 to 30 June 2018.

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

I consider the accounting policies used appropriate, and in my opinion, the consolidated annual accounts and the annual accounts provide a true and fair view of the assets, the liabilities and the financial position, consolidated and for the company respectively at 30 June 2018, and of the results of the activities, consolidated and of the company respectively and of consolidated cash flows in the financial year 1 July 2017 to 30 June 2018.

I am of the opinion that the management's review includes a fair description of the issues dealt with.

The annual report is recommended for approval by the general meeting.

Køge, 30 November 2018

Managing Director

Palle Normann Svendsen

Independent auditor's report

To the shareholder of Delfi Holding ApS

Opinion

We have audited the consolidated annual accounts and the annual accounts of Delfi Holding ApS for the financial year 1 July 2017 to 30 June 2018, which comprise accounting policies used, profit and loss account, balance sheet, statement of changes in equity and notes, consolidated and for the company respectively and consolidated cash flow statement. The consolidated annual accounts and the annual accounts are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated annual accounts and the annual accounts give a true and fair view of the assets, liabilities and financial position, consolidated and for the company respectively at 30 June 2018 and of the results of the company's operations, consolidated and for the company respectively and of consolidated cash flows for the financial year 1 July 2017 to 30 June 2018 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 below section "Auditor's responsibilities for the audit of the consolidated annual accounts and the annual accounts". We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

The management's responsibilities for the consolidated annual accounts and the annual accounts

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

In preparing the consolidated annual accounts and the annual accounts, the management is responsible for evaluating the group's and the company's ability to continue as a going concern, and, when relevant, disclosing matters related to going concern and using the going concern basis of accounting when preparing the consolidated annual accounts and the annual accounts, unless the management either intends to liquidate the group or the company or to cease operations, or if it has no realistic alternative but to do so.

Auditor’s responsibilities for the audit of the consolidated annual accounts and the annual accounts
Our objectives are to obtain reasonable assurance about whether the consolidated annual accounts and the annual accounts 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 may arise due to fraud or error and may be considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions made by users on the basis of the consolidated annual accounts and the annual accounts.

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

- Identify and assess the risks of material misstatement in the consolidated annual accounts and the annual accounts, whether due to fraud or error, design and perform audit procedures in response 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 the risk of not detecting a misstatement 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 by the management and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of the management’s preparation of the consolidated annual accounts and the annual accounts being based on the going concern principle and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may raise significant doubt about 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 annual accounts and the annual accounts 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 annual accounts and the annual accounts, including the disclosures in the notes, and whether the consolidated annual accounts and the annual accounts reflect the underlying transactions and events in a manner that gives a true and fair view.

- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or the business activities within the group to express an opinion on the consolidated annual accounts. 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.

Statement on the management's review

The management is responsible for the management's review.

Our opinion on the consolidated annual accounts and the annual accounts does not cover the management's review, and we do not express any kind of assurance opinion on the management's review.

In connection with our audit of the consolidated annual accounts and the annual accounts, our responsibility is to read the management's review and in that connection consider whether the management's review is materially inconsistent with the consolidated annual accounts and the annual accounts or our knowledge obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, it is our responsibility to consider whether the management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we believe that the management's review is in accordance with the consolidated annual accounts or the annual accounts and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not find any material misstatement in the management's review.

Copenhagen, 30 November 2018

Christensen Kjærulff
Statsautoriseret Revisionsaktieselskab
Company reg. no. 15 91 56 41

Torben Laurentz Wiberg
State Authorised Public Accountant
mne11651

Company data

The company	Delfi Holding ApS Gl. Hastrupvej 8 4600 Køge	
	Company reg. no.	77 18 63 28
	Established:	15 February 1985
	Domicile:	Køge
	Financial year:	1 July - 30 June 33rd financial year
Managing Director	Palle Normann Svendsen	
Auditors	Christensen Kjærulff Statsautoriseret Revisionsaktieselskab Store Kongensgade 68 1264 København K	
Subsidiaries	Delfi Technologies A/S, Denmark Store Søvang ApS, Denmark Delfi Technologies AB, Sweden Delfi Technologies AS, Norway Delfi Technologies Ltd., Vietnam Delfi Technologies Inc., USA Delfi Technologies GmbH, Germany Delfi Technologies SRL, Italy	

Consolidated financial highlights

DKK in thousands.	2017/18	2016/17	2015/16	2014/15	2013/14
Profit and loss account:					
Gross profit	43.843	40.468	43.181	28.189	30.055
Results from operating activities	3.133	1.695	9.621	4.535	8.544
Net financials	-721	2.276	-910	1.535	2.902
Results for the year	1.972	2.685	6.303	4.076	7.609
Balance sheet:					
Balance sheet sum	86.073	73.407	74.498	60.169	54.935
Investments in tangible fixed assets represent	2.832	2.219	3.457	718	63
Equity	28.176	28.182	25.573	19.517	18.518
Cash flow:					
Operating activities	-7.682	7.584	8.892	1.959	1.522
Investment activities	-4.963	-3.037	-8.628	-4.768	1.093
Financing activities	-2.243	3.310	-4.886	-4.062	-3.679
Cash flow in total	-14.888	7.857	-4.622	-6.871	-1.064
Employees:					
Average number of full time employees	102	105	91	70	59
Key figures in %:					
Solvency ratio	32,2	37,9	34,1	32,4	33,7
Return on equity	5,8	9,3	26,6	21,4	46,8

The calculation of key figures and ratios follow the Danish Association of Finance Analysts' recommendations.

