

Weibel Scientific A/S
Solvang 30
3450 Allerød
Central Business Registration
No 80609515

Annual report
01.05.2018 -
30.04.2019

The Annual General Meeting adopted the annual report on 27.06.2019

Chairman of the General Meeting

Name: Martin Nyberg

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Entity details

Entity

Weibel Scientific A/S
Solvang 30
3450 Allerød

Central Business Registration No (CVR): 80609515
Registered in: Allerød
Financial year: 01.05.2018 - 30.04.2019

Board of Directors

Thomas Øiseth Munkholm, Chairman
Tina Munkholm Larsen Møller, Vice-chairman
Carsten Kenneth Jensen
Tim Sloth Jørgensen
Peder Richardt Pedersen

Executive Board

Peder Richardt Pedersen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
Postboks 1600
0900 København 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 Weibel Scientific A/S for the financial year 01.05.2018 - 30.04.2019.

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

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 30.04.2019, and of the results of their operations and consolidated cash flows for the financial year 01.05.2018 – 30.04.2019.

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

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

Allerød, 27.06.2019

Executive Board

Peder Richardt Pedersen

Board of Directors

Thomas Øiseth Munkholm
Chairman

Tina Munkholm Larsen Møller
Vice-chairman

Carsten Kenneth Jensen

Tim Sloth Jørgensen

Peder Richardt Pedersen

Independent auditor's report

To the shareholder of Weibel Scientific A/S

Opinion

We have audited the consolidated financial statements and the parent financial statements of Weibel Scientific A/S for the financial year 01.05.2018 - 30.04.2019, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 30.04.2019, and of the results of their operations and the consolidated cash flows for the financial year 01.05.2018 - 30.04.2019 in accordance with the Danish Financial Statements Act.

Basis for opinion

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

Management's responsibilities for the consolidated financial statements and the parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent 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 consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent financial statements, Management is responsible for assessing the Group's and the Parent's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the consolidated financial statements and the parent financial statements unless Management either intends to liquidate the Group or the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent 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

Independent auditor's report

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 consolidated financial statements and these parent financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements and the parent 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'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 consolidated financial statements and the parent 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's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements and the parent 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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent 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.

Independent auditor's report

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the consolidated financial statements and the parent financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with the consolidated financial statements and the parent financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Violation of criminal law as well as tax, duty and subsidy legislation

The Company has violated the Danish Value Added Tax Act by failing to make timely and complete reporting at the end of one tax period. Consequently, Management may incur liability. Management has presented evidence to us that the issue has been rectified in the subsequent period.

Copenhagen, 27.06.2019

Deloitte

Statsautoriseret Revisionspartnerselskab
Central Business Registration No (CVR) 33963556

Nikolaj Thomsen
State-Authorised Public Accountant
Identification No (MNE) mne33276

Ane Sachs Aasand
State-Authorised Public Accountant
Identification No (MNE) mne42783

Management commentary

	2018/19 DKK'000	2017/18 DKK'000	2016/17 DKK'000	2015/16 DKK'000	2014/15 DKK'000
Financial highlights					
Key figures					
Gross profit	157.149	121.179	102.408	136.798	100.893
Operating profit/loss	54.252	23.317	9.335	45.023	23.529
Net financials	336	(1.051)	5.794	(8.190)	5.830
Profit/loss for the year	40.393	16.830	11.066	30.281	21.282
Total assets	413.750	377.361	453.734	521.364	426.048
Investments in property, plant and equipment	5.987	20.822	16.558	75.886	37.503
Equity	318.865	281.484	292.389	285.900	271.786
Average numbers of employees	123	100	93	89	78
Ratios					
Return on equity (%)	13,5	5,9	3,8	10,9	7,5
Equity ratio (%)	77,1	74,6	64,4	54,8	63,8

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

Ratios	Calculation formula	Calculation formula reflects
Return on equity (%)	$\frac{\text{Profit/loss for the year} \times 100}{\text{Average equity}}$	The entity's return on capital invested in the entity by the owners.
Equity ratio (%)	$\frac{\text{Equity} \times 100}{\text{Total assets}}$	The financial strength of the entity.

