

LED iBond International ApS

Diplomvej 381, 2800 Kgs. Lyngby

Company reg. no. 36 04 16 09

Consolidated annual accounts

1 January - 31 December 2019

Contents

	<u>Page</u>
Reports	
Management's report	1
Auditor's report on compilation of the consolidated annual accounts	2
Management's review	
Company data	5
Group enterprises	6
Consolidated financial highlights	7
Management's review	8
Consolidated annual accounts 1 January - 31 December 2019	
Accounting policies used	9
Profit and loss account	15
Balance sheet	16
Notes	18

Notes to users of the English version of this document:

- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points remain unchanged from the Danish version of the document. This means that for instance DKK 146.940 is the same as the English amount of DKK 146,940, and that 23,5 % is the same as the English 23.5 %.

Management's report

The board of directors and the managing director have today presented the consolidated annual accounts of LED iBond International ApS for the financial year 1 January to 31 December 2019.

The consolidated annual accounts have been presented in accordance with the Danish Financial Statements Act.

We consider the accounting policies used appropriate, and in our opinion, the consolidated annual accounts provide a true and fair view of the assets, the liabilities and the financial position, consolidated at 31 December 2019, and of the results of the activities, consolidated in the financial year 1 January to 31 December 2019.

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

Kgs. Lyngby, 4 February 2020

Managing Director

Rolf H. Sprunk-Jansen

Board of Directors

Bjarne Henning Jensen

Frederik Bruhn-Petersen

Lars Frederiksen

Independent auditor's report

To the shareholders of LED iBond International ApS

Opinion

We have audited the consolidated annual accounts of LED iBond International ApS for the financial year 1 January to 31 December 2019, which comprise accounting policies used, profit and loss account, balance sheet and notes, consolidated. The consolidated annual accounts are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated annual accounts give a true and fair view of the assets, liabilities and financial position at 31 December 2019 and of the results of the operations for the financial year 1 January to 31 December 2019 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the below section "Auditor's responsibilities for the audit of the consolidated annual accounts". We are independent of the companies covered by the consolidation 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 the annual accounts

The management is responsible for the preparation of consolidated 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 that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated annual accounts, the management is responsible for evaluating the group'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, unless the management either intends to liquidate the group 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

Our objectives are to obtain reasonable assurance about whether the consolidated 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.

Independent auditor's report

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, 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 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 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 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 to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the consolidated annual accounts, including the disclosures in the notes, and whether the consolidated 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.

Independent auditor's report

Our opinion on the consolidated 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, 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 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 and that it has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not find any material misstatement in the management's review.

Glostrup, 4 February 2020

PKF Munkebo Vindelev

State Authorised Public Accountants
Company reg. no. 14 11 92 99

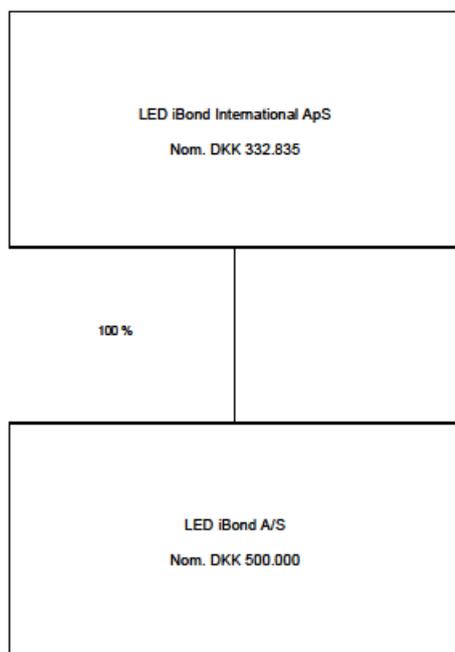
H. Munkebo Christiansen

State Authorised Public Accountant
mne3644

Company data

The company	LED iBond International ApS Diplomvej 381 2800 Kgs. Lyngby
	Company reg. no. 36 04 16 09 Financial year 1 January - 31 December
Board of Directors	Bjarne Henning Jensen Frederik Bruhn-Petersen Lars Frederiksen
Managing Director	Rolf H. Sprunk-Jansen
Auditors	PKF Munkebo Vindelev, Statsautoriseret Revisionsaktieselskab Hovedvejen 56 2600 Glostrup
Bankers	Nykredit Bank, Kalvebod Brygge 1-3, 1780 København V
Associated enterprises	Ocutune ApS, Gentofte LED Livestock ApS, Odense LED Aviation IVS, Roskilde