The principal activities of the group

The principal activities of the group and of Delfi Holding ApS are the sale and own development of future-oriented and value-added IT solutions to various industries and purposes, including inport of innovative hardware solutions supplied with software developed by the company.

The activities take place through Danish and foreign subsidiaries.

Uncertainties as to recognition or measurement

The annual report is not influenced by any material issues and there is no significant uncertainty in relation to the calculation of the annual report.

Development in activities and financial matters

The results from ordinary activities after tax are TDKK 1.612 against TDKK 2.470 last year. The management considers the results satisfactory. Management expects continued growth in the activities in the group, including growth in revenue and profit for the coming years.

Special risks

Exchange rate risks:
Activities abroad imply earnings, cash-flow and equity that are affected by exchange rates and interest rates in a number of currencies. It is the group's policy to continously monitor and reduce currency risks and the currency risk is therefore assessed as very limited.

The group does not enter into high-risk currency transactions.

Interest risks:
The group's interest-bearing financing is limited and the interest risk are therefore considered immaterial compared with the group's activity level.

Environmental issues

The group's activities involve no direct environmental impacts. The group also participates in the Danish Producer Responsibility System for disposal of electronic equipment for the products sold.

Know how resources

The employees of the group are the primary know how ressources of the group, and their involvement is material for the growth of the business. The group continually strives at creating the best basic for know how ressources.

Financially, capitalization of own development of software solutions ae made for future sales activities.

Events subsequent to the financial year

No events have occurred subsequent to the balance sheet date, which would have material impact on the financial position of the company and group.

Profit and loss account 1 July - 30 June

Amounts concerning 2017/18: DKK.
Amounts concerning 2016/17: DKK in thousands.

Note		Group 2017/18	Group 2016/17	Parent company 2017/18	Parent company 2016/17
	Gross profit	**43.843.389**	**40.468**	**-101.440**	**-77**
1	Staff costs	-37.735.545	-36.156	0	0
	Depreciation, amortisation and writedown relating to tangible and intangible fixed assets	-2.974.957	-2.617	0	0
	Operating profit	**3.132.887**	**1.695**	**-101.440**	**-77**
	Income from equity investment in group enterprise	0	0	1.711.288	-65
	Other financial income from group enterprises	0	0	0	104
	Other financial income	751.225	3.545	423.001	3.435
2	Other financial costs	-1.472.306	-1.269	-448.791	-211
	Results before tax	**2.411.806**	**3.971**	**1.584.058**	**3.186**
3	Tax on ordinary results	-439.943	-1.286	28.006	-716
4	**Results for the year**	**1.971.863**	**2.685**	**1.612.064**	**2.470**
	The group's results are as follows:				
	Shareholders in Delfi Holding ApS	1.612.064	2.470		
	Minority interests	359.799	215		
		1.971.863	**2.685**		

Balance sheet 30 June

Amounts concerning 2018: DKK.
Amounts concerning 2017: DKK in thousands.

Note	Assets	Group 2018	Group 2017	Parent company 2018	Parent company 2017
	Fixed assets				
5	Completed development projects, including patents and similar rights arising from development projects	671.792	1.068	0	0
6	Goodwill	653.060	1.060	0	0
7	Development projects in progress and prepayments for intangible fixed assets	426.017	221	0	0
	Intangible fixed assets in total	1.750.869	2.349	0	0
8	Land and property	11.716.986	11.635	0	0
9	Other plants, operating assets, and fixtures and furniture	4.217.088	3.016	0	0
	Tangible fixed assets in total	15.934.074	14.651	0	0
10	Equity investment in group enterprise	0	0	18.930.009	17.691
11	Other debtors	1.715.334	347	1.280.000	0
	Financial fixed assets in total	1.715.334	347	20.210.009	17.691
	Fixed assets in total	**19.400.277**	**17.347**	**20.210.009**	**17.691**

Balance sheet 30 June

Amounts concerning 2018: DKK.
Amounts concerning 2017: DKK in thousands.

Note	Assets	Group 2018	Group 2017	Parent company 2018	Parent company 2017
	Current assets				
	Manufactured goods and trade goods	18.665.246	13.508	0	0
	Inventories in total	18.665.246	13.508	0	0
	Trade debtors	23.707.259	18.807	0	0
	Amounts owed by group enterprises	0	0	213.617	5.813
12	Deferred tax assets	1.072.715	696	0	0
	Receivable corporate tax	0	0	225.352	0
13	Accrued income and deferred expenses	850.352	1.399	0	0
	Debtors in total	25.630.326	20.902	438.969	5.813
	Other securities and equity investments	18.477.662	18.862	18.477.662	18.862
	Securities in total	18.477.662	18.862	18.477.662	18.862
	Available funds	3.899.367	2.788	19.274	259
	Current assets in total	**66.672.601**	**56.060**	**18.935.905**	**24.934**
	Assets in total	**86.072.878**	**73.407**	**39.145.914**	**42.625**

Balance sheet 30 June

Amounts concerning 2018: DKK.
Amounts concerning 2017: DKK in thousands.