Management commentary

Primary activities

The Company's activities comprise research, development, production and marketing of remote sensing instruments for the use of aviation, metrology, testing, analyses, and similar activities.

Development in activities and finances

The income statement for the period 01.05.2018 - 30.04.2019 shows a profit of DKK 40,393k against DKK 16,830k for the period 01.05.2017 - 30.04.2018. The balance sheet shows equity of DKK 318,865k.

The results are considered satisfactory and in accordance with the latest announced expectations.

Outlook

Management estimates that there will be no material changes in the market for sale of radar systems in the coming period. Management expects an increase in Group revenue and profit compared to 2018/19.

Knowledge resources

Part of the Company's business foundation is to deliver high-tech and reliable radar systems. This calls for particularly high demands for knowledge resources and production processes.

Research and development activities

The development activities primarily comprise development of new radar systems and continued development of existing systems and products.

Events after the balance sheet date

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

Consolidated income statement for 2018/19

	<u>Notes</u>	<u>2018/19 DKK</u>	<u>2017/18 DKK</u>
Gross profit		157.148.579	121.179.350
Staff costs	1	(93.586.719)	(76.576.884)
Depreciation, amortisation and impairment losses	2	(9.310.278)	(21.285.651)
Operating profit/loss		54.251.582	23.316.815
Other financial income	3	2.777.090	3.312.320
Other financial expenses	4	(2.441.498)	(4.363.345)
Profit/loss before tax		54.587.174	22.265.790
Tax on profit/loss for the year	5	(14.194.288)	(5.435.349)
Profit/loss for the year	6	40.392.886	16.830.441

Consolidated balance sheet at 30.04.2019

	<u>Notes</u>	<u>2018/19 DKK</u>	<u>2017/18 DKK</u>
Completed development projects		0	0
Development projects in progress		3.408.677	0
Intangible assets	7	3.408.677	0
Land and buildings		65.784.995	74.643.330
Other fixtures and fittings, tools and equipment		69.894.747	100.511.132
Property, plant and equipment	8	135.679.742	175.154.462
Deposits		436.468	215.405
Fixed asset investments	9	436.468	215.405
Fixed assets		139.524.887	175.369.867
Raw materials and consumables		52.068.762	33.518.752
Work in progress		19.956.080	12.784.175
Manufactured goods and goods for resale		20.178.547	21.520.199
Inventories		92.203.389	67.823.126
Trade receivables		50.158.775	121.028.920
Contract work in progress	10	83.031.054	0
Receivables from group enterprises		378.121	29.229
Other receivables		1.442.610	245.216
Income tax receivable		6.750.000	10.915
Prepayments	11	965.737	1.782.000
Receivables		142.726.297	123.096.280
Cash		39.295.779	11.071.863
Current assets		274.225.465	201.991.269
Assets		413.750.352	377.361.136

Consolidated balance sheet at 30.04.2019

	<u>Notes</u>	<u>2018/19 DKK</u>	<u>2017/18 DKK</u>
Contributed capital		50.000.000	50.000.000
Reserve for development expenditure		2.658.768	0
Retained earnings		236.205.757	226.483.646
Proposed dividend		30.000.000	5.000.000
Equity		<u>318.864.525</u>	<u>281.483.646</u>
Deferred tax		27.184.909	13.728.198
Provisions		<u>27.184.909</u>	<u>13.728.198</u>
Mortgage debt		9.681.393	10.637.130
Income tax payable		0	5.987.473
Non-current liabilities other than provisions	12	<u>9.681.393</u>	<u>16.624.603</u>
Current portion of long-term liabilities other than provisions	12	961.545	967.836
Bank loans		5.891.499	0
Finance lease liabilities		785.221	0
Prepayments received from customers		3.712.630	0
Trade payables		17.774.345	12.679.483
Payables to group enterprises		0	18.537.009
Payables to shareholders and management		267.358	0
Income tax payable		2.601.074	5.288.374
Other payables		23.484.819	28.051.987
Deferred income	13	2.541.034	0
Current liabilities other than provisions		<u>58.019.525</u>	<u>65.524.689</u>
Liabilities other than provisions		<u>67.700.918</u>	<u>82.149.292</u>
Equity and liabilities		<u>413.750.352</u>	<u>377.361.136</u>
Unrecognised rental and lease commitments	15		
Contingent liabilities	16		
Assets charged and collateral	17		
Transactions with related parties	18		
Subsidiaries	19		

