



**Blue Vision A/S**

Strandgade 24C, st.tv.

1401 Copenhagen K

Annual report 2020

***This is an English translation of the Danish version, if there is any inconsistency the Danish version shall prevail***

Approved at the Annual General Meeting; April 29, 2021

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Mikkel Leth Petersen  
Conductor

CVR no. 26 79 14 13

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## **Management endorsement**

Today, the Board of Directors and the Executive Management have considered and approved the annual report for 2020 for Blue Vision A/S.

The annual report is presented in accordance with international financial reporting standards, IFRS, which are approved by the EU and additional requirements in the Danish Financial Statements Act.

We believe that the financial statements give a true and fair view of the company's assets, liabilities and financial position as at 31 December 2020, as well as of the result of the company's activities and cash flows for the financial year 1 January – 31 December 2020.

In our opinion, the management report contains a true and fair account of the development of the company's activities and financial conditions, results for the year, cash flows and financial position, as well as a description of the main risks and uncertainties that the company faces.

The annual report is recommended for approval by the General Assembly.

Copenhagen, 27 April 2021

Executive board:

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Jeanette Gyldstoft Borg  
Director

Board:

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Peter Ole Jensen  
Chairman

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Claus Abildstrøm

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Jeanette Gyldstoft Borg

## **Audit report of the independent auditor**

### **To the shareholders of Blue Vision A/S**

#### **Conclusion**

We have audited the financial statements of Blue Vision A/S for the financial year 1 January – 31 December 2020, which include the income statement, comprehensive income statement, balance sheet, equity statement, cash flow statement and notes, including accounting policies, for the company. The financial statements are prepared in accordance with International Financial Reporting Standards as approved by the EU and additional requirements in the Danish Financial Statements Act.

We believe that the financial statements give a true and fair view of the company's assets, liabilities and financial position as at 31 December 2020 as well as of the company's results and cash flows for the financial year 1 January – 31 December 2020 in accordance with international financial reporting standards as approved by the EU and additional requirements of the Danish Financial Reporting Act.

Our conclusion is consistent with our audit report to the Board of Directors.

#### **Basis for conclusion**

We have carried out our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities according to these standards and requirements are described in more detail in the section "Auditor's responsibility for the audit of the financial statements" of the audit report. We are independent of the Company in accordance with the International Code of Conduct for Auditors (IESBA's Code of Conduct) and the additional requirements applicable in Denmark, just as we have fulfilled our other ethical obligations under these rules and requirements. We are of the opinion that revised audit evidence obtained is sufficient and appropriate as a basis for our conclusion.

To the best of our knowledge, no prohibited non-audit services have been provided within the meaning of Article 5(1) of Regulation (EU) No 537/2014.

We were first elected as auditor for Blue Vision A/S on 8 January 2020 for the financial year 2019 and have been re-elected annually by resolution of the general meeting for a total task period of two years up to and including the financial year 2020.

#### **Key aspects of the audit**

Key aspects of the audit are the factors that, in our professional opinion, were most significant in our audit of the financial statements for the financial year 2020. These matters were addressed as part of our audit of the financial statements as a whole and the form of our conclusion thereon. We do not give a separate conclusion on these matters.

## Description of key aspects of the audit

Description of key aspects of the audit	How our audit addressed the issue
<p><b><i>Assessment of capital and liquidity conditions for 2021</i></b></p> <p>As of December 31, 2020, the company has debt obligations of 13.3 mio.kr. and provisions of 10.0 mio.kr, totalling 23.3 mio.kr. and current assets of 0.1 mio.kr., where the value of current assets is affected by the company's acceptance of payment deferral until 1 July 2023 of the receivable from the sale of Portinho S.A. included with an carrying value of 57.5 mio.kr as of 31 December 2020 (see mention in notes 1 and 8). The company has only very limited unused drawing rights at its disposal.</p> <p>After the balance sheet date, the Company has entered into agreements with financial lenders, other major creditors, selected shareholders and other stakeholders that have resulted in full coverage and/or maturity extension of known creditors secured, in management's opinion, as well as obtaining financing in the form of liquidity and a statement of support for ordinary expected operating expenses in 2021, including payment of bank interest, after which management has assessed, that there is no significant uncertainty associated with the continued operation of the power cabinet in 2021.</p> <p>As a result of the above conditions, the assessment of the company's capital and liquidity ratio is a key factor in the audit.</p> <p>We refer to notes 1, 13 and 15 of the financial statements.</p>	<p>part of the audit of management's assessment of the company's capital and liquidity ratio, we have conducted the following:</p> <ul style="list-style-type: none"> <li>• We have reviewed and challenged management's operating and cash flow budget for 2021, updated in April 2021.</li> <li>• In March 2021 and April 2021, we reviewed commitments from the company's banks to postpone the maturity date for bank debt for a total of 8.5 mio.kr to 2022.</li> <li>• In April 2021, we received and reviewed the contractual basis for converting a share of the company's supplier debt into a convertible loan and adding new liquidity as a convertible loan, so that a total of 3.4 mio.kr is issued.</li> <li>• In April 2021, we reviewed commitments from suppliers representing supplier debt of 2.4 mio.kr. that the due date be postponed to 2022.</li> <li>• In April 2021, we reviewed the statement of support from major shareholders of up to 0.5 mio.kr. valid until 31.12.2021.</li> <li>• We have reviewed and challenged management's assessment of whether surety obligations, which are recognised with a provision of 10 mio.kr, are not considered to result in liquidity draws in 2021 with a high degree of certainty, including opinions from the company's legal adviser.</li> </ul>

	<p>We have also assessed whether note information is sufficient and complete to describe the basis and</p>
	<p>prerequisites for management to have assessed that it is justifiable to present the financial statements with a view to continued operations.</p>
<p><b><i>Valuation of long-term receivables</i></b></p> <p>In 2018, Blue Vision A/S sold Portinho S.A. for a total of DKK 11 million. As of 31 December 2020, the outstanding receivable amounts to EUR 9.55 million.</p> <p>As of 31 December 2020, the receivable, converted into Danish kroner, has been recognised at an carrying value of 57.5 mio.kr, after a write-down of the receivable of 13.8 mio.kr has been recognised in 2020. The receivable is recognized at a calculated present value based on the debtor being able to meet the receivable as of July 1, 2023, and where discounting is based on an estimate of the underlying projects.</p> <p>The company has the right to realize the portinho S.A. early by selling the receivable to the 3rd man.</p> <p>The valuation of the receivable is subject to considerable uncertainty and we consider the valuation, balance sheet presentation and mention in the notes of receivables to be a key consideration of the audit.</p> <p>We refer to notes 1 and 8 of the financial statements.</p>	<p>part of an audit of management's assessment of the value of the receivable, we made the following:</p> <p>In view of the fact that the debtor was unable to repay the receivable at the originally agreed due date, we have reviewed the basis for and discussed with the management the reason why the management considers that the debtor with the payment deferral has been given the opportunity to repay the receivable.</p> <ul style="list-style-type: none"> <li>• We have discussed with management the management's knowledge of the possibilities of realistically implementing the underlying projects, including obtaining expected funding to implement the projects or realize the projects.</li> <li>• We have reviewed the basis for determining the risk-based discount factor used when calculating the net present value of the receivable as of December 31, 2020.</li> <li>• We have reviewed the basis for the receivable from 2019 to 2020 changing from being classified as an asset intended for sale to being classified as a long-term receivable.</li> </ul>

	<p>We have also assessed whether note information is sufficient and complete to describe the valuation and the related assumptions, assumptions and uncertainties.</p>
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<p><b><i>Measurement, recognition and note-taking information on provisions</i></b></p> <p>As of December 31, 2020, the Company has recognized provisions for 10 mio.kr. regarding guarantee obligations assumed by the company in connection with the acquisition of Heartcare ApS and subsidiaries.</p> <p>The amount of the guarantee obligations is to some extent subject to uncertainty, whereby measurement, recognition and note information on provisions for suretyship obligations are considered a key aspect of the audit.</p> <p>We refer to notes 1, 10 and 12 of the financial statements.</p>	<p>As part of the review of management's assessment of provisions, we have carried out the following:</p> <ul style="list-style-type: none"> <li>• We have reviewed and challenged the provision for surety obligations, including reviewing underlying agreements and other documentation.</li> <li>• We have had a dialogue with the company and the company's legal advisor about the uncertainties in the monetary statements and challenged the basis that potential additional losses in addition to the provisions are not considered valid and/or realistic.</li> </ul> <p>We have also assessed whether note information relating to provisions and unrecognised amounts for guarantees disputed and thus disclosed as incidental liabilities is adequate and complete and in accordance with accounting adjustments.</p>
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## **Opinion on the management report**

Management is responsible for the management report.