Equity and liabilities

Note		Group 2018	Group 2017	Parent company 2018	Parent company 2017
	Equity				
	Contributed capital	250.000	250	250.000	250
	Reserves for net revaluation as per the equity method	0	0	9.584.788	9.524
	Results brought forward	27.502.144	27.571	17.917.356	18.047
	Equity before non-controlling interest.	27.752.144	27.821	27.752.144	27.821
	Minority interests	423.360	361	0	0
	Equity in total	**28.175.504**	**28.182**	**27.752.144**	**27.821**
	Provisions				
14	Provisions for deferred tax	824.746	937	0	0
15	Provisions concerning equity investments in group enterprises	0	0	2.458.606	1.786
	Provisions in total	**824.746**	**937**	**2.458.606**	**1.786**

Balance sheet 30 June

Amounts concerning 2018: DKK.
Amounts concerning 2017: DKK in thousands.

Equity and liabilities

Note		Group 2018	Group 2017	Parent company 2018	Parent company 2017
	Liabilities				
16	Mortgage debt	7.990.872	8.821	0	0
	Long-term liabilities in total	7.990.872	8.821	0	0
	Short-term part of long-term liabilities	397.259	243	0	0
	Bank debts	22.323.668	6.323	2.503.387	0
	Trade creditors	15.256.751	18.454	50.000	45
	Debt to group enterprises	0	0	6.048.733	12.656
	Corporate tax	951.985	1.530	0	289
	Other debts	10.152.093	8.917	333.044	28
	Short-term liabilities in total	49.081.756	35.467	8.935.164	13.018
	Liabilities in total	**57.072.628**	**44.288**	**8.935.164**	**13.018**
	Equity and liabilities in total	**86.072.878**	**73.407**	**39.145.914**	**42.625**

17 Mortgage and securities

18 Contingencies

Consolidated statement of changes in equity

All amounts in DKK.

	Contributed capital	Results brought forward	Minority interests	In total
Equity 1 July 2017	250.000	27.571.211	361.329	28.182.540
Share of results	0	1.612.063	359.799	1.971.862
Extraordinary dividend adopted during the financial year	0	-2.000.000	0	-2.000.000
Foreign exchange adjustment	0	318.870	-297.768	21.102
	250.000	**27.502.144**	**423.360**	**28.175.504**

Statement of changes in equity of the parent company

All amounts in DKK.

	Contributed capital	Reserves for net revaluation as per the equity method	Results brought forward	In total
Equity 1 July 2017	250.000	9.524.009	18.047.202	27.821.211
Share of results	0	-74.124	1.686.188	1.612.064
Extraordinary dividend adopted during the financial year	0	0	-2.000.000	-2.000.000
Value adjustments of hedging instruments	0	134.903	0	134.903
Foreign exchange adjustment	0	0	183.966	183.966
	250.000	**9.584.788**	**17.917.356**	**27.752.144**

Cash flow statement 1 July - 30 June

Amounts concerning 2017/18: DKK.
Amounts concerning 2016/17: DKK in thousands.

Note		Group 2017/18	Group 2016/17
	Results for the year	1.971.863	2.685
19	Adjustments	4.135.981	1.208
20	Change in working capital	-12.019.917	5.070
	Cash flow from operating activities before net financials	-5.912.073	8.963
	Interest received and similar amounts	751.225	404
	Interest paid and similar amounts	-1.472.305	-333
	Cash flow from ordinary activities	-6.633.153	9.034
	Corporate tax paid	-1.049.321	-1.450
	Cash flow from operating activities	**-7.682.474**	**7.584**
	Purchase of intangible fixed assets	-827.869	-862
	Purchase of tangible fixed assets	-2.831.629	-2.219
	Purchase of financial fixed assets	-1.438.190	-222
	Other cash flows from (spent in) investment activities	134.903	266
	Cash flow from investment activities	**-4.962.785**	**-3.037**
	Raising of long-term debts	0	3.860
	Repayments of long-term debt	-242.646	-527
	Dividend paid	-2.000.000	0
	Other cash flows from financing activities	0	-23
	Cash flow from financing activities	**-2.242.646**	**3.310**
	Changes in available funds	**-14.887.905**	**7.857**
	Available funds 1 July	-3.536.396	-11.392
	Available funds 30 June	**-18.424.301**	**-3.535**
	Available funds		
	Available funds	3.899.367	2.788
	Short-term bank debts	-22.323.668	-6.323
	Available funds 30 June	**-18.424.301**	**-3.535**

Notes

Amounts concerning 2017/18: DKK.
Amounts concerning 2016/17: DKK in thousands.

		Group		Parent company	
		2017/18	2016/17	2017/18	2016/17
1.	**Staff costs**				
	Salaries and wages	33.839.190	32.407	0	0
	Pension costs	1.754.181	1.467	0	0
	Other costs for social security	749.425	1.366	0	0
	Other staff costs	1.392.749	916	0	0
		37.735.545	**36.156**	**0**	**0**
	Average number of employees	102	105	0	0
2.	**Other financial costs**				
	Financial costs, group enterprises	0	0	33.265	199
	Other financial costs	1.472.306	1.269	415.526	12
		1.472.306	**1.269**	**448.791**	**211**
3.	**Tax on ordinary results**				
	Tax of the results for the year, parent company	930.809	1.529	-28.006	716
	Adjustment for the year of deferred tax	-490.866	-243	0	0
		439.943	**1.286**	**-28.006**	**716**

Notes

Amounts concerning 2017/18: DKK.
Amounts concerning 2016/17: DKK in thousands.