Group overview



Consolidated financial highlights

DKK in thousands	<u>2019</u>	<u>2018</u>
Profit and loss account:		
Net turnover	11.788	6.549
Gross profit	1.246	-2.705
EBITDA	-5.170	-9.258
Results from operating activities	-17.482	-16.056
Net financials	-3.757	-2.895
Results of the year	-16.861	-14.757
Balance sheet:		
Balance sheet sum	58.023	66.480
Equity	32.656	19.600

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

Management's review

The principal activities of the group

Like previous years, the principal activities of the group have consisted in the development, production and sale of products within LED lights and LED technology.

Development in activities and financial matters

The net turnover for the year is DKK 11.788.000 against DKK 6.549.000 last year. The EBITDA for the year is DKK -5.170.000 against DKK -9.258.000 last year. The results from ordinary activities after tax are DKK -16.861.000 against DKK -14.757.000 last year. The management consider the results as expected.

Events subsequent to the financial year

After the end of the financial year, no events have occurred that could significantly affect the Group's financial position.

Accounting policies used

The consolidated annual accounts is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises. Furthermore, the company has chosen to comply with some of the rules applying for class C 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 concern matters existing on the balance sheet date.

The consolidated annual accounts

The consolidated annual accounts comprise the parent company LED iBond International ApS and those group enterprises of which LED iBond International ApS directly or indirectly owns more than 50 % of the voting rights or in other ways has controlling interest and which are included in the Group's business plans in the longer term. 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.

Accounting policies used

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.

The profit and loss account

Net turnover

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.

Cost of sales

Cost of sales include costs for the purchase of raw materials and consumables less discounts and changes in inventories.

Other operating income

Other operating income comprises 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

Other external costs comprise costs for sales, administration, premises, auto operation 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.

Net financials

Net financials comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities. Financial income and expenses are recognised in the profit and loss account with the amounts that concern the financial year.

Dividend from equity investments in associated enterprises is recognised in the financial year where the dividend is declared.

Accounting policies used

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 balance sheet

Intangible fixed assets

Development projects, patents, and licences

Development costs comprise e.g. salaries, wages, and costs which directly 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.

Development costs recognised in the balance sheet are measured at cost with deduction of accrued depreciation and writedown.

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.

Patents and licenses are measured at cost with deduction of accrued amortisation. Patents are amortised on a straight-line basis over the remaining patent period, and licenses are amortised over the contract period, however, for a maximum of 10 years.

Gain and loss from the sale of development projects, patents, and licenses are measured as the difference between the sales price with deduction of sales costs and the book value at the time of the sale. Gain or loss are recognised in the profit and loss account as other operating income or other operating expenses respectively.

Tangible fixed assets

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.

Accounting policies used

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
Technical plants and machinery	5-10 years
Other plants, operating assets, fixtures and furniture	3-5 years

Minor assets with a cost price of less than DKK 13.800 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.

Leases

All leases are regarded as operating leases. Payments in connection with operating leases and other rental agreements are recognised in the profit and loss account over the term of the contract. The group's total liabilities concerning operating leases and rental agreements are recognised under contingencies etc.

Decoration of rented premises

Decoration of rented premises are measured at cost with deduction of accrued depreciation. Depreciation takes place on a straight-line basis over the estimated useful life of the asset, which is set at 5 years.

Financial fixed assets

Equity investments in associated enterprises

Equity investments in associated enterprises are measured at cost. In case the recoverable amount is lower than the cost, writedown takes place to this lower value.

Deposits

Deposits are measured at amortised cost and represent rent deposits, 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.