Consolidated statement of changes in equity for 2018/19

	<u>Contributed capital DKK</u>	<u>Reserve for development expenditure DKK</u>	<u>Retained earnings DKK</u>
Equity beginning of year	50.000.000	0	231.132.466
Corrections of material errors	0	0	(4.648.820)
Adjusted equity, beginning of year	50.000.000	0	226.483.646
Ordinary dividend paid	0	0	0
Exchange rate adjustments	0	0	1.987.993
Transfer to reserves	0	2.658.768	(2.658.768)
Profit/loss for the year	0	0	10.392.886
Equity end of year	50.000.000	2.658.768	236.205.757
		<u>Proposed dividend DKK</u>	<u>Total DKK</u>
Equity beginning of year		5.000.000	286.132.466
Corrections of material errors		0	(4.648.820)
Adjusted equity, beginning of year		5.000.000	281.483.646
Ordinary dividend paid		(5.000.000)	(5.000.000)
Exchange rate adjustments		0	1.987.993
Transfer to reserves		0	0
Profit/loss for the year		30.000.000	40.392.886
Equity end of year		30.000.000	318.864.525

Consolidated cash flow statement for 2018/19

	<u>Notes</u>	<u>2018/19 DKK</u>	<u>2017/18 DKK</u>
Operating profit/loss		54.251.582	23.316.825
Amortisation, depreciation and impairment losses		9.310.278	21.285.651
Working capital changes	14	(48.735.181)	(22.299.407)
Cash flow from ordinary operating activities		14.826.679	22.303.069
Financial income received		2.777.090	3.312.320
Financial expenses paid		(2.441.498)	(4.363.345)
Income taxes refunded/(paid)		(13.396.331)	(4.409.895)
Cash flows from operating activities		1.765.940	16.842.149
Acquisition etc of intangible assets		(3.408.677)	0
Acquisition etc of property, plant and equipment		(6.772.152)	(29.766.467)
Sale of property, plant and equipment		36.175.938	80.535.145
Acquisition of fixed asset investments		(221.063)	0
Acquisition of enterprises		(30.788)	0
Cash flows from investing activities		25.743.258	50.768.678
Repayments of loans etc		(962.002)	(956.374)
Incurrence of lease obligations		785.221	0
Dividend paid		(5.000.000)	0
Cash flows from financing activities		(5.176.781)	(956.374)
Increase/decrease in cash and cash equivalents		22.332.417	66.654.453
Cash and cash equivalents beginning of year		11.071.863	(55.582.590)
Cash and cash equivalents end of year		33.404.280	11.071.863
Cash and cash equivalents at year-end are composed of:			
Cash		39.295.779	11.071.863
Short-term debt to banks		(5.891.499)	0
Cash and cash equivalents end of year		33.404.280	11.071.863