		Parent company	
		2017/18	2016/17
4.	**Proposed distribution of the results**		
	Extraordinary dividend adopted during the financial year	2.000.000	0
	Reserves for net revaluation as per the equity method	-74.124	-931
	Dividend for the financial year	0	0
	Allocated to results brought forward	0	3.401
	Allocated to other statutory reserves	0	0
	Allocated from results brought forward	-313.812	0
	Distribution in total	**1.612.064**	**2.470**

		Group		Parent company	
		30/6 2018	30/6 2017	30/6 2018	30/6 2017
5.	**Completed development projects, including patents and similar rights arising from development projects**				
	Cost 1 July	4.818.892	4.178	0	0
	Additions during the year	622.941	641	0	0
	Disposals during the year	-145.590	0	0	0
	Cost 30 June	**5.296.243**	**4.819**	**0**	**0**
	Amortisation and writedown 1 July	-3.751.426	-2.796	0	0
	Amortisation and writedown for the year	-1.018.615	-955	0	0
	Amortisation and writedown, assets disposed of	145.590	0	0	0
	Amortisation and writedown 30 June	**-4.624.451**	**-3.751**	**0**	**0**
	Book value 30 June	**671.792**	**1.068**	**0**	**0**

Notes

Amounts concerning 2018: DKK.
Amounts concerning 2017: DKK in thousands.

		Group		Parent company	
		30/6 2018	30/6 2017	30/6 2018	30/6 2017
6.	**Goodwill**				
	Cost 1 July	2.098.145	2.098	0	0
	Cost 30 June	**2.098.145**	**2.098**	**0**	**0**
	Amortisation and writedown 1 July	-1.037.435	-618	0	0
	Amortisation and writedown for the year	-407.650	-420	0	0
	Amortisation and writedown 30 June	**-1.445.085**	**-1.038**	**0**	**0**
	Book value 30 June	**653.060**	**1.060**	**0**	**0**

		Group		Parent company	
		30/6 2018	30/6 2017	30/6 2018	30/6 2017
7.	**Development projects in progress and prepayments for intangible fixed assets**				
	Cost 1 July	221.089	0	0	0
	Additions during the year	204.928	221	0	0
	Cost 30 June	**426.017**	**221**	**0**	**0**
	Book value 30 June	**426.017**	**221**	**0**	**0**

Notes

Amounts concerning 2018: DKK.
Amounts concerning 2017: DKK in thousands.

		Group		Parent company	
		30/6 2018	30/6 2017	30/6 2018	30/6 2017
8.	**Land and property**				
	Cost 1 July	14.212.018	13.710	0	0
	Additions during the year	358.674	502	0	0
	Cost 30 June	**14.570.692**	**14.212**	**0**	**0**
	Depreciation and writedown 1 July	-2.577.285	-2.303	0	0
	Depreciation and writedown for the year	-276.421	-274	0	0
	Depreciation and writedown 30 June	**-2.853.706**	**-2.577**	**0**	**0**
	Book value 30 June	**11.716.986**	**11.635**	**0**	**0**

		Group		Parent company	
		30/6 2018	30/6 2017	30/6 2018	30/6 2017
9.	**Other plants, operating assets, and fixtures and furniture**				
	Cost 1 July	8.961.612	8.067	0	0
	Additions during the year	2.472.955	1.716	0	0
	Disposals during the year	-15.739	-821	0	0
	Cost 30 June	**11.418.828**	**8.962**	**0**	**0**
	Depreciation and writedown 1 July	-5.945.208	-5.682	0	0
	Depreciation and writedown for the year	-1.272.271	-968	0	0
	Depreciation, amortisation and writedown for the year, assets disposed of	15.739	704	0	0
	Depreciation and writedown 30 June	**-7.201.740**	**-5.946**	**0**	**0**
	Book value 30 June	**4.217.088**	**3.016**	**0**	**0**

Amounts concerning 2018: DKK.
Amounts concerning 2017: DKK in thousands.

		Parent company 30/6 2018	Parent company 30/6 2017
10.	**Equity investment in group enterprise**		
	Acquisition sum, opening balance 1 July	3.811.158	3.811
	Cost 30 June	**3.811.158**	**3.811**
	Revaluations, opening balance 1 July	9.007.093	10.446
	Translation by use of the exc. rate valid on balance sheet date	183.966	-76
	Results for the year before goodwill amortisation	2.118.939	114
	Dividend	-1.464.264	-1.743
	Value adjustments of hedging instruments	134.903	266
	Revaluation 30 June	**9.980.637**	**9.007**
	Amortisation of goodwill, opening balance 1 July	-1.012.182	-593
	Amortisation of goodwill for the year	-407.650	-420
	Depreciation on goodwill 30 June	**-1.419.832**	**-1.013**
	Offsetting against debtors	4.099.440	4.099
	Transferred to provisions	2.458.606	1.787
	Set off against debtors and provisions for liabilities	**6.558.046**	**5.886**
	Book value 30 June	**18.930.009**	**17.691**

Group enterprise:

	Domicile	**Share of ownership**
Delfi Technologies A/S	Denmark	100 %
Store Søvang ApS	Denmark	100 %
Delfi Technologies AB	Sweden	85 %
Delfi Technologies AS	Norway	85 %
Delfi Technologies Ltd.	Vietnam	90 %
Delfi Technologies Inc.	USA	100 %
Delfi GmbH	Germany	75 %
Delfi Technologies SRL	Italy	100 %

Notes

Amounts concerning 2018: DKK.
Amounts concerning 2017: DKK in thousands.