Accounting policies used

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 exists. Writedown relating to goodwill is not reversed.

Inventories

Inventories are measured at cost on the basis of the FIFO method. In case the net realisable value of the inventories is lower than the cost, writedown takes place to 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.

Available funds

Available funds comprise cash at bank and in hand.

Accounting policies used

Equity

Share premium

Share premium comprises amounts paid as premium in connection with the issue of shares. Costs in connection with a carried through issue are deducted in the premium. The premium reserve may be utilised as dividend, issue of bonus shares, and for payment of losses.

Reserves for development costs

Reserves for development costs comprise recognised development costs with deduction of related deferred tax liabilities. The reserves can not be used as dividend or for payment of losses. The reserves are reduced or dissolved if the recognised development costs are amortised or abandoned. This takes place by direct transfer to the distributable reserves of the equity.

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.

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.

Liabilities

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

Profit and loss account 1 January - 31 December

All amounts in DKK

Note	Group	
	2019	2018
Net turnover	11.788.168	6.549.088
Other operating income	1.781.881	0
Raw materials and consumables used	-7.317.807	-4.252.703
Other external costs	-5.006.506	-5.001.115
Gross results	1.245.736	-2.704.730
3 Staff costs	-6.415.782	-6.553.010
EBITDA	-5.170.046	-9.257.740
Depreciation, amortisation and writedown relating to tangible and intangible fixed assets	-10.960.749	-6.798.314
Writedown of current assets exceeding usual writedown	-1.350.849	0
Operating profit	-17.481.644	-16.056.054
Other financial income	27.384	2.190
Other financial costs	-3.784.329	-2.897.637
Results before tax	-21.238.589	-18.951.501
4 Tax on ordinary results	4.377.346	4.194.336
Results for the year	-16.861.243	-14.757.165
Proposed distribution of the results:		
Allocated from results brought forward	-16.861.243	-14.757.165
	-16.861.243	-14.757.165

Balance sheet 31 December

All amounts in DKK

Note	Group		
	2019	2018	
Assets			
Fixed assets			
5	Completed development projects	25.255.977	24.645.191
6	Patents and similar rights	585.751	0
7	Software	17.885	30.069
8	Rights	3.012.639	3.514.219
	Intangible fixed assets in total	<u>28.872.252</u>	<u>28.189.479</u>
9	Production plant and machinery	7.591.290	8.863.341
10	Other plants, operating assets, and fixtures and furniture	115.852	228.369
11	Decoration of rented premises	11.277	17.161
	Tangible fixed assets in total	<u>7.718.419</u>	<u>9.108.871</u>
12	Equity investments in associated enterprises	27.001	1
13	Deposits	225.095	186.118
	Financial fixed assets in total	<u>252.096</u>	<u>186.119</u>
	Fixed assets in total	<u>36.842.767</u>	<u>37.484.469</u>
Current assets			
	Raw materials and consumables	2.505.550	6.113.863
	Manufactured goods and trade goods	1.914.315	952.413
	Prepayments for goods	144.389	0
	Inventories in total	<u>4.564.254</u>	<u>7.066.276</u>
	Trade debtors	816.593	801.961
14	Deferred tax assets	6.178.980	4.143.370
15	Receivable corporate tax	2.341.735	2.457.601
	Other debtors	308.274	1.134.382
	Accrued income and deferred expenses	614.613	392.703
	Debtors in total	<u>10.260.195</u>	<u>8.930.017</u>
	Available funds	<u>6.356.229</u>	<u>12.999.047</u>
	Current assets in total	<u>21.180.678</u>	<u>28.995.340</u>
	Assets in total	<u>58.023.445</u>	<u>66.479.809</u>