Notes to consolidated financial statements

	2018/19 DKK	2017/18 DKK
1. Staff costs		
Wages and salaries	89.916.327	72.834.775
Pension costs	1.197.060	765.671
Other social security costs	990.248	748.437
Other staff costs	1.483.084	2.228.001
	93.586.719	76.576.884
Average number of employees	123	
		Remunera- tion of manage- ment 2018/19 DKK
		8.418.361
		8.418.361
Total amount for management categories		8.418.361
		8.418.361
Pursuant to the Danish Financial Statements Act section 98b, subsection 3 (2), remuneration of Management is not disclosed for the financial year 2017/18.		
	2018/19 DKK	2017/18 DKK
2. Depreciation, amortisation and impairment losses		
Depreciation of property, plant and equipment	15.148.883	23.984.358
Profit/loss from sale of intangible assets and property, plant and equipment	(5.838.605)	(2.698.707)
	9.310.278	21.285.651
	2018/19 DKK	2017/18 DKK
3. Other financial income		
Exchange rate adjustments	2.693.018	3.291.055
Other financial income	84.072	21.265
	2.777.090	3.312.320
	2018/19 DKK	2017/18 DKK
4. Other financial expenses		
Other interest expenses	2.441.498	1.228.386
Exchange rate adjustments	0	3.134.959
	2.441.498	4.363.345

Notes to consolidated financial statements

	2018/19 DKK	2017/18 DKK
5. Tax on profit/loss for the year		
Current tax	759.334	6.746.151
Change in deferred tax	13.248.909	(1.310.802)
Adjustment concerning previous years	186.045	0
	14.194.288	5.435.349
	2018/19 DKK	2017/18 DKK
6. Proposed distribution of profit/loss		
Ordinary dividend for the financial year	30.000.000	5.000.000
Retained earnings	10.392.886	11.830.441
	40.392.886	16.830.441
	Completed develop- ment projects DKK	Develop- ment projects in progress DKK
7. Intangible assets		
Cost beginning of year	3.398.580	0
Additions	0	3.408.677
Cost end of year	3.398.580	3.408.677
Amortisation and impairment losses beginning of year	(3.398.580)	0
Amortisation and impairment losses end of year	(3.398.580)	0
Carrying amount end of year	0	3.408.677

Development projects

Development projects consist of a new type of product. New products and systems are constantly added to the portfolio, as well as existing products and systems are being improved.

Development projects are measured at direct cost plus overhead. There are no signs of impairment on capitalized development projects.

Notes to consolidated financial statements

	Land and buildings DKK	Other fixtures and fittings, tools and equipment DKK
8. Property, plant and equipment		
Cost beginning of year	108.833.843	320.816.231
Exchange rate adjustments	0	24.565
Additions	127.430	5.859.501
Disposals	(13.796.055)	(41.228.320)
Cost end of year	95.165.218	285.471.977
Depreciation and impairment losses beginning of year	(34.190.513)	(220.305.099)
Depreciation for the year	(2.736.438)	(12.412.445)
Reversal regarding disposals	7.546.728	17.140.314
Depreciation and impairment losses end of year	(29.380.223)	(215.577.230)
Carrying amount end of year	65.784.995	69.894.747
		Deposits DKK
9. Fixed asset investments		
Cost beginning of year		215.405
Additions		221.063
Cost end of year		436.468
Carrying amount end of year		436.468
	2018/19 DKK	2017/18 DKK
10. Contract work in progress		
Contract work in progress	93.574.894	0
Progress billings regarding contract work in progress	(10.543.840)	0
	83.031.054	0
11. Prepayments		
Prepayments comprise incurred costs relating to subsequent financial year.		

Notes to consolidated financial statements

	Due within 12 months 2018/19 DKK	Due within 12 months 2017/18 DKK	Due after more than 12 months 2018/19 DKK	Outstanding after 5 years DKK
12. Liabilities other than provisions				
Mortgage debt	961.545	967.836	9.681.393	834.560
	961.545	967.836	9.681.393	834.560

13. Short-term deferred income

Deferred income comprises income received to be recognised in the subsequent financial year.