Our conclusion on the financial statements does not include the management report, and we do not express any kind of conclusion with certainty about the management report.

In connection with our audit of the financial statements, it is our responsibility to read the management report and in this connection consider whether the management report is materially inconsistent with the financial statements, or our knowledge gained from the audit or otherwise appears to be materially inconsistent with the financial statements. to contain material misstatement.

In addition, our responsibility is to consider whether the management report contains the required information in accordance with the Danish Financial Statements Act.

Based on the work carried out, we are of the opinion that the management report is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We have not found any material misstatement in the management report.

### **Management's responsibility for the financial statements**

Management is responsible for the preparation of annual accounts that provide a fair reporting accordance with international financial reporting standards as approved by the EU and additional requirements in the Danish Financial Statements Act. Management is also responsible for the internal control that management deems necessary to prepare annual accounts of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company's ability to continue operations, disclosing matters relating to continued operations, where applicable, and preparing the financial statements on the basis of the accounting principle of continued operations, unless management either intends to liquidate the company, cease operations or has no realistic alternative but to do so.

### **The auditor's assessment was for the audit of the financial statements**

Our aim is to obtain a high level of assurance as to whether the financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an audit report with a conclusion. High assurance is a high level of assurance but is not a guarantee that an audit carried out in accordance with international standards on auditing and the additional requirements applicable in Denmark will always uncover material error information when such is found. Misstatements may arise as a result of fraud or error and may be considered material if it can reasonably be expected that it will influence, individually or collectively, the financial decisions taken by the accounting user on the basis of the financial statements.

As part of an audit carried out in accordance with international standards on auditing and the additional requirements applicable in Denmark, we make professional assessments and maintain professional scepticism during the audit. In addition,

- We identify and assess the risk of material misstatement in the financial statements, whether due to fraud or error, design and execute audit procedures in response to these risks and obtain audit evidence that is sufficient and suitable to inform our conclusion. The risk of failure to detect material misstatement caused by fraud is higher than that of material misstatement caused by errors, as fraud may include conspiracy, forgery, deliberate omission, misrepresentation or breach of internal control.
- we gain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate to the circumstances, but not to be able to express an opinion on the effectiveness of the company's internal control;

- we consider whether the accounting policies used by management are appropriate and whether the accounting estimates and related information prepared by management are reasonable;
- we shall determine whether management's preparation of the financial statements on the basis of the accounting principle of continued operations is appropriate and whether, on the basis of the audit evidence obtained, there is material certainty associated with events or circumstances which may raise clear doubts about the company's ability to continue operations. If we conclude that there is a material uncertainty, we shall, in our audit report, draw attention to information about this in the financial statements or, if such information is not sufficient, modify our conclusion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or circumstances may result in the Company no longer being able to continue operations.
- we consider the overall presentation, structure and content of the financial statements, including the note information, and whether the financial statements reflect the underlying transactions and events in such a way that a true and fair view is given.

We communicate with senior management about, among other things, the planned scope and timing of the audit, as well as significant audit observations, including any significant internal control deficiencies that we identify during the audit.

We also provide a statement to senior management that we have complied with relevant ethical requirements regarding independence and disclose to it any relationships and other matters that are reasonably likely to affect our independence and, where appropriate, related safeguards.

Based on the conditions communicated to senior management, we determine which factors were most significant in the audit of the financial statements for the current period, and thus are key factors in the audit. We describe these matters in our audit report, unless law or other regulation precludes the disclosure of the relationship, or in the extremely rare cases where we determine that the matter should not be communicated in our audit report because the adverse consequences here could reasonably be expected to outweigh the public interest benefits from such communications.

Copenhagen, 27 April 2021

**Deloitte**  
**Statsautoriseret Revisionspartnerselskab CVR**  
no. 33963556

Kim Tataka Mücke  
Statsautoriseret revisor mne10944

## **Management report**

### **Company information**

Blue Vision A/S  
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1401 Copenhagen K  
Telephone: +45 3118 7057  
Homepage: [www.blue-vision.dk](http://www.blue-vision.dk)  
Email: [j.borg@bluevision.dk](mailto:j.borg@bluevision.dk)  
CVR no.: 26 79 14 13  
Founded: 20 September 2002  
Fiscal year: 1 January - 31 December  
Municipality of origin: Copenhagen

### **Board**

Peter Ole Jensen (chairman)  
Claus Abildstrøm  
Jeanette Gyldstoff Borg

### **Executive Board**

Jeanette Gyldstoff Borg

### **Audit**

Deloitte Statsautoriseret Revisionspartnerselskab  
Weidekampsgade 6  
2300 Copenhagen

### **General assembly**

The Annual General Meeting will be held on 29 April 2021 at 09:00.

## **Management report**

### **Main activity and strategy**

Blue Vision A/S is a Danish listed investment company. The purpose of the company is to invest in real estate, shares, mortgages and other assets.

The investment can take the form of equity or debt capital and can be made directly or indirectly, for example through companies, contractual rights or otherwise.

The company wants to achieve the greatest possible value added in the long term, while observing a principle of risk diversification. Geographically, investments can be made worldwide.

### **The company's profit and financial situation**

The result for the year was -32.9 mio.kr. (2019: -14.4 mio.kr).

The result is particularly negatively affected by losses and provisions of DKK 16.6 million as a result of the failed investment in Heartcare ApS and its subsidiaries. This includes provisions for a total of 10 mio.kr. to cover joint and several guarantees assumed by Blue Vision A/S pursuant to the Heartcare transaction.

Furthermore, the COVID-19 outbreak in 2020/2021 has contributed to the fact that Portinho S.A has not been able to settle the receivables, included in the financial statements for 2019 with a value of 71.3 mio.kr., which, according to the original agreement, became due for final payment at the end of 2020. Blue Vision A/S has entered into an agreement on payment deferral until 1 July 2023. This is Blue Vision A/S' experience the fact that the deferral of payment has created a realistic possibility that: Portinho S.A will have a reasonable amount of time to develop the underlying projects in Madeira. Notwithstanding the fact that Blue Vision A/S expects that Portinho S.A overtime and no later than July 1, 2023, could fully pay the receivable, a write-down of 13.8 mio.kr. in the financial statements for 2020 has been included, representing the difference between the principal amount and the present value of the receivable at a payment as of July 1, 2023, calculated taking into account the estimated project risk in the underlying construction projects.

As a result of the deferral agreement, the receivable is presented as a long-term receivable in the balance sheet as of December 31, 2020, compared to previously being presented as a receivable derived from assets intended for sale.

Equity as at 31 December 2020 amounts to 34.3 mio.kr. against 67.2 mio.kr. as of December 31, 2019.

### **Comparison with previous results announcements**

Due to the special conditions in the company, the company has not previously announced its profit expectation for 2020.

### **Capital ratio and outlook for 2021**

As of 31 December 2020, Blue Vision A/S has short-term debt obligations and provisions totalling 23.3 mio.kr and drawing rights have been almost fully utilised.

The company's dialogue with financial creditors, potential investors, etc. and others in the balance sheet date have resulted in full coverage and/or maturity extension of known creditors,

## **Management report**

as well as obtaining funding in the form of liquidity and statement of support to cover common operating expenses in 2021, including payment of bank interest in 2021.

The provision of liquidity, etc. has been achieved by supplier debt of 3.0 mio.kr. has been changed to convertible loan and by provision of liquidity by raising convertible loans for 0.4 mio.kr. so that a total of DKK 3.4 million is issued pursuant to Article 4.1.B, 4.3 of the Articles of Association. A and B. If convertible loans are not converted into equity, there is no share of the convertible loans due in 2021.

In addition, a creditor agreement has been entered into for DKK 2.4 million, so that the due date is extended to the beginning of 2022.

Furthermore, a statement of support valid until 31.12.2021 has been submitted by the major shareholder with an amount of up to DKK 0.5 million, which contributes to ensuring full coverage of known creditors in 2021 as of 31.12.2020, where no agreement has been entered into on payment deferral until 2022 and to cover ordinary expected operating expenses in 2021.