Balance sheet 31 December

All amounts in DKK

Equity and liabilities

Note	Group		
	2019	2018	
Equity			
16	Contributed capital	332.835	269.852
17	Share premium account	0	0
18	Reserve for development expenditure	17.293.798	16.762.859
19	Results brought forward	15.029.233	2.567.372
	Equity in total	32.655.866	19.600.083
Liabilities			
20	Convertible loans	5.000.000	0
20	Bank debts	3.350.000	4.650.000
20	Loan agreements	7.288.276	32.506.798
20	Other debts	1.271.868	0
	Long-term liabilities in total	16.910.144	37.156.798
20	Short-term part of long-term liabilities	1.300.000	959.068
	Bank debts	855	855
	Trade creditors	4.159.243	2.715.391
	Other debts	2.997.337	6.047.614
	Short-term liabilities in total	8.457.435	9.722.928
	Liabilities in total	25.367.579	46.879.726
	Equity and liabilities in total	58.023.445	66.479.809

- 1 **Uncertainties concerning recognition and measurement**
- 2 **Special items**
- 21 **Mortgage and securities**
- 22 **Contingencies**

Notes

All amounts in DKK

1. Uncertainties concerning recognition and measurement

In determining the carrying amount of certain of the company's assets, estimates of how future events affect the value are required. Estimates that are material to the financial statements are made, when calculating depreciation and impairment of fixed assets.

The estimates used are based on assumptions that management considers reasonable but which are inherently uncertain and unpredictable. The assumptions may be incomplete or inaccurate and unexpected events or circumstances may occur.

2. Special items

There are per definition a risk associated with the recognition of development projects and associated acquired rights (licenses). The value of the assets depends on: 1) that the company achieves sufficient success with the development of the technology and subsequent commercialization of the developed technologies, and 2) that the company can obtain the liquidity needed for the final development and commercialization.

The management has chosen to recognize externally incurred project costs as well as internally incurred labor costs as development projects as well as acquired rights (licenses) in the balance sheet. The total value amounts to DKK 20.526.000 respectively and DKK 3.013.000 per 31 December 2019. The value is based on the management's expectations of the project's market potential and is thus linked to uncertainty as the value is dependent on the company's success in commercialization.

	Group	
	2019	2018
3. Staff costs		
Salaries and wages	5.205.861	5.169.581
Pension costs	882.032	1.046.357
Other costs for social security	48.818	156.636
Other staff costs	279.071	180.436
	6.415.782	6.553.010
Average number of employees	14	17
4. Tax on ordinary results		
Tax of the results for the year, parent company	-2.341.736	-2.457.601
Adjustment for the year of deferred tax	-2.035.610	-1.736.735
	-4.377.346	-4.194.336

Notes

All amounts in DKK

	Group	
	31/12 2019	31/12 2018
5. Completed development projects		
Cost 1 January 2019	35.551.166	24.094.410
Additions during the year	9.016.875	11.456.756
Cost 31 December 2019	44.568.041	35.551.166
Amortisation and writedown 1 January 2019	-10.905.975	-5.254.236
Amortisation for the year	-7.413.826	-5.651.739
Writedown for the year	-992.263	0
Amortisation and writedown 31 December 2019	-19.312.064	-10.905.975
Book value 31 December 2019	25.255.977	24.645.191
6. Patents and similar rights		
Cost 1 January 2019	1.699.358	1.579.743
Additions during the year	585.751	119.615
Cost 31 December 2019	2.285.109	1.699.358
Amortisation and writedown 1 January 2019	-1.699.358	-1.250.896
Amortisation for the year	0	-448.462
Amortisation and writedown 31 December 2019	-1.699.358	-1.699.358
Book value 31 December 2019	585.751	0
7. Software		
Cost 1 January 2019	36.725	0
Additions during the year	0	36.725
Cost 31 December 2019	36.725	36.725
Amortisation and writedown 1 January 2019	-6.656	0
Amortisation for the year	-12.184	-6.656
Amortisation and writedown 31 December 2019	-18.840	-6.656
Book value 31 December 2019	17.885	30.069