	2018/19 DKK	2017/18 DKK
14. Change in working capital		
Increase/decrease in inventories	(24.380.263)	(2.085.203)
Increase/decrease in receivables	(12.890.932)	(30.047.508)
Increase/decrease in trade payables etc	(11.463.986)	(1.697.253)
Other changes	0	11.530.557
	(48.735.181)	(22.299.407)

15. Unrecognised rental and lease commitments

	2018/19 DKK	2017/18 DKK
Liabilities under rental or lease agreements until maturity in total	1.601.182	0

16. Contingent liabilities

	2018/19 DKK	2017/18 DKK
Recourse and non-recourse guarantee commitments	643.108	907.000
Contingent liabilities in total	643.108	907.000

17. Assets charged and collateral

Land and buildings with a carrying amount of DKK 22,226k have been provided as security for mortgage debt of DKK 10,643k.

18. Transactions with related parties

No transactions with related parties were made in 2018/19 that were not made on an arm's length basis.

Notes to consolidated financial statements

	<u>Registered in</u>	<u>Corpo- rate form</u>	<u>Equity inte- rest %</u>
19. Subsidiaries			
Weibel Equipment GmbH	Germany	GmbH	100,0
Weibel Incorporated ApS	Denmark	ApS	100,0
Weibel Equipemt Inc	USA	Inc	100,0
Weibel Norway A/S	Norway	AS	100,0

Parent income statement for 2018/19

	<u>Notes</u>	<u>2018/19 DKK</u>	<u>2017/18 DKK</u>
Gross profit		150.503.718	118.582.911
Staff costs	1	(93.586.719)	(76.802.472)
Depreciation, amortisation and impairment losses	2	(9.297.785)	(21.272.008)
Operating profit/loss		47.619.214	20.508.431
Income from investments in group enterprises		5.397.451	2.208.186
Other financial income	3	2.736.448	3.311.216
Other financial expenses	4	(2.675.273)	(4.899.193)
Profit/loss before tax		53.077.840	21.128.640
Tax on profit/loss for the year	5	(12.684.954)	(4.298.198)
Profit/loss for the year	6	40.392.886	16.830.442

Parent balance sheet at 30.04.2019

	<u>Notes</u>	<u>2018/19 DKK</u>	<u>2017/18 DKK</u>
Completed development projects		0	0
Development projects in progress		3.408.677	0
Intangible assets	7	<u>3.408.677</u>	<u>0</u>
Land and buildings		65.784.995	74.643.330
Other fixtures and fittings, tools and equipment		69.131.063	100.166.179
Property, plant and equipment	8	<u>134.916.058</u>	<u>174.809.509</u>
Investments in group enterprises		35.224.505	27.808.273
Deposits		250.693	215.405
Fixed asset investments	9	<u>35.475.198</u>	<u>28.023.678</u>
Fixed assets		<u>173.799.933</u>	<u>202.833.187</u>
Raw materials and consumables		52.068.762	33.518.752
Work in progress		19.956.080	12.784.175
Manufactured goods and goods for resale		20.178.547	21.520.199
Inventories		<u>92.203.389</u>	<u>67.823.126</u>
Trade receivables		37.313.083	99.173.005
Contract work in progress	10	83.031.054	0
Receivables from group enterprises		1.337.443	625.699
Other receivables		1.394.177	28.569
Income tax receivable		6.750.000	0
Prepayments	11	877.556	1.782.000
Receivables		<u>130.703.313</u>	<u>101.609.273</u>
Cash		<u>27.417.963</u>	<u>7.906.367</u>
Current assets		<u>250.324.665</u>	<u>177.338.766</u>
Assets		<u>424.124.598</u>	<u>380.171.953</u>