After the balance sheet date, an agreement has been made that bank debt for 5 mio.kr. first due April 2022 against previous April 2021, and commitments to bank debt of 3.5 mio.kr will not be due until early 2022 versus earlier March 2020.

With regard to the provisions for the guarantee obligations assumed by Blue Vision A/S in connection with the acquisition of Heartcare ApS, any claim that may be actualized will be disputed, which is why it is unlikely to have a liquidity impact in the financial year 2021. This should also be seen in the context of the expected time course of the infringement claims raised against the sellers of Heartcare ApS.

The measures strengthen the basis for remaining a listed company, including implementing and realising the intended investment strategy.

Blue Vision A/S expects in 2021 to:

- 1) further address and isolate the losses and liabilities of the investment; Heartcare ApS has resulted. This is expected to be possible, in whole or in part, pursuant to Article 4.1.B of the Articles of Association. and 4.3. B, whereby Blue Vision A/S can take out convertible loans. In the context of convertible loans already taken out, it is thus expected that an increase in the share capital will be affected.
- 2) implement and execute a sustainable and solid investment strategy.
- 3) to sell the receivable from Portinho S.A to one or more 3rd men/men if deemed necessary, appropriate and/or opportune.
- 4) actively pursuing claims for damages totalling 18.0 mio.kr against the sellers of Heartcare ApS and former chairman and CEO and actively pursuing repayment of the purchase price for the Heartcare ApS Group of a total of nom. 4 mio.kr. Blue Vision A/S shares. Efforts will be made separately to establish the necessary financial and resource base so that any disputes will not obstruct the forward strategic plan.

## **Management report**

Due to the company's special circumstances, no performance targets for 2021 are currently announced.

In connection with the implemented initiatives, management assesses that assurance has been achieved for continued operations in 2021, and the financial statements are presented with continued operations in mind.

## **Events after the end of the financial year**

After the balance sheet date, Blue Vision A/S has finally implemented the capital reduction with provision for special reserve, which was adopted at the annual general meeting held on 31 December 2020.

On 5 March 2021, Blue Vision A/S specified a replacement claim against the sellers of Heartcare ApS and separately Blue Vision A/S' former chairman Nicolai Dines Kærgaard and former CEO Peter Hauge Jensen. The claim amounts to 18.0 mio.kr. and it is also submitted that the sellers of Heartcare A/S return the purchase price of a total of nominally 4,000,000 shares. The claim is not included in the company's balance sheet.

Blue Vision A/S has entered into agreements that supplier debt of 3.0 mio.kr. has been converted into a convertible loan and partly by providing liquidity by raising convertible loans for 0.4 mio.kr. If convertible loans are not converted to actual loans, no proportion of convertible loans will be due in 2021.

In addition, a creditor agreement has been entered into for 2.4 mio.kr, so that the due date is extended to the beginning of 2022.

Furthermore, the Company has received a statement of support from a major shareholder valid until 31.12.2021 with an amount of up to 0.5 mio.kr., which contributes to full coverage of known creditors in 2021 as of 31.12.2020, where there is no entered into an agreement on payment deferral until 2022 and to cover ordinary expected operating expenses in 2021, including expected bank interest.

Blue Vision A/S has obtained a deferral of the maturity date for bank debt for 8.5 mio.kr. to early 2022 and April 2022.

With regard to the provisions for surety obligations that Blue Vision A/S assumed in connection with the acquisition of Heartcare ApS, any claim, should they be actualized, will be disputed, and therefore it is unlikely to have a liquidity impact in the financial year 2021. This should also be seen in the context of the expected time course of the claims for damages against the sellers of Heartcare ApS.

As a result of the above, the Company has partially exercised the authorisations granted to the Board of Directors in Articles 4.1.B, 4.3.A and 4.3.B of the Articles of Association.

From the balance sheet date until today, no circumstances have occurred that alter the assessment of the annual report and that have not been expressed in management report or in a note to the financial statements, or have been adjusted in the balance sheet as of December 31, 2020 as a result of the assessment of a corrective event.

## Management report

### Main and key figures for the company

tkr.	2020	2019 4)	2018 4)	2017	2016
<b>Income statement</b>					
Operating profit	-2,135	-1,671	-1,673	-1,983	-1,320
Loss/Gain Portfolio Investments/Portinho S.A	-30,468	-12,716	-9,528	0	0
Profit or loss on financial items	-272	-30	3,488	2,160	3,980
Profit for the year	-32,875	-14,417	-7,713	177	2,660
<b>Balance sheet</b>					
Current assets	57,500 0		1,723	0	0
Assets for sale	0	0	78,987	74,631	74,631
Total Assets	57,581	72,397	80,838	86,300	83,743
Share capital 2)	83,192	83,192	119,092	119,092	108,692
Equity	34,281	67,155	77,572	85,091	74,491
Current liabilities	23,301	5,242 3,266 1,209		9,252	
<b>Cash flows</b>					
Cash flow from operations	-9,905	-274	-1,579	-4,921	-191
Cash flow from investment, net 0 1,650 0 0 0					
Cash flow from financing 9,904 -1,376 1,577 5,423 -741					
Total cash flow	-1	0	-2	502	-932
<b>Key figures 1)</b>					
Solvency ratio	59.6%	92.8%	96.0%	98.6%	89.0%
Profit per share (EPS Basic), DKK 2)	-1.94	-0.14	-0.06	0.00	0.03
Diluted earnings per share (EPS-D), DKK 2)	-1.94	-0.14	-0.06	0.00	0.03
<b>Per share a nom. 1 kr. (stated in kr.)</b>					
Nominal value per share	1	1	1	1 1	10
Net asset value per share capital	0.41	0.81	0.65	0.71	8.73
Net asset value per share shares outstanding 2)	2.15	- -	-	-	
Stock Exchange rate (last trade) 3)	1.89	3.66	0.50	0.31	6.25

- 1) Profit and diluted earnings per share have been calculated in accordance with IAS 33. Other key figures have been prepared in accordance with the latest version of the Danish Financial Analysts' Association's "Recommendations and Key Figures". See key performance indicators in note 16.
- 2) In October 2019, the company decided on a capital reduction of DKK 67,183,043, which the Danish Business Authority later overruled. The capital reduction was re-approved by the annual general meeting on 31 December 2020 and is registered on 2 March 2021.
- 3) The stock exchange price on 31 December 2020 is based on 13,042,027 A shares.
- 4) Comparative figures for 2018 are adapted to the changed presentation form of the income statement and the balance sheet in 2019. Comparative figures for 2016 and 2017 have not been adapted.

## **Management report**

### **Corporate governance and corporate governance statement**

Blue Vision A/S' Board of Directors and Executive Management continuously seek to ensure that the company's management structure and control systems are appropriate and function satisfactorily. A number of internal policies and procedures are developed and maintained on an ongoing basis in order to ensure active, safe and profitable management of the company.

Blue Vision A/S has prepared a statutory report on corporate governance, cf. section 107b of the Danish Financial Statements Act, for the financial year 2020 and publishes this on the company's website <http://www.blue-vision.dk/index.php/da/om-blue-vision/virksomhedsledelse> at the same time as the publication of the annual report for 2020.

The statutory report is divided into three sections:

- An account of Blue Vision A/S' work with the Recommendations on Corporate Governance. On 23 November 2017, the Committee on Corporate Governance published updated Recommendations on Corporate Governance, effective from 1 January 2018, based on the "comply or clarify" principle. It is the opinion of the Board of Directors that the Recommendations for Corporate Governance are essentially followed by Blue Vision A/S' management, taking into account the size of the company.
- A description of the main elements of Blue Vision A/S' internal control and risk management system in connection with financial reporting.
- A description of the composition of Blue Vision A/S' management bodies, their committees and their function.

In addition to the above description, the Company's website explains, in accordance with the Recommendations, how the Company meets the individual points of the recommendations.

### **Board members and other management duties**

Chairman of the Board Mr. Peter Ole Jensen – joined the Board of Directors on 31 December 2020

- Pole Holding ApS, Ceo
- SG24D ApS, Director

Peter Ole Jensen is 59 years old.

In particular, Peter Ole Jensen's experience in management as well as negotiation technique and strategy are found to be of value and relevance to Blue Vision A/S.