Notes

All amounts in DKK

	Group	
	31/12 2019	31/12 2018
8. Rights		
Cost 1 January 2019	5.015.803	5.015.803
Cost 31 December 2019	5.015.803	5.015.803
Amortisation and writedown 1 January 2019	-1.501.584	-1.000.004
Amortisation for the year	-501.580	-501.580
Amortisation and writedown 31 December 2019	-2.003.164	-1.501.584
Book value 31 December 2019	3.012.639	3.514.219
9. Production plant and machinery		
Cost 1 January 2019	9.019.302	370.003
Additions during the year	650.445	8.649.299
Cost 31 December 2019	9.669.747	9.019.302
Depreciation and writedown 1 January 2019	-155.961	-81.960
Depreciation for the year	-1.922.496	-74.001
Depreciation and writedown 31 December 2019	-2.078.457	-155.961
Book value 31 December 2019	7.591.290	8.863.341
10. Other plants, operating assets, and fixtures and furniture		
Cost 1 January 2019	393.033	357.330
Additions during the year	0	35.703
Cost 31 December 2019	393.033	393.033
Amortisation and writedown 1 January 2019	-164.664	-49.278
Depreciation for the year	-112.517	-115.386
Amortisation and writedown 31 December 2019	-277.181	-164.664
Book value 31 December 2019	115.852	228.369

Notes

All amounts in DKK

	Group	
	31/12 2019	31/12 2018
11. Decoration of rented premises		
Cost 1 January 2019	17.649	0
Additions during the year	0	17.649
Cost 31 December 2019	17.649	17.649
Depreciation and writedown 1 January 2019	-488	0
Depreciation for the year	-5.884	-488
Depreciation and writedown 31 December 2019	-6.372	-488
Book value 31 December 2019	11.277	17.161
12. Equity investments in associated enterprises		
Acquisition sum, opening balance 1 January 2019	1	0
Additions during the year	27.001	1
Disposals during the year	-1	0
Cost 31 December 2019	27.001	1
Book value 31 December 2019	27.001	1

The financial highlights for the enterprises according to the latest approved annual reports

	Share of ownership	Equity	Results for the year	Book value at LED iBond International ApS
Ocutune ApS, Gentofte	25 %	-	-	25.000
LED Livestock ApS, Odense	49 %	-	-	1
LED Aviation IVS, Roskilde	50 %	-	-	2.000
				27.001

The companies Ocutune ApS, LED Livestock ApS and LED Aviation IVS have all completed the first financial year per December 31 2019, but have not yet submitted an annual report.

Notes

All amounts in DKK

	Group	
	31/12 2019	31/12 2018
13. Deposits		
Cost 1 January 2019	186.118	184.165
Additions during the year	38.977	1.953
Cost 31 December 2019	225.095	186.118
Book value 31 December 2019	225.095	186.118
14. Deferred tax assets		
Deferred tax assets 1 January 2019	4.143.370	2.281.176
Deferred tax of the results for the year	2.035.610	1.736.735
Deferred tax recognised directly in equity	0	125.459
	6.178.980	4.143.370
The following items are subject to deferred tax:		
Intangible fixed assets	-6.346.714	-6.197.769
Tangible fixed assets	-454.871	-489.474
Losses brought forward from previous years	12.980.565	10.830.613
	6.178.980	4.143.370
15. Receivable corporate tax		
Receivable corporate tax 1 January 2019	2.457.601	2.819.926
Paid corporate tax concerning last year	-2.457.601	-2.819.926
Calculated corporate tax for the present year	2.341.735	2.457.601
	2.341.735	2.457.601

Notes

All amounts in DKK

	Group	
	31/12 2019	31/12 2018
16. Contributed capital		
Contributed capital 1 January 2019	269.852	255.077
Cash capital increase	0	14.775
Conversion of debt	62.983	0
	332.835	269.852
17. Share premium account		
Share premium account for the year	29.854.043	7.003.350
Transferred to results brought forward	-29.854.043	-7.003.350
	0	0
18. Reserve for development expenditure		
Reserve for development expenditure 1 January 2019	16.762.859	12.234.946
Transferred from results brought forward	530.939	4.527.913
	17.293.798	16.762.859
19. Results brought forward		
Results brought forward 1 January 2019	2.567.372	14.849.100
Transferred from share premium account	29.854.043	7.003.350
Profit or loss for the year brought forward	-16.861.243	-14.757.165
Transferred to reserve for development expenditure	-530.939	-4.527.913
	15.029.233	2.567.372