Parent balance sheet at 30.04.2019

	<u>Notes</u>	<u>2018/19 DKK</u>	<u>2017/18 DKK</u>
Contributed capital		50.000.000	50.000.000
Reserve for net revaluation according to the equity method		34.151.694	26.931.724
Reserve for development expenditure		2.658.768	0
Retained earnings		202.054.063	199.551.922
Proposed dividend		30.000.000	5.000.000
Equity		318.864.525	281.483.646
Deferred tax		27.184.909	13.728.198
Provisions		27.184.909	13.728.198
Mortgage debt		9.681.393	10.637.130
Income tax payable		0	5.987.473
Non-current liabilities other than provisions		9.681.393	16.624.603
Current portion of long-term liabilities other than provisions		961.545	967.836
Bank loans		5.891.499	0
Finance lease liabilities		785.221	0
Prepayments received from customers		3.712.630	0
Trade payables		17.474.345	12.656.733
Payables to group enterprises		14.127.408	21.457.802
Payables to shareholders and management		267.358	0
Income tax payable		2.222.680	5.220.542
Other payables		22.951.085	28.032.593
Current liabilities other than provisions		68.393.771	68.335.506
Liabilities other than provisions		78.075.164	84.960.109
Equity and liabilities		424.124.598	380.171.953
Contingent liabilities	12		
Assets charged and collateral	13		
Related parties with controlling interest	14		

Parent statement of changes in equity for 2018/19

	Contributed capital DKK	Reserve for net revaluation according to the equity method DKK	Reserve for development expenditure DKK	Retained earnings DKK
Equity beginning of year	50.000.000	26.931.724	0	204.200.742
Corrections of material errors	0	0	0	(4.648.820)
Adjusted equity, beginning of year	50.000.000	26.931.724	0	199.551.922
Ordinary dividend paid	0	0	0	0
Exchange rate adjustments	0	1.987.993	0	0
Other entries on equity	0	(165.474)	0	165.474
Transfer to reserves	0	0	2.658.768	(2.658.768)
Profit/loss for the year	0	5.397.451	0	4.995.435
Equity end of year	50.000.000	34.151.694	2.658.768	202.054.063
			Proposed dividend DKK	Total DKK
Equity beginning of year			5.000.000	286.132.466
Corrections of material errors			0	(4.648.820)
Adjusted equity, beginning of year			5.000.000	281.483.646
Ordinary dividend paid			(5.000.000)	(5.000.000)
Exchange rate adjustments			0	1.987.993
Other entries on equity			0	0
Transfer to reserves			0	0
Profit/loss for the year			30.000.000	40.392.886
Equity end of year			30.000.000	318.864.525

Notes to parent financial statements

	2018/19 DKK	2017/18 DKK
1. Staff costs		
Wages and salaries	89.916.327	73.230.388
Pension costs	1.197.060	765.671
Other social security costs	990.248	748.437
Other staff costs	1.483.084	2.057.976
	93.586.719	76.802.472
Average number of employees	123	
	2018/19 DKK	2017/18 DKK
2. Depreciation, amortisation and impairment losses		
Depreciation of property, plant and equipment	15.136.390	18.573.292
Profit/loss from sale of intangible assets and property, plant and equipment	(5.838.605)	2.698.716
	9.297.785	21.272.008
	2018/19 DKK	2017/18 DKK
3. Other financial income		
Financial income arising from group enterprises	0	9.294
Exchange rate adjustments	2.693.018	3.291.055
Other financial income	43.430	10.867
	2.736.448	3.311.216
	2018/19 DKK	2017/18 DKK
4. Other financial expenses		
Financial expenses from group enterprises	259.733	289.919
Exchange rate adjustments	0	3.134.959
Other financial expenses	2.415.540	1.474.315
	2.675.273	4.899.193
	2018/19 DKK	2017/18 DKK
5. Tax on profit/loss for the year		
Current tax	(750.000)	8.500.000
Change in deferred tax	13.248.909	(4.201.802)
Adjustment concerning previous years	186.045	0
	12.684.954	4.298.198

Notes to parent financial statements

	2018/19 DKK	2017/18 DKK
6. Proposed distribution of profit/loss		
Ordinary dividend for the financial year	30.000.000	5.000.000
Retained earnings	10.392.886	11.830.442
	40.392.886	16.830.442
	Completed develop- ment projects DKK	Develop- ment projects in progress DKK
7. Intangible assets		
Cost beginning of year	3.398.580	0
Additions	0	3.408.677
Cost end of year	3.398.580	3.408.677
Amortisation and impairment losses beginning of year	(3.398.580)	0
Amortisation and impairment losses end of year	(3.398.580)	0
Carrying amount end of year	0	3.408.677

Development projects

Development projects consist of a new type of product. New products and systems are constantly added to the portfolio, as well as existing products and systems are being improved.