Board member Attorney Mr. Claus Abildstrøm – joined the Board of Directors on 30 April 2014:

- Fanum A/S, board member
- Kolind A/S, board member
- CAAB Consulting ApS, Director
- PII A/S, board member
- Danders & More Advokatpartnerselskab, Chairman of the Board
- DM Komplementar Advokatpartnerselskab, board member
- Kolind Invest A/S, Board member

## **Management report**

- Nordholm ApS, board member

Claus Abildstrøm is 57 years old.

In particular, Claus Abildstrøm's board and legal competencies are of great value and relevance to Blue Vision A/S.

Claus Abildstrøm is a partner in Danders & More, which to a certain extent provides legal advice and work for Blue Vision A/S.

Board member Fr. Jeanette Gyldstoft. Castle:

- Haab Investments Ltd, Director
- Portinho ApS, Director
- Baltic Investment Group ApS, Ceo
- Claritas Consulting GmbH, Director Jeanette Gyldstoft Borg is 55 years old.

In particular, Jeanette Gyldstoft Borg's administrative and versatile and long-standing managerial skills are relevant to Blue Vision A/S.

Jeanette Gyldstoft Borg has special interests in Portinho S.A., where Blue Vision has a significant claim, which as of 31 December 2020 is included in the annual accounts with a value of 57.5 mio.kr. Jeanette Gyldstoft Borg is also a major shareholder in Blue Vision A/S

Jeanette Gyldstoft Borg is also Ceo of Blue Vision A/S.

### ***Other information***

The Board of Directors is composed with a view to obtaining special competencies in order to handle Blue Vision A/S' current and present affairs as well as the implementation of Blue Vision A/S' strategy.

In addition, it is considered essential that the board has general management experience, particularly in the management of listed companies and economic and financial know-how.

Members of the Board of Directors are generally elected at the Annual General Meeting for 1 year at a time. The Management Board shall elect a Chairman from among its members. A Deputy Chairman of the Management Board shall not be appointed.

Due to the company's special circumstances, the entire Board of Directors also constitutes the company's audit committee.

### **Management remuneration, Remuneration reporting, Incentive programmes**

The Company's Executive Management and Board of Directors have not received remuneration in 2019 and 2020. In 2020, costs have been incurred for a law firm in which a board member is a partner, with 935 t.kr. (2019: t.kr 400)

The company has no incentive programs.

The Company will submit a remuneration report, which will be published at the same time as the notice convening the Annual General Meeting, where the Company will also publish proposals for a future remuneration policy for remuneration of the Executive Board and the Board of Directors.

## **Management report**

### **Statement on social responsibility and underrepresented gender**

Cf. section 99a of the Danish Financial Statements Act, Blue Vision A/S must make a statement of policies, actions and results regarding social responsibility, including the following four points:

- Human rights
- Environmental impact
- Reducing climate impacts
- Anti-corruption and bribery

Due to the size of the company, including the number of employees, the company has so far not found it necessary to prepare actual policies and guidelines for the above.

The Company continuously and in line with the Company's development and future plans questions whether actual guidelines for social responsibility and points below should be prepared.

The company has chosen to have a target figure of 20% insofar as the board members elected by the general meeting must be made up of the under-represented gender. The goal is currently met, as the company has 3 board members, 2 of whom are men.

Due to the company's current employees other than the company's CEO, no goals and policies have been set for the Executive Management, however, it is noted that Blue Vision A/S' CEO is a woman.

The company's goals and policies for the underrepresented gender will be adjusted in line with the company's development and activity.

### **Knowledge resources**

Through the company's Board of Directors and Executive Management, Blue Vision A/S has combined broad experience and know-how within business operations, turn-arounds, investment in businesses, real estate and general financing of the purchase and sale of companies and real estate as well as strategy development and implementation thereof.

In addition, the company's Board of Directors also possesses experience in the management of listed companies.

### **Shareholder information**

#### **Equity**

Following a previously overruled capital reduction by the Danish Business Authority, the registered share capital at 31 December 2020 amounted to DKK 83,092,270, divided into 13,042,027 shares of DKK 1 and 70,050,243 B shares of DKK 1 each, of which DKK 67,183,043 were the company's own shares.

On 31 December 2020, Blue Vision A/S' annual general meeting decided to reduce the company's capital by a total of nominally DKK 67,183,043 at a price of DKK 100 for a special reserve.

## **Management report**

The capital reduction was finally implemented and registered on 2 March 2021.

The registered share capital then amounts to DKK 15,909,227, divided into 13,042,027 A shares of DKK 1 and 2,867,200 B shares of DKK 1.

As the capital reduction has not been finally completed and registered until 2021, the capital reduction has not been incorporated into the annual accounts as of 31 December 2020 but has been disclosed as a subsequent event.

### **Amendments to the Staff Regulations**

The company's articles of association may be amended by adopting the resolution with at least 2/3 of both the votes cast and the voting share capital represented at the general meeting.

### **Powers**

In accordance with Articles of Association 4.1.A – C of the Company, the Board of Directors is authorised, in the period up to 31 August 2024, to:

Cf. section 4.1A. to increase the company's share capital by up to nominally DKK 50,000,000 on one or more occasions. The increase may be made throughfall cash payments, by conversion of debt or as a deposit in values other than cash, including deposits by an existing company. The capital increase shall include pre-emptive rights for existing shareholders. The new shares must be transferable securities and be registered in the company's register of shareholders, cf. article 3.2 of the Articles of Association. The new shares' right to dividends and other rights in the company shall commence from the date decided by the Board of Directors, but not later than the first financial year following the year of registration of the increase.

cf. section 4.1. B. to increase the company's share capital by up to a nominal value of DKK 50,000,000 on one or more occasions. The increase may be made by full cash deposit, when converting debts or as deposits in non-cash values, including deposits of an existing company. The capital increase shall be without pre-emptive rights for existing shareholders and the capital increase shall be at least at market prices. The new shares must be negotiable instruments and be listed in the name of the company's Register of Shareholders, see Article 3.2 of the Articles of Association. The new shares' right to dividends and other rights in the company shall commence from the date decided by the Board of Directors, but no later than the date decided by the first financial year following the year of registration of the capital increase.

By resolution of 31 October 2019, the Board of Directors has exercised the authorisation in Article 4.1B of the Articles of Association to increase the Company's share capital without pre-emptive rights for the existing shareholders are nominally DKK 2,172,800 A shares. The maximum increase in the share capital that can be decided on the basis of the authorisation has now been reduced to DKK 47,827,200.

Cf. §4.1.C. to increase the company's share capital up to nominally DKK 50,000,000 by issuing new B shares. The increase may be made by full cash payment, by conversion of debt or as a deposit in non-cash values, including deposits by an existing company. Capital increase shall be without pre-emptive rights for existing shareholders and shall be at least at market price.

## **Management report**

The new B shares are issued in a new independent share class, which the Board of Directors is authorised to establish in connection with the capital increase. The B shares must be non-negotiable and recorded in the company's register of shareholders. The B shares are not to be issued in dematerialised form through VP SECURITIES A/S and are not to be admitted to trading and official listing on NASDAQ Copenhagen. In addition, the B shares must have the same right to dividends and other rights in the company as the company's other shares. The right of the class B shares to dividends and other rights in the company shall commence from the date decided by the Board of Directors, but not later than the first financial year following the year of registration of the capital increase.

By resolution of 31 October 2019, the Board of Directors has exercised the authorisation in Article 4.1C of the Articles of Association to increase the Company's share capital without pre-emptive rights for the existing shareholders by nominally DKK 1,827,200 B shares. The maximum increase in the capital that can be decided on the basis of the authorisation has now been reduced to DKK 48,172,800.