Notes

All amounts in DKK

20. Liabilities

Group	Debt in total 31 Dec 2019	Short-term part of long- term liabilities	Long-term debt 31 Dec 2019	Outstanding debt after 5 years
Convertible loans	5.000.000	0	5.000.000	0
Bank debts	4.650.000	1.300.000	3.350.000	0
Loan agreements	7.288.276	0	7.288.276	2.190.000
Other debts	1.271.868	0	1.271.868	1.271.868
	18.210.144	1.300.000	16.910.144	3.461.868

21. Mortgage and securities

For credit facilities, DKK 5.000.000, a company in the group has provided security in company assets representing a nominal value of DKK 5.000.000. This security comprises the below assets, stating the book values:

	DKK in thousands
Inventories	4.420
Receivable from sales and services	817
Production plant and machinery	7.718

22. Contingencies

Contingent liabilities

Leasing liabilities:

A company in the Group has entered into operating leases with a total annual lease payment of DKK 83.000. The leases have a residual maturity of between 3 and 18 months and a total residual lease payment of DKK 49.000.

Rental liabilities:

A company in the Group has entered into a lease with a residual maturity of 21 months and an annual rent of DKK 348.000. The total residual lease obligation is DKK 618.000. In addition, the company has a lease with 3 months notice. The commitment for this amounts to DKK 64.000.

Penneo

Underskrifterne i dette dokument er juridisk bindende. Dokumentet er underskrevet via Penneo™ sikker digital underskrift. Underskrivernes identiteter er blevet registeret, og informationerne er listet herunder.

“Med min underskrift bekræfter jeg indholdet og alle datoer i dette dokument.”

Bjarne Henning Jensen

Bestyrelsesformand

Serienummer: PID:9208-2002-2-347692632048

IP: 193.163.xxx.xxx

2020-02-04 12:36:42Z

NEM ID 

Bjarne Henning Jensen

Bestyrelsesmedlem

Serienummer: PID:9208-2002-2-347692632048

IP: 193.163.xxx.xxx

2020-02-04 12:36:42Z

NEM ID 

Frederik Bruhn-Petersen

Bestyrelsesmedlem

Serienummer: PID:9208-2002-2-383560117752

IP: 193.104.xxx.xxx

2020-02-04 13:54:00Z

NEM ID 

Lars Frederiksen

Bestyrelsesmedlem

Serienummer: PID:9208-2002-2-313316917666

IP: 87.60.xxx.xxx

2020-02-04 19:27:49Z

NEM ID 

Rolf Henrik Sprunk-Jansen

Direktionsmedlem

Serienummer: PID:9208-2002-2-639067481794

IP: 2.50.xxx.xxx

2020-02-05 06:18:34Z

NEM ID 

Hans Munkebo Christiansen

Statsautoriseret revisor

Serienummer: PID:9208-2002-2-666298717585

IP: 87.54.xxx.xxx

2020-02-05 10:07:42Z

NEM ID 

Penneo dokumentnøgle: FHHSU-TSQKP-EGKJO-NS0Q4-L16TL-S6EDT

Dette dokument er underskrevet digitalt via **Penneo.com**. Signeringsbeviserne i dokumentet er sikret og valideret ved anvendelse af den matematiske hashværdi af det originale dokument. Dokumentet er låst for ændringer og tidsstemplet med et certifikat fra en betroet tredjepart. Alle kryptografiske signeringsbeviser er indlejret i denne PDF, i tilfælde af de skal anvendes til validering i fremtiden.

Sådan kan du sikre, at dokumentet er originalt

Dette dokument er beskyttet med et Adobe CDS certifikat. Når du åbner dokumentet

i Adobe Reader, kan du se, at dokumentet er certificeret af **Penneo e-signature service** <penneo@penneo.com>. Dette er din garanti for, at indholdet af dokumentet er uændret.

Du har mulighed for at efterprøve de kryptografiske signeringsbeviser indlejret i dokumentet ved at anvende Penneos validator på følgende websted: <https://penneo.com/validate>