Development projects are measured at direct cost plus overhead. There are no signs of impairment on capitalized development projects.

Notes to parent financial statements

	Land and buildings DKK	Other fixtures and fittings, tools and equipment DKK
8. Property, plant and equipment		
Cost beginning of year	108.833.843	320.449.455
Additions	127.430	5.452.842
Disposals	(13.796.055)	(41.228.320)
Cost end of year	95.165.218	284.673.977
Depreciation and impairment losses beginning of year	(34.190.513)	(220.283.276)
Depreciation for the year	(2.736.438)	(12.399.952)
Reversal regarding disposals	7.546.728	17.140.314
Depreciation and impairment losses end of year	(29.380.223)	(215.542.914)
Carrying amount end of year	65.784.995	69.131.063
9. Fixed asset investments		
Cost beginning of year	1.042.023	215.405
Addition through business combinations etc	30.788	0
Additions	0	35.288
Cost end of year	1.072.811	250.693
Revaluations beginning of year	26.766.250	0
Exchange rate adjustments	1.987.993	0
Share of profit/loss for the year	5.397.451	0
Revaluations end of year	34.151.694	0
Carrying amount end of year	35.224.505	250.693

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

Notes to parent financial statements

	2018/19 DKK	2017/18 DKK
10. Contract work in progress		
Contract work in progress	93.574.894	0
Progress billings regarding contract work in progress	(10.543.840)	0
	83.031.054	0

11. Prepayments

Prepayments comprise incurred costs relating to subsequent financial years.

	2018/19 DKK	2017/18 DKK
12. Contingent liabilities		
Recourse and non-recourse guarantee commitments	643.108	907.000
Contingent liabilities in total	643.108	907.000

The Company participates in a Danish joint taxation arrangement in which HEIA ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable for income taxes etc for the jointly taxed companies and for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for the jointly taxed companies. The jointly taxed companies' total known net liability in the joint taxation arrangement is stated in the financial statements of the administration company.

13. Assets charged and collateral

Land and buildings with a carrying amount of DKK 22,226k have been provided as security for mortgage debt of DKK 10,643k.

14. Related parties with controlling interest

Related parties with control comprise the Company's Executive Board and Board of Directors.

Other related parties with which Weibel Scientific A/S has had transactions in 2018/19:

Subsidiaries:

- Weibel Incorporated ApS with related subsidiaries
- Weibel Equipment GmbH
- Weibel Norway AS

Entities of which the Group's owners have direct or indirect control:

- Heia ApS
- Went ApS

Accounting policies

Reporting class

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

The accounting policies applied to these financial statements are consistent with those applied last year except for minor adjustments made with no effect on profit/loss or equity as they are reclassifications.

Material errors in previous years

At the submission of the consolidated and parent financial statements for 2018/19, Management stated that the consolidated and parent financial statements for 2017/18 contained a material misstatement, as an agreed-upon discount was not recognised. Due to the level of materiality, Management has chosen to adjust the misstatement retroactively in accordance with the provisions of the Danish Financial Statements Act section 52(2). The accumulated effect at 1 May 2018 is thus recognised in equity at 1 May 2018, and adjustments of the comparative figures for 2017/18 and financial highlights have been made. The adjustments resulted in a reduction of equity at 1 May 2018 of DKK 4.6m, a reduction of revenue of DKK 5.9m, and an increase of deferred tax of DKK 1.3m.

Consolidated financial statements

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

Basis of consolidation

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

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

Business combinations

Newly acquired or newly established enterprises are recognised in the consolidated financial statements from the time of acquiring or establishing such enterprises. Divested or wound-up enterprises are recognised in the consolidated income statement up to the time of their divestment or winding-up.