In accordance with Article 4.2 of the Articles of Association of the Danish Companies, the Board of Directors is authorised to allow the Company to issue warrants on one or more occasions in the period up to 31 August 2024. The warrants must not give the right to subscribe nominally to DKK 50,000,000 shares in the company. The issue shall be without pre-emptive rights for existing shareholders and the issue shall be made on market terms, however, the Board of Directors shall be entitled to issue shares in the Company at a preferential price in respect of nominally DKK 2,172,800 A shares and DKK 2,827,200 B shares. At the same time, the Board of Directors is authorised to make capital increases in the Company on one or more occasions in connection with subsequent exercise of the above-mentioned warrants. The increase must be without pre-emptive rights for the company's previous shareholders. The new shares must be negotiable instruments and be registered in the company's register of shareholders, cf. the Danish Tax Code. Article 3.2 of the Statutes. The subscription price is determined by the Board of Directors in connection with the issuance of the warrants and must never be below the market price at the time of issue, however, the Board of Directors is entitled to issue shares in the Company in favour of nominally DKK 2,172,800 A shares and DKK 2,827,200 B shares. The new shares must be paid up in full. The rights of the new shares to dividends and other rights in the company shall commence from the date decided by the Board of Directors, but no later than the first financial year following the year of registration of the capital increase.

In accordance with Article 4.3.A-B of the Company's Articles of Association, the Board of Directors is authorised, in the period up to 31 August 2024, to:

See § 4.3.A. to allow the company to borrow on bonds or other debentures with a right for the lender to convert his claim into shares in the company (convertible loans). The convertible loans may not give the right to subscribe nominally dkk 50,000,000 shares in the company. The subscription to the convertible loan shall be made without pre-emptive subscription rights for the company's former shareholders and the admission shall be on market terms, however, the Board of Directors shall be entitled to at issue shares in the Company at a preferential price in respect of nominally DKK 2,172,800 A shares and DKK 2,827,200 B shares. At the same time, the Board of Directors is authorised to affect a capital increase in the company on one or more occasions in connection with a subsequent conversion of the above loans. The increase must be made without pre-emptive rights for the company's previous shareholders. The new shares must be negotiable instruments and be listed in the name of the company's Register of

## **Management report**

Shareholders, see Article 3.2 of the Articles of Association. The subscription price is fixed by the board of trustees in connection with the issuance of the convertible loans and must never be below the market price at the time of issue, however, the Board of Directors is entitled to issue shares in the Company at a preferential price in respect of nominally DKK 2,172,800 A shares and DKK 2,827,200 B shares. The new shares must be paid up in full. The rights of the new shares to dividends and other rights in the company shall commence from the date decided by the Board of Directors, but not later than the first financial year following the year of the capital increase. registration.

Cf. section 4.3.B. to allow the company to borrow against bonds or other debentures with a right for the lender to convert his claim into shares in the company (convertible loans). The convertible loans may not give you the right to subscribe nominally for DKK 6,000,000 shares in the company. Issued but not utilized convertible loans that are no longer convertible may be reissued by the Board of Directors. The subscription of the convertible loan shall be made without pre-emptive rights for the company's former shareholders and the admission shall be made on market terms, however, the Board of Directors shall be entitled to issue shares in the Company at a preferential price in respect of nominally DKK 2,172,800 A shares and DKK 2,827,200 B shares. At the same time, the Board of Directors is authorized to affect a capital increase in the company on one or more occasions in connection with a later conversion of the above loans. The increase must be made without pre-emptive rights for the company's previous shareholders. The new shares must be negotiable instruments and be registered in the company's register of shareholders, cf. article 3.2 of the Articles of Association. The subscription price shall be freely fixed by the Board of Directors in connection with the issue of the convertible loans, except that subscription shall never be made below the price of 100. The new shares must be paid up in full. The new shares' right to dividends and other rights in the company shall commence from the date decided by the Board of Directors, but no later than the first financial year following the year of registration of the capital increase.

In accordance with Article 4.4 of the Articles of Association, the Board of Directors is authorized to lay down the conditions for the capital increases in accordance with the above authorisations and to make such changes to the articles of association of the company, including the creation of new classes of capital, which may be necessary as a result of the exercise of the said powers by the Board of Directors. Any use of the authorisations referred to in points 4.1 to 4.3 requires unanimity of the members of the Board of Directors.

### **Dividend**

Blue Vision A/S has not yet established any actual dividend policy.

The Board of Directors recommends to the Annual General Meeting that no dividend be paid for 2020.

### **Own share policy**

The company may, subject to authorisation by the general meeting, acquire treasury shares equal to up to 10% of the share capital.

### **Ordinary General Assembly**

The Annual General Meeting will be held on 29 April 2021, at 09:00

### **Financial calendar for 2021**

The financial calendar for 2021 is as follows:

## **Management report**

March 31, 2021 Publication of annual report for 2020

April 29, 2021 Holding of annual general meeting for 2020

August 30, 2021 Publication of interim report H1 2021

March 30, 2022 Publication of annual report for 2021

April 29, 2022 Holding of annual general meeting for 2021

### **Contact Person – Investor Relations**

Blue Vision A/S' website [www.bluevision.dk](http://www.bluevision.dk) further information and all published announcements can be found.

Inquiries regarding relations with investors and the stock market can also be directed to Jeanette Gyldstoft Borg:

Phone: +45 3118 7057

Email: [j.borg@bluevision.dk](mailto:j.borg@bluevision.dk)

## **Company announcements**

### **Issued company announcements in 2020**

In 2020, Blue Vision A/S has issued the following company announcements:

8 January Minutes of extraordinary general meeting  
Company announcement No. 1

21 February Decision from the Danish Business Authority  
Company announcement no. 2

31 March Annual Report 2019  
Company Announcement No. 3

2 April Notice of notice of annual general meeting  
Company Announcement No. 4

21 April Status of acquisitions  
Company Announcement No. 5

24 April Postponement of annual general meeting  
Company announcement No. 6

15 June Changes to the Board of Directors  
Company Announcement No. 7

30 June Compensation for "Heartcare the transaction"

## **Management report**

- Company announcement no. 8
- 24 August            Summary of interim report Q2 2020  
Company Announcement No. 9
- 9 December            Notice of notice of notice of annual general meeting  
Company Announcement No. 10
22. December            Changes to the Board of Directors  
Company Announcement No. 11
23. December    Notice of changes in the Executive Board  
Company Announcement No. 12
31. december    Cessation of operations of the subsidiary Heartcare  
Company Announcement No. 13
- 31 December    Minutes from the Annual General Meeting 2020  
Company Announcement No. 14
- 31 December    Financial calendar for 2021  
Company Announcement No. 15
- 31 December    Approved annual report for 2019  
Company Announcement No. 16

### **Issued company announcements in 2021**

In 2021, Blue Vision A/S has issued the following company announcements:

- 4 January            Changes in the Executive Board  
Company announcement No. 1
- 4 January            Status of announced claims and receivables  
Company Announcement No. 2
- 2 March            Capital reduction completed  
Company Announcement No. 3
- March 5            Clarification of claims arising from the Heartcare transaction  
Company Announcement No. 4
- 8 March            Clarifications and information  
Company Announcement No. 5
- March 8            Correction Financial Calendar for 2021  
Company announcement No. 6

## **Management report**

- 8 March            Topics for the agenda for the annual general meeting on 29 April 2021  
Company Announcement No. 7
- 10 March            Information on the receivable  
Company announcement no. 8
- 28 March            Correction Financial calendar for 2021  
Company Announcement No. 9
- 31 March            Summary of annual report for 2020  
Company announcement no. 10
- 7 April              Correction of annual report 2020  
Company Announcement No. 11
- 7 April              Notice of annual general meeting on 29 April 2021  
Company Announcement No. 12
26. April            Extension of bank debt and raising of convertible loans  
Company Announcement No. 13
27. April            Publication of updated annual report for 2020  
Company Announcement No. 14

### **Expected company announcements in 2021**

Blue Vision A/S expects to issue the following additional company announcements etc. in 2021:

29. April 2021            Minutes of the Annual General Meeting for 2020
30. August 2021            Publication of interim report H1 2020

## Annual report 1 January – 31 December 2020

### Income statement

t.kr.	Note	2020	2019
		<hr/>	<hr/>
Administrative costs	2	-2.135	-1.671
<b>Operating profit</b>		<hr/> -2.135	<hr/> -1.671
Value adjustment, etc. regarding receivables from the sale of Portinho S.A.	3	-13.844	-6.993
Loss regarding Heartcare ApS	4	-16.624	-4.000
Other losses on portfolio investments		0	-1.723
Financial costs	5	-272	-30
<b>Profit before tax</b>		<hr/> -32.875	<hr/> -14.417
Tax on profit for the year	6	0	0
<b>Profit for the year</b>		<hr/> -32,875	<hr/> -14,417
Earnings per share (EPS basic), DKK	9	-2,07	-0,14
Diluted earnings per share (EPS-D), DKK	9	-2,07	-0,14