		Group		Parent company	
		30/6 2018	30/6 2017	30/6 2018	30/6 2017
11.	**Other debtors**				
	Cost 1 July	347.144	125	0	0
	Additions during the year	1.438.190	222	1.350.000	0
	Disposals during the year	-70.000	0	-70.000	0
	Cost 30 June	**1.715.334**	**347**	**1.280.000**	**0**
	Book value 30 June	**1.715.334**	**347**	**1.280.000**	**0**
	Amounts specified as follows:				
	Other debtors	1.280.000	0	1.280.000	0
	Deposits	435.334	347	0	0
		1.715.334	**347**	**1.280.000**	**0**

		Group		Parent company	
		30/6 2018	30/6 2017	30/6 2018	30/6 2017
12.	**Deferred tax assets**				
	Deferred tax assets 1 July	695.648	0	0	0
	Deferred tax of the results for the year	377.067	696	0	0
		1.072.715	**696**	**0**	**0**

		Group		Parent company	
		30/6 2018	30/6 2017	30/6 2018	30/6 2017
13.	**Accrued income and deferred expenses**				
	Prepaid expenses	850.352	1.399	0	0
		850.352	**1.399**	**0**	**0**

Amounts concerning 2018: DKK.
Amounts concerning 2017: DKK in thousands.

	Group 30/6 2018	Group 30/6 2017	Parent company 30/6 2018	Parent company 30/6 2017
14. Provisions for deferred tax				
Provisions for deferred tax 1 July	937.256	463	0	0
Deferred tax of the results for the year	-112.510	474	0	0
	824.746	**937**	**0**	**0**

	Parent company 30/6 2018	Parent company 30/6 2017
15. Provisions concerning equity investments in group enterprises		
Delfi Technologies Inc.	233.663	193
Delfi Technologies GmbH	476.363	27
Delfi Technologies SRL	1.748.580	1.566
	2.458.606	**1.786**

	Group 30/6 2018	Group 30/6 2017	Parent company 30/6 2018	Parent company 30/6 2017
16. Mortgage debt				
Mortgage debt in total	8.388.131	9.064	0	0
Share of amount due within 1 year	-397.259	-243	0	0
	7.990.872	**8.821**	**0**	**0**

Amounts concerning 2017/18: DKK.
Amounts concerning 2016/17: DKK in thousands.

17. Mortgage and securities

For the consolidated company´s debts, TDKK 22,324, guarantee has been provided.

As security for Store Søvang ApS' mortgage debts, TDKK 8,388, mortgage has been granted in land and buildings, representing a book value of TDKK 11,717 at 30 June 2018.

As security for bank debts, Store Søvang ApS has provided security in company assets, representing a nominal value of TDKK 4,000. This security comprises the above land and buildings. Moreover, the company has issued owner´s mortgage as security for bank debts concerning the company and the consolidated company. Cash funds, TDKK 719, have been provided as security for the consolidated company.

18. Contingencies

Contingent liabilities

Store Søvang ApS has entered into interest swap to hedge interest rate risk on the morgage, TDKK 819, 20 years´maturity, pays a fixed rate of 4.19 % and receives EUROR 6M in floating rate.

Operational leasing

The group has entered into operational leasing contracts with an approximately average annual leasing payment of TDKK 707. The leasing contracts have 5-48 months left to run, and the total outstanding leasing payment is approximately TDKK 1,403.

Joint taxation

The company is the administration company of the group of companies subject to the Danish scheme of joint taxation and unlimited jointly and severally liable with the other jointly taxed companies for the total corporation tax.

The company is unlimited jointly and severally liable with the other jointly taxed companies for any obligation to withhold tax on interest, royalties and dividends.

Any subsequent adjustments of corporate taxes or withheld taxes etc. may cause changes in the company's liabilities.

Notes

Amounts concerning 2017/18: DKK.
Amounts concerning 2016/17: DKK in thousands.

		Group	
		2017/18	2016/17
19.	**Adjustments**		
	Depreciation and amortisation	2.974.957	2.198
	Other financial income	-751.225	-3.545
	Other financial costs	1.472.306	1.269
	Tax on ordinary results	439.943	1.286
		4.135.981	**1.208**

		2017/18	2016/17
20.	**Change in working capital**		
	Change in inventories	-5.156.827	3.027
	Change in debtors	-4.900.590	2.031
	Change in trade creditors and other liabilities	-1.962.500	12
		-12.019.917	**5.070**

The annual report for Delfi Holding ApS is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class C enterprises (medium sized enterprises).

The accounting policies used are unchanged compared to last year, and the annual accounts are presented in Danish kroner (DKK).

Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the group is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the group is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

Certain fixed asset investments and liabilities are measured at amortised cost, by which method a fixed, effective interest is recognised during the useful life of the asset or the liability. Amortised cost is recognised as the original cost with deduction of any payments and additions/deductions of the accrued amortisation of the difference between cost and nominal amount. In this way capital losses and capital profits are spread over the useful life.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

Translation of foreign currency

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials.

Debtors, creditors, and other monetary items in foreign currency are translated by using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or the recognition in the latest annual accounts of the amount owed or the liability is recognised in the profit and loss account under financial income and expenses.

Fixed assets and other non-monetary assets acquired in foreign currency and which are not considered to be investment assets purchased in foreign currencies are measured at the exchange rate on the transaction date.

At recognition of foreign group enterprises which are integrated units, the monetary items are translated by using the closing rate. Non monetary items are translated by using the exchange rate prevailing at the time of acquisition or at the time of the following depreciation or writedown of the asset. The items of the profit and loss account are translated by using the exchange rate prevailing at the date of the transaction. However, items in the profit and loss account deriving from non monetary items are translated by using historical prices.

Currency adjustment of balances with group enterprises abroad that are considered part of the total investment in group enterprises are recognised directly in the equity. Likewise, foreign exchange gains and losses on loans and derived financial instruments for currency hedging independent group enterprises abroad are recognised in the equity.

Derived financial instruments

At the first recognition, derived financial instruments are recognised at cost in the balance sheet. Afterwards they are measured at fair value. Positive and negative fair values of derived financial instruments are recognised under other debtors and other creditors respectively.

Changes in the fair value of derived financial instruments classified as and meeting the criteria for hedging the fair value of a recognised asset or a recognised liability are recognised in the profit and loss account together with any changes in the fair value of the hedged asset or the hedged liability.

Changes in the fair value of derived financial instruments classified as and meeting the criteria for hedging future cash flows are recognised under amounts owed or other debt in the equity.

If the future transaction results in the recognition of assets or liabilities, amounts which have been recognised in the equity previously, are transferred to the cost for the asset or the liability, respectively. If the future transaction results in income or costs, amounts which have been recognised in the equity currently, are transferred to the profit and loss account in the period in which the hedged item influenced the profit and loss account.

As regards any derived financial instruments which do not meet the criteria for being treated as hedging instruments, changes in the fair value are recognised currently in the profit and loss account.

Changes in the fair value of derived financial instruments used for hedging net investments in independent foreign group enterprises or associated enterprises are recognised directly in the equity.

The consolidated annual accounts

The consolidated annual accounts comprise the parent company Delfi Holding ApS and those group enterprises of which Delfi Holding ApS directly or indirectly owns more than 50 % of the voting rights or in other ways has controlling interest. As it appears from the group chart, enterprises of which the group owns between 20 and 50 % of the voting rights and exercises considerable, but not controlling interest are considered associated enterprises.

By the consolidation, elimination of intercompany income and costs, shareholding, intercompany balances and dividends and realised and unrealised gains and losses from transactions among the consolidated enterprises takes place.

Equity interests in group enterprises are settled by the proportional share of the group enterprises' trade value of net assets and liabilities at the date of acquisition.

Positive balances (goodwill) between cost and fair value of the acquired, identifiable assets and liabilities, including provisions for restructuring, are recognised under intangible fixed assets and in accordance with an individual evaluation allocated on a systematic basis over their useful lives in the profit and loss account. Negative balances (negative goodwill) is recognised as income in the profit and loss account at the date of acquisition when the general requirements for recognition of income are met.

Minority interests

The items of the group enterprises are recognised by 100 % in the consolidated annual accounts. The minority interests' proportionate share of the profit or loss and the equity of the group enterprises are adjusted annually, and they are recognised as a separate item below the profit and loss account and as a separate item in the balance sheet respectively.

The profit and loss account

Gross profit

The gross profit comprises the net turnover, changes in inventories of finished goods, other operating income and external costs.

The net turnover is recognised in the profit and loss account if delivery and risk transfer to the buyer have taken place before the end of the year, and if the income can be determined reliably and is expected to be received. The net turnover is recognised exclusive of VAT and taxes and with the deduction of any discounts granted in connection with the sale.

Other operating income comprise accounting items of secondary nature in proportion to the principal activities of the enterprise, including gains on disposal of intangible and tangible fixed assets.

Other external costs comprise costs for distribution, sales, advertisement, administration, premises, loss on debtors, and operational leasing costs.

Staff costs

Staff costs include salaries and wages including holiday allowances, pensions and other costs for social security etc. for staff members. Staff costs are less public reimbursements.

Depreciation, amortisation and writedown

Depreciation, amortisation and writedown comprise depreciation on, amortisation of and writedown relating to intangible and tangible fixed assets respectively.

Research and development costs

Research and development costs comprise costs, salaries and wages and depreciation directly or indirectly attributable to the consolidated research and development activities.

Research costs are recognised in the profit and loss account in the year they are incurred. Clearly defined and identifiable development projects are recognised as intangible fixed assets provided that the technical utilisation, sufficient resources, and a potential market or a development opportunity can be demonstrated, and provided that it is the intention to produce, market or utilise the project. It is, however, a condition that a connection between the costs incurred and future earnings exists. Lack of official approvals, customer approvals and other uncertainties will often imply that the requirements for recognition as an asset are not met and that development costs therefore are expensed as incurred.