The purchase method is applied at the acquisition of new enterprises, under which identifiable assets and liabilities of these enterprises are measured at fair value at the acquisition date. Provisions for costs of restructuring of the enterprise acquired are only made in so far as such restructuring was decided by the enterprise acquired prior to acquisition. Allowance is made for the tax effect of restatements.

Accounting policies

Positive differences in amount (goodwill) between cost of the acquired share and fair value of the assets and liabilities taken over are recognised under intangible assets, and they are amortised systematically over the income statement based on an individual assessment of their useful life. If the useful life cannot be estimated reliably, it is fixed at 10 years. Useful life is reassessed annually. Negative balances (negative goodwill) are recognised as income in the income statement.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses.

Income statement

Gross profit or loss

Gross profit comprises revenue, costs relating to raw materials and consumables as well as other external expenses.

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Contract work in progress is included in revenue based on the stage of completion so that revenue corresponds to the selling price of the work performed in the financial year (the percentage-of-completion method).

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

Cost of sales

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

Costs of raw materials and consumables

Costs of raw materials and consumables comprise the consumption of raw materials and consumables for the financial year after adjustment for changes in inventories of these goods from the beginning to the end of the year. This item includes shrinkage, if any, and ordinary writedowns of the relevant inventories.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Accounting policies

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

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

Income from investments in group enterprises

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

Other financial income

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

Other financial expenses

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

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Balance sheet

Intellectual property rights etc

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

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

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

Accounting policies

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Completed development projects	7 years
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Estimated useful lives and residual values are reassessed annually.

Property, plant and equipment

Land and buildings, plant and machinery as well as other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation. For assets held under finance leases, cost is the lower of the asset's fair value and present value of future lease payments.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Buildings	20-50 years
Plant and machinery	5-25 years
Other fixtures and fittings, tools and equipment	5-25 years

Estimated useful lives and residual values are reassessed annually.

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

Investments in group enterprises

In the parent financial statements, investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus or minus unrealised intra-group profits or losses.

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

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

Inventories

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

Cost consists of purchase price plus delivery costs. Cost of manufactured goods and work in progress consists of costs of raw materials, consumables, direct labour costs and indirect production costs.

Accounting policies

Indirect production costs comprise indirect materials and labour costs, costs of maintenance of, depreciation on of and impairment losses relating to machinery, factory buildings and equipment used in the manufacturing process as well as costs of factory administration and management. Finance costs are not included in cost.

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

Receivables

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

Contract work in progress

Contract work in progress is measured at the selling price of the work carried out at the balance sheet date.

The selling price is measured based on the stage of completion and the total estimated income from the individual contracts in progress. Usually, the stage of completion is determined as the ratio of actual to total budgeted consumption of resources.

If the selling price of a project in progress cannot be made up reliably, it is measured at the lower of costs incurred and net realisable value.

Each contract in progress is recognised in the balance sheet under receivables or liabilities other than provisions, depending on whether the net value, calculated as the selling price less prepayments received, is positive or negative.

Costs of sales work and of securing contracts as well as finance costs are recognised in the income statement as incurred.

Income tax payable or receivable

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

Prepayments

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

Cash

Cash comprises cash in hand and bank deposits.

Dividend

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

Accounting policies

for distribution of profit/loss.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset or the planned settlement of each liability.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Mortgage debt

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

Finance lease liabilities

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

Operating leases

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

Other financial liabilities

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

Prepayments received from customers

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

Deferred income

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.

Cash flow statement

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

Cash flows from operating activities are presented using the indirect method and calculated as the operating

Accounting policies

profit/loss adjusted for non-cash operating items, working capital changes and income taxes paid.

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

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs as well as inception of finance leases and payment of dividend.

Cash and cash equivalents comprise cash.

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Nikolaj Thomsen

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Thomas Øiseth Munkholm

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