## Annual accounts 1 January – 31 December

### Comprehensive income statement

Profit for the year	-32.875	-14.417
Other comprehensive income before and after tax	0	0
	<u>-32.875</u>	<u>-14.417</u>
	<u><u>          </u></u>	<u><u>          </u></u>

### Balance sheet

		57.500	<u>          </u>
		<u>57.500</u>	<u>          </u>
t.kr.	Note	2020	2019
		<u>          </u>	<u>          </u>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Portfolio investments	7	0	0
Receivables from the sale of Portinho S.A	8		0
<b>Total non-current assets</b>			0
<b>Current assets</b>			
Receivables		82	1,052

## **Annual accounts 1 January – 31 December**

Claims from the sale of Portinho S.A	8	0	71.344
Cash and cash equivalents		0	1
<b>Total current assets</b>		<u>82</u>	<u>72,397</u>
<b>Total assets</b>		<u>57.582</u>	<u>72,397</u>

## Annual accounts 1 January – 31 December

### Balance sheet

t.kr.	Note	2020	2019
<b>LIABILITIES</b>			
<b>Equity</b>			
Equity		83.092	83.092
Transferred result		-48.811	-15.936
<b>Total equity</b>	9	<u>34,281</u>	<u>67,156</u>
<b>Short-term liabilities</b>			
Provisions	10	10.000	0
Bank debt	11	8.479	350
Debt to portfolio companies		0	505
Debt to shareholders	14	1.562	807
Supplier debt		3.260	3.453
Other debts		0	126
<b>Total short-term liabilities</b>		<u>23,301</u>	<u>5,241</u>
<b>Total liabilities</b>		<u><u>23,301</u></u>	<u><u>5,241</u></u>

## **Annual accounts 1 January – 31 December**

t.kr.	Note	2020	2019
		<hr/>	<hr/>
Profit for the year		-32.875	-14.417
Value adjustments and provisions regarding Heartcare ApS and other portfolio investments	4, 7	10.000	5.723
Value adjustment, etc. receivable from Portinho S.A	3, 8	13.844	6.993
Financial costs		272	30
Change in working capital		-901	1.427
Cash flows related to primary operating activities		<hr/> -9.660	<hr/> -244
Interest paid		-245	-30
<b>Total liabilities</b>		57,582	72,397

## **Annual accounts 1 January – 31 December**

### **Cash flow statement**

<b>Cash flows from Operating</b>	<u>-9.905</u>	<u>-274</u>
Payments from receivables from the sale of a business	0	3.700
Costs paid previous business sales	<u>0</u>	<u>-2.050</u>
Capital reduction deposit	1.047	-1.047
Increase bank debt	8.129	201
Shifting debt to shareholders	728	-530
Buy/sell own shares	0	0
<b>Cash flows from investment activities</b>	0	1,650

## Annual accounts 1 January – 31 December

<b>Cash flow from financing activities</b>	9,904	-1,376	
<b>Cash flow of the year</b>	-1	0	
Cash and cash equivalents 1 January	1	1	
<b>Cash and Cash equivalents December 31</b>	0	1	
<b>Debt obligations arising from financing activities</b>			
t.kr.	2020	2019	
	1.157	1.486	
<b>Debt obligations from financing activity 1 January</b>	1.157	1.486	
Debt repayments	0	-530	
Borrowing	8.884	201	
<b>Debt obligations arising from financing activity 31 December</b>	10.041	1.157	
Bank debt	8.479	350	
Debt to shareholders	1.562	807	
<b>Debt obligations arising from financing activity 31 December</b>	10.041	1.157	

## Statement of own funds

t.kr.	total capital	Share-Transferred result	Equity ;

## Annual accounts 1 January – 31 December

<b>Equity 1 January 2019</b>	119.092	-41.519	77.573		
<b>Equity movements in 2019</b>					
Profit for the year	0	-14.417	-14.417		
Total total income in 2019	0	-14.417	-14.417		
<b>Transactions with owners</b>					
Capital reduction to deficit					
Coverage	-40.000	40.000	0		
Capital increase			4.000	4.000	0
Transactions with shareholders	-	40.000	4.000	36,000	
	83.092	-15.936	67.156		
<b>Equity 31 December 2019</b>					
<b>Equity movements in 2020</b>					
Profit for the year	0	-32.875	-32.875		
Total total income in 2020	0	-32.875	-32.875		
<b>Equity 31 December 2020</b>	83.092	-48.811	34.281		

## Notes to the financial statements

Note	Note
1 Accounting estimates and assessments	
2 Administrative costs	12 Contingent assets, liabilities and guarantees
3 Value adjustment, etc. regarding receivable from the sale of Portinho S.A.	Financial risks and financial instruments
4 Losses on portfolio investments	13 14 Related parties
5 Financial costs	15 Events after the balance sheet day
	16 Accounting policies

## **Annual accounts 1 January – 31 December**

- 6 Tax
- 7 Portfolio investments
- 8 Long-term receivables
- 9 Equity
- 10 Provisions
- 11 Bank debt

## **Annual accounts 1 January – 31 December**

### **Notes**

#### **1 Accounting estimates and assessments**

##### *Financing of the company's operations*

As of 31 December 2020, Blue Vision A/S has short-term debt obligations and provisions totalling 23.3 mio.kr, and drawing rights have been almost fully utilised. After accepting the deferral of payment for the receivable from Portinho S.A, the company has limited liquidity available.

As also mentioned in the management report's section on "*Capital conditions and expectations for 2021*", agreements have been made after the balance sheet date that supplier debt for 3.0 mio.kr. has been changed to convertible loan and, in addition, by providing liquidity, convertible loans for 0.4 mio.kr. have been taken out, so that a total of DKK 3.4 million has been issued pursuant to Article 3.4 million of the Articles of Association 4.1.B, 4.3. A and B. If convertible loans are not converted into equity, there is no share of the convertible loans due in 2021.

In addition, a creditor agreement has been entered into for 2.4 mio.kr, so that the due date is extended to early 2022.

The Company has received a statement of support valid until 31.12.2021 from a major shareholder with an amount of DKK 0.5 million, which contributes to ensuring full coverage of other known creditors in 2021 as of 31.12.2020, where no agreement has been entered into regarding payment deferral as well as to coverage of general expected operating costs in 2021, including bank interest.

Blue Vision A/S has achieved a deferral of the maturity date for bank debt for a total of 8.5 mio.kr. to early 2022 and April 2022 respectively.

With regard to the provisions for the guarantee obligations assumed by Blue Vision A/S in connection with the acquisition of Heartcare ApS, any claim must be actualized will be disputed, which is why it is unlikely to have a liquidity impact in the financial year 2021. This should also be seen in the context of the expected time lapse of the claims for damages against the sellers of Heartcare ApS.

As a result of the above, the Company has partially exercised the authorisations granted to the Board of Directors in Articles 4.1.B, 4.3.A and 4.3.B of the Articles of Association.

The measures also strengthen the basis for continuing to be a listed company, including implementing and realising the intended investment strategy.

As discussed below, the company has obtained the right to sell the receivable from Portinho S.A to one or more 3rd man/men, and the sale will be considered if deemed necessary, appropriate and/or opportune.

## **Annual accounts 1 January – 31 December**

In the initiatives implemented, management assesses that a level of continued operations has been achieved in 2021 and, on that basis, submits the financial statements with continued operations in mind.

### **1 Accounting estimates and valuations (cont'd)**

#### ***Valuation of long-term receivables***

The value of long-term receivables includes a material accounting estimate until the receivable is fully settled. No payments have been received since the presentation of the annual accounts for 2019, and an agreement has now been reached on payment deferral until 1 July 2023. Blue Vision A/S believes that the postponement of payment has created the basis for Portinho S.A. to continue the development of the underlying construction projects that have been delayed due to the COVID-19 pandemic, and thus create a realistic possibility that the receivable can be repaid in full. The financial statements for 2020 include an impairment of the receivable of 13,844 t.kr., which, as a result of the payment obligation, reflects the technical difference between the principal amount of the receivable and the present value of payment as of 1 July 2023, where discounting is based on an estimate of the underlying construction projects.

See note 8 for further mention.