Net financials

Net financials comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the profit and loss account with the amounts that concerns the financial year.

Results from equity investments in group enterprises

After full elimination of intercompany profit or loss and deduction of amortisation of consolidated goodwill, the equity investment in the group enterprise is recognised in the profit and loss account at a proportional share of the group enterprise's results after tax.

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The parent company and the Danish group enterprises are subject to the Danish rules on compulsory joint taxation of the consolidated Danish enterprises. The parent company acts as an administration company in relation to the joint taxation. This means that the total Danish tax payable of the income of the Danish consolidated companies is paid to the tax authorities by the company.

The current Danish corporate tax is allocated among the jointly taxed companies in proportion to their respective taxable income (full allocation with reimbursement of tax losses).

The balance sheet

Intangible fixed assets

Development projects, patents, and licences

Development costs comprise e.g. salaries, wages, and amortisation which directly and indirectly refer to the development activities.

Clearly defined and identifiable development projects are recognised as intangible fixed assets provided that the technical feasibility, sufficient resources, and a potential market or a development opportunity can be demonstrated, and provided that it is the intention to produce, market or utilise the project. It is, however, a condition that the cost can be calculated reliably and that a sufficiently high degree of certainty indicates that future earnings will cover the costs for production, sales, and administration. Other development costs are recognised in the profit and loss account concurrently with their realisation.

After completion of the development work, capitalised development costs are amortised on a straight line basis over the estimated financial useful life. Usually, the amortisation period is 10 years.

Goodwill

Goodwill is amortised over its estimated useful life, which is determined on the basis of the management's experience with the individual business areas. Goodwill is amortised on a straight-line basis over the amortisation period, which is between 5 and 10 years. The amortisation period is determined on the basis of an expected payback period, being the longer for strategical acquirees with a strong market position and an expected long-term earnings profile.

Tangible fixed assets

Land and buildings are measured at cost with addition of revaluations and with deduction of accrued depreciation and writedown.

The basis of depreciation is cost with the addition of revaluations at fair value and with the deduction of expected residual value after the end of the useful life of the asset.

Reversal of previous revaluations and recognised deferred taxes concerning revaluations are recognised directly in the company's equity.

Other tangible fixed assets are measured at cost with deduction of accrued depreciation and writedown.

The basis of depreciation is cost with deduction of any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the book value, the amortisation discontinues.

If the amortisation period or the residual value is changed, the effect on amortisation will in the future be recognised as a change in the accounting estimates.

The cost comprises the acquisition cost and costs directly attached to the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing.

Depreciation takes place on a straight line basis and based on an evaluation of the expected useful life:

	Useful life
Buildings	30 years
Technical plants and machinery	5-10 years
Other plants, operating assets, fixtures and furniture	3-5 years

Minor assets with an expected useful life of less than 1 year are recognised as costs in the profit and loss account in the year of acquisition.

Profit or loss deriving from the sales of tangible fixed assets is measured as the difference between the sales price reduced by the selling costs and the book value at the time of the sale. Profit or losses are recognised in the profit and loss account as other operating income or other operating expenses.

As regards assets of own production, the cost comprises direct costs for materials, components, deliveries from subsuppliers, payroll costs, and borrowing costs form specific and general borrowing concerning the construction of each individual asset.

Leasing contracts

All other leasing contracts are considered operational leasing. Payments in connection with operational leasing and other rental agreements are recognised in the profit and loss account over the term of the contract. The group's total liabilities concerning operational leasing and rental agreements are recognised under contingencies etc.

Writedown of fixed assets

The book values of both intangible and tangible fixed assets as well as equity investments in subsidiaries and associated enterprises are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets respectively. Writedown takes place to the recoverable amount, if this value is lower than the book value.

The recoverable value is equal to the value of the net selling price or the value in use, whichever is higher. The value in use is determined as the present value of the expected net cash flow deriving from the use of the asset or the group of assets.

Previously recognised writedown is reversed when the condition for the writedown no longer exist. Writedown relating to goodwill is not reversed.

Financial fixed assets

Equity investments in group enterprises

Equity investments in group enterprises are recognised in the balance sheet at a proportional share under the equity method, the value being calculated on the basis of the accounting policies of the parent company by the deduction or addition of unrealised intercompany profits and losses, and with the addition or deduction of residual value of positive or negative goodwill measured by applying the acquisition method.

Group enterprises with negative equity are recognised without any value, and to the extent they are considered irrevocable, amounts owed by these companies are written down by the parent's share of the equity. If the negative equity exceeds the debtors, the residual amount is recognised under liability provisions to the extent the parent has a legal or actual liability to cover the negative equity of the subsidiary.

To the extent the equity exceeds the cost, the net revaluation of equity investments in group enterprises are transferred to the reserves under the equity for net revaluation as per the equity method. Dividend from group enterprise expected to be decided before the approval of this annual report are not subject to a limitation of the revaluation reserves. The reserves are adjusted by other equity movements in group enterprise and associated enterprises.

Newly taken over or newly established companies are recognised in the annual accounts as of the time of acquisition. Sold or liquidated companies are recognised at the time of cession.

Profit or loss in connection with the sale of group enterprises are measured as the difference between the sales amount and the book value of net assets at the time of the sale, inclusive of remaining consolidated goodwill and expected costs for sale and cession. Profit and loss are recognised in the profit and loss account under net financials.

In connection with the acquisition of group enterprises, the acquisition method is applied, by which the acquirees' assets and liabilities are measured at fair value at the time of acquisition. Provisions for payment of costs for decided restructuring activities in the acquirees in relation to the acquisition are recognised. The tax effect of the revaluations carried out is taken into consideration.

Positive differences (goodwill) between cost and fair value of identifiable, acquired assets and liabilities, inclusive of liability provisions for restructuring, are recognised under equity investments in group enterprises, and they are amortised over their estimated useful life. The useful life is determined on the basis of the management's experience with the individual business areas. The amortisation period is maximum 20 years, being the longer for strategical acquirees with a strong market position and a long-range earnings potential. The book value of goodwill is evaluated currently and written down in the profit and loss account in those cases where the book value exceeds the expected future net income from the enterprise or the activity, to which the goodwill is attached.

Other securities and equity investments

Securities and equity investments recognised under fixed assets comprise listed bonds and shares which are measured at fair value on the balance sheet date. Listed securities are measured at market price.

Other unlisted securities are measured at cost. Writedown takes place to the recoverable amount, if this value is lower than the book value.

Inventories

Inventories are measured at cost on basis of measured average prices. In case the net realisable value is lower than the cost, writedown takes place at this lower value.

The cost for trade goods, raw materials, and consumables comprises the acquisition cost with the addition of the delivery costs.

The cost for manufactured goods and works in progress comprises the cost for raw materials, consumables, direct wages, and indirect production costs. Indirect production costs comprise indirect materials and wages, maintenance of and depreciation on machinery, factory buildings and equipment applied during the production process, and costs for factory administration and factory management. Borrowing costs are not recognised in cost.

The net realisable value for inventories is recognised as the market price with deduction of completion costs and selling costs. The net realisable value is determined taking into consideration the negotiability, obsolescence, and development of the expected market price.

Debtors

Debtors are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedown takes place at the net realisable value.

Accrued income and deferred expenses

Accrued income and deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

Securities and equity investments

Securities and equity investments recognised as current assets are measured at fair value on the balance sheet date.

Available funds

Available funds comprise cash at bank and in hand.

Equity

Reserves for net revaluation as per the equity method

Reserves for net revaluation as per the equity method comprise net revaluation of equity investments in subsidiaries and associates in proportion to cost.

The reserves may be eliminated in case of losses, realisation of equity investments or changes in the financial estimates.

It is not possible to recognise the reserves with a negative amount.

Corporate tax and deferred tax

Current tax receivable and tax liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

Delfi Holding ApS is jointly taxed with the Danish group companies and acts in this respect as the administration company. According to the rules of joint taxation, Delfi Holding ApS is unlimited, jointly and severally liable towards the Danish tax authorities for the total corporation tax, including withholding tax on interest, royalties and dividends, arising within the jointly taxed group of companies.

Payable and receivable joint taxation contributions are recognised in the balance sheet as "Receivable corporate tax" or “Payable corporate tax".

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

Deferred tax assets, including the tax value of tax losses eligible for carry?over, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set?off in deferred tax liabilities within the same legal tax unit.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax.

Other provisions

Provisions comprise expected costs for guarantee liabilities, loss on work in progress, restructuring, etc. Provisions are recognised when the group has a legal or actual liability which is due to a previous event and when it is likely that the settlement of the liability will result in expenditure of the financial resources of the group.

If the settlement of the liability is expected to take place in some remote future, provisions are measured at the net realisable value or at fair value.

Liabilities

Mortgage debt and bank debt are for instance measured at amortised cost. As to cash loans, this corresponds to the outstanding debt of the loan. For bond loans, the amortised cost corresponds to an outstanding debt calculated as the underlying cash value at the date of borrowing adjusted by amortisation of the market value adjustment on the date of the borrowing carried out over the repayment period.

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

The cash flow statement

The cash flow statement shows the cash flow of the group for the year, divided in cash flows deriving from operating activities, investment activities, and financing activities respectively, the changes in the liabilities, and the available funds at the beginning and the end of the year respectively.

The effect of cash flow deriving from purchase and sale of enterprises appears separately under cash flow from investment activities. In the cash flow statement, cash flow deriving from purchased enterprises is recognised as of the date of acquisition, and cash flow deriving from sold enterprises is recognised until the sales date.

Cash flow from operating activities
Cash flow from operating activities are calculated as the results for the year adjusted for non-cash operating items, the change in the working capital, and corporate tax paid.

Cash flow from investment activities
Cash flow from investment activities comprises payments in connection with the acquisition and sale of enterprises and activities as well as the acquisition and sale of intangible and tangible fixed assets and fixed asset investments respectively.

Cash flow from financing activities
Cash flow from financing activities comprises changes in the size or the composition of the share capital and the costs in this connection. Furthermore, these activities comprise borrowings, instalments on interestbearing debt, and payment of dividend to the shareholders.

Available funds
Available funds comprise cash funds with deduction of short-term bank debt and short-term securities with a term of less than 3 months which can easily be converted into cash funds and on which only an insignificant risk of value changes exists.

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