#### ***Loss on investment in Heartcare ApS and underlying subsidiaries – Provisions for guarantee obligations - Claims raised against former owners of Heartcare ApS and others***

As closer referred to in note 7 is Heartcare ApS has since the presentation of the annual accounts for 2019 been placed under bankruptcy proceedings. Heartcare ApS' subsidiaries Contra A/S and Aktiv Integration ApS have also gone into bankruptcy proceedings. In 2020, Blue Vision A/S transferred liquidity to Heartcare ApS and subsidiaries. These receivables are deemed unsustainable and write-downs have been made to cover the resulting expected losses totalling 1,632 t.kr.

Furthermore, blue vision A/S has assumed bail obligations in connection with the acquisition of Heartcare ApS and subsidiaries. Following the acquisition of Heartcare ApS, the company has also assumed a guarantee obligation regarding bank debt in Contra A/S, and where the company has repaid the bank debt in question in 2020. The counterclaim against Contra A/S is considered lost, and the annual accounts for 2020 consequently include a financial loss of 4,992 t.kr. (see note 4).

In addition, provisions have been made for other assumed guarantee obligations totalling 10 mio.kr. (see note 10). The calculation of the final potential losses relating to surety obligations is subject to uncertainty and must for the time being be regarded as provisional. It is to be expected that in connection with the final settlement, there may be a case of legal testing of claims and counterclaims.

## **Annual accounts 1 January – 31 December**

As published in the company announcements no. 2/2021 and 4/2021, Blue Vision A/S has submitted a preliminary claim for damages of 18 mio.kr against the former owners of Heartcare ApS and others, which must be seen in connection with the losses suffered by Blue Vision A/S in connection with the acquisition of Heartcare ApS, including derived losses from assumed guarantee obligations and loans/interim financing granted to Heartcare ApS and underlying subsidiaries. It has also been claimed that the sellers of Heartcare A/S return the purchase price of a total of nom. 4 million shares in Blue Vision A/S.

### **1 Accounting estimates and valuations (cont'd)**

#### ***Loss on investment in Heartcare ApS and underlying subsidiaries – Provisions for surety obligations - Claims raised against former owners of Heartcare ApS and others (continued)***

Blue Vision A/S has not included an asset from the claims for damages against the former owners of Heartcare ApS and others. The case will be divided into a case that will be conducted in a set-up arbitration court as well as in a case that will be conducted in the general court system. It is to be expected that the counterparties will contest the claim for damages. On this basis, and in accordance with IAS 37, which, among other things, sets out guidelines for the accounting treatment of unsecured assets, Blue Vision A/S will only recognize an asset when there is a final award from the arbitral tribunal or the courts, or there may otherwise be a legally binding agreement, and at the same time it is considered likely that: that the counterparties can honour the claim herewith awarded or agreed upon.

### **2 Administrative costs**

t.kr.	_____	2020	2019
<b>Remuneration for auditor elected by the general meeting</b>			_____
Statutory audit		-125	-100
Other declaration tasks		0	0
Tax advice		0	0

## Annual accounts 1 January – 31 December

Other services	-50	-19		
		-144		
				-150

Other services include, most importantly, accounting sparring in 2020 and 2019, and in 2019 also special tasks for the Board of Directors.

### Remuneration to the Board of Directors and executive management

The Board of Directors and the Executive Management have not received remuneration in 2020 (2019: 0 t.kr.).

### Cost of capital reduction

As mentioned in the annual accounts for 2019, claims were made against Blue Vision A/S in connection with a capital reduction approved by the annual general meeting in 2019. In 2020, the case was settled with Blue Vision A/S having paid t.kr 800, which will be included in other external costs.

## 3 Value adjustment, etc. regarding receivables from the sale of Portinho S.A.

t.kr.	2020	2019
Value adjustment (Note 8)	-13,844	-3,943
Costs associated with the sale and recovery of receivable	0	-3,050
	-13,844	6,993

## 4 Losses regarding. Heartcare ApS

t.kr.	2020	2019
Value adjustment (Note 7)	0	-4.000
Losses on the assumption of bank debt from a portfolio company (note 2)	-4.992	0
Losses on loans/interim transactions with portfolio companies (Note 1)	-1.632	0

## Annual accounts 1 January – 31 December

Provision for guarantee obligations (Notes 1 and 10)	-10.000	0
	-16.624	-4.000

### 5 Financial costs

t.kr.	2020	2019
Interest bank debt etc.	-245	-30
Interest debt to shareholders	-27	0
	-27	-30
		-272

### 6 Tax

t.kr	2020	2019
Tax on the profit for the year can be explained as follows:		
Calculated 22% tax on profit before tax (income)	7,233	2,597
Tax value of non-deductible value adjustments and cost	-6,714	-2,220
Unrecognized deferred tax asset	-519	-377
	0	0
Effective tax rate	0,0 %	0,0 %

As of December 31, 2020, the Company has an unrecognized tax asset of 24.9 mio.kr. (2019: 24.4 mio.kr.) relating to carry-over deficits. Recognition awaits the company to make taxable profits.

### 7 Portfolio investments

## Annual accounts 1 January – 31 December

Investing in portfolio investments has evolved as follows:

t.kr.	2020	2019
Balance at the beginning	0	1.723
Investing Heartcare ApS, 100%	0	4.000
Value adjustment Heartcare ApS	0	-4.000
Other value adjustments	0	-1.723
End-of-life balance	0	0

### 2020:

Heartcare ApS has gone into bankruptcy proceedings, and on that basis is considered to have been relinquished for DKK 0 (zero) t.kr in 2019. After that, the company does not possess portfolio investments.

### 2019:

In 2019, Blue Vision A/S acquired the total capital of Heartcare ApS and related underlying subsidiaries.

Heartcare ApS was an unlisted investment in which fair value was determined on the basis of level 3 in accordance with IFRS' fair value hierarchy.

## 7 Portfolio investments(cont'd)

In 2019, Heartcare ApS' subsidiaries experienced a reduction in revenue, which led to a larger loss in 2019, which is why Blue Vision A/S in 2019 chose to write down the investment in Heartcare ApS to 0 (zero) t.kr.

In addition, Blue Vision A/S assessed that the value of a minority investment, which in 2018 was recognised at t.kr 1,723, was subject to considerable uncertainty, which is why management also chose to write down the second investment by t.kr 1,723 to 0 (zero) t.kr in 2019.

## 8 Long-term receivables

t.kr.	2020	2019
Balance at the beginning	71.344	78.987
Payments received	0	-3.700
Revaluation	-13.844	-3.943

## **Annual accounts 1 January – 31 December**

End-of-life balance	57.500	71.344
---------------------	--------	--------

Long-term receivables include the company's receivable from portinho S.A. from the sale of a plot of land in Madeira in 2018 for a total of EUR 11 million, with a partial payment of EUR 0.5 million subsequently received. And agreed reduction of EUR 0.95 million, so that the principal now amounts to EUR 9.55 million. In the annual accounts for 2019, it was stated that at the end of March 2020, an agreement in principle had been reached on an early repayment for the full and final settlement of the receivable. This Princip agreement was not executed, which is why the original settlement agreement has subsequently been in force, whereby the receivable fell due and payable at the end of 2020.

As stated most recently in company announcement no. 8/2021 of 10 March 2021, the underlying project in Portinho S.A, which will ensure that Portinho S.A will be able to pay the receivable over time, is delayed due to COVID-19, which separately challenges the tourism industry and related industries, including the hotel and holiday apartment segment.

As a separate statement in the company announcements, Blue Vision A/S has accepted payment deferral until 1 July 2023. If the plot of land is sold to 3. man is due the entire amount for payment. The receivable does not bear interest until 31 December 2020 but will bear interest at 2% p.a. Blue Vision A/S receives a mortgage on 80% of the shares in Portinho S.A. Blue Vision A/S has the right to sell the claim in whole or in part to one or more 3rd men.

With the payment deferral, Blue Vision A/S assesses that Portinho S.A. has been given a realistic opportunity to ensure that Portinho S.A. will be able to repay the receivable over time and no later than 1 July 2023.

### **8 Long-term receivables (cont'd)**

The receivable is included in the Company's balance sheet as at 31 December 2020 as a long-term receivable with an carrying value of 57.5 mio.kr. after a write-down of the receivable of 13.8 mio.kr has been recognised in 2020.

The value of the receivable is calculated on the basis of a calculated present value as at 31 December 2020, based on the receivable being due on 1 July 2023 and discounting based on an estimate of the underlying construction projects. Taking into account the nature and history of the receivable as well as uncertainty about the settlement, financing and subsequent sale of underlying construction projects, including uncertainty about the timing and location of these conditions, there is significant uncertainty both about the receivable's possible fair value in connection with one or more early sales to the 3rd man, and whether the debtor will ultimately be able to repay the receivable in whole or in part. The Company assesses these uncertainties are excluded in the calculation of the receivable's present value as of December 31, 2020. The Company points out that actual payments from the debtor or any sale value to one or more 3rd men may differ from the recognized present value in both positive and negative direction.

## Annual accounts 1 January – 31 December

### 9 Equity

#### Equity

t.kr.	2020	2019
13,042,027 pcs. A-shares	13.042	13.042
70,050,243 pcs. B shares	70.050	70.050
	83.092	83.092

#### Equity

Cf. company announcement no. 3/2021, the capital reduction approved by the general meeting as of 31 December 2020 by provision for special reserve has been implemented in 2021, after the end of the 4-week proclamation period, which did not give rise to claims against the company.

Following the capital reduction, Blue Vision A/S' share capital amounts to DKK 15,909,227 divided into 13,042,027 A shares of DKK 1 and 2,867,200 B shares of DKK 1.

#### Treasury shares

Following the Danish Business Authority's previous overruled capital reduction adopted by the General Authority in 2019, the company has technically held 67,183,043 treasury shares, which have been cancelled in connection with the capital reduction described above being finally implemented and registered on 2 March 2021.

In addition, the company holds 6,530 treasury A shares as of 31 December 2020 or 2019, and there has been no purchase or sale of treasury shares in 2020 and 2019.

### 9 Own funds (cont'd)

#### Capital management

The Executive Board and the Board of Directors regularly assess the company's capital management. Relevant key figures for solvency and liquidity are continuously monitored.

As further discussed in the management report's section on "*Capital conditions and expectations for 2021*" and note 1, capital management in the short term is focused on ensuring coverage for creditors, while ensuring a sustainable basis for continuing to be a listed company.

Profit per share	2020	2019
Average number of shares	83.092.270	101.895.096
Average number of treasury shares	67.189.573	-6.530
	15.902.697	101.888.566
Average number of shares outstanding		

## Annual accounts 1 January – 31 December

Profit for the year t.kr.	-32.875	-14.417
Profit per share, DKK	-1,94	-0,14
Diluted profit per share, DKK	-1,94	-0,14

### 10 Provisions

	2020	2019
t.kr.		
Provision for guarantee obligations;		0

Provisions have developed as follows:

	2020	2019
t.kr.		
Balance at the beginning	0	0
Provision for the year	10.000	0
Consumption	0	0
End-of-life balance	10.000	0
	10.000	
0	10.000	

### 10 Provisions (cont'd)

Provisions for guarantee obligations cover obligations that Blue Vision A/S has assumed in connection with the acquisition of Heartcare ApS and subsidiaries and lenders to these

## Annual accounts 1 January – 31 December

companies, and which have been actualized as a result of the continued negative economic development in Heartcare ApS and underlying subsidiaries in 2020, which has ended with Heartcare ApS, Contra A/S and Aktiv Integration ApS have been taken into bankruptcy proceedings, cf. the reference to this in note 1. See also Note 12 *Contingent-, - liabilities and collateral*.

### 11 Bank debt

t.kr.	2020	2019
Operating credits	8,479	350
<b>Carrying value</b>	<b>8,479</b>	<b>350</b>

Bank debt mainly covers 2 operating credits with a total drawing right of 8,500 t.kr. Bank debt is variable rate and currently bears interest at 4.65-5.18% p.a.

As of December 31, 2020, bank debt is due for redemption in 2021. After the balance sheet date, an agreement has been reached that bank debt for 5 mio.kr. first due in April 2022, and bank debt of DKK 3.5 million does not fall due until the beginning of 2022. However, interest will still have to be paid on an ongoing basis.

There is no provision for bank debt.

### 12 Contingent assets, liabilities and collateral

#### Contingent assets

As stated in note 1, the company has made a claim for damages against the former owner of Heartcare ApS. The subject matter of the case will be tried in a court of law and in general court. In accordance with IAS 37, Blue Vision A/S will only recognize an asset when there is a final award from the arbitral tribunal or the courts, or there may otherwise be a legally binding agreement, and at the same time they are considered likely that the counterparties can meet the claim for damages awarded or agreed upon.

The company has an unrecognized tax asset. See note 6.

### 12 Contingent assets, liabilities and guarantees (cont'd)

#### Contingent liabilities

## **Annual accounts 1 January – 31 December**

The company guarantees certain debts in previous portfolio companies. As set out in Notes 1 and 10, the Company has recognised provisions to cover assessed loss risk relating to the guarantor obligations assumed. There is a risk that the actual losses may exceed the amount set aside. The risk in question is assessed as low, and the potential additional loss does not have a significant impact on the company's financial position.

### **Guarantees**

No assets are pledged or pledged or collateralized as of December 31, 2020.  
December 2019, 1,047 t.kr. in escrow account.

## **13 Financial risks and financial instruments**

### *Interest rate risks*

The company's bank debt means that the company is exposed to fluctuations in the interest rate level, however, the risk is assessed to be of a medium nature at most.

### *Credit risks*

As of December 31, 2020, the company has a receivable from the sale of Portinho S.A in 2018. The receivables secured by a mortgage on shares in Portinho S.A (80% of the total capital of the company). See also note 8.

### *Liquidity risks*

The Company's liquidity reserve consists of drawing rights totalling 8.5 mio.kr, which are almost fully withdrawn as of December 2020 (2019: drawing rights totalling 3.5 mio.kr. of which 350 t.kr were withdrawn as of the balance sheet date).

## **13 Financial risks and instruments (cont'd)**

### *Liquidity risks (cont'd)*

As of 31 December, debt obligations are due as follows (excluding any interest payments):

2020

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	Carrying value	Contractual Cash flows	Within 1 year	1 to 5 years	After 5 years
tkr.					
<i>Non-derivative financial instruments</i>					
<b>Annual accounts 1 January – 31 December</b>					
Bank debt	8.479	8.479	8.479	0	0
Debt to shareholders	1.562	1.562	1.562	0	0
Supplier debt	3.260	3.260	3.260	0	0
<b>December 31, 2020</b>	<b>13,301</b>				
tkr.					
<i>Non-derivative financial instruments</i>					
Bank debt	350	350	350	0	0
Debt to portfolio companies	505	505	505	0	0
Debt to shareholders	807	807	807	0	0
Supplier debt	3.453	3.453	3.453	0	0
13,301	13,301	0	0		
2019					
Other debts	127	127	127		
0	5.242	5,242	5.242		
<b>December 31, 2019</b>				0	0

As stated in note 11, it has been agreed after the balance sheet date that bank debt for 5 mio.kr. first due in April 2022 and bank debt of DKK 3.5 million will not fall due until the beginning of 2022. However, bank interest remains due on an ongoing basis.

Furthermore, after the balance sheet date, the company has addressed liquidity risks by entering into agreements that supplier debt of 3.0 mio.kr. is changed to convertible loan. In addition, agreements have been concluded for the provision of liquids by raising convertible loans for 0.4 mio.kr. so that a total of 3.4 mio.kr is issued pursuant to Article 4.1.B, 4.3 of the Articles of Association. A and B. If convertible loans are not converted into equity, there is no share of the convertible loans due in 2021.

After the balance sheet date, creditor agreements have also been concluded for 2.4 mio.kr, with the maturity date being extended to the beginning of 2022.

## 13 Financial risks and instruments (cont'd)

### *Liquidity risks (cont'd)*

The Company has received statement of support valid until 31.12.2021 from a major shareholder with an amount of up to DKK 0.5 million, which contributes to full coverage of known creditors as of 31.12.2020 in 2021, where there are no agreements on payment deferral and to cover general expected operating expenses in 2021.

### Categories of financial instruments

2020

2019

## Annual accounts 1 January – 31 December

tkr.	Accounting value	Fair value	Accounting value	Day- Value
	_____	_____	_____	_____
Portfolio investments	0	0	0	0
<b>Financial assets recognized at fair value via the profit and loss account;</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Long-term receivables	57.500	57.500	0	0
Short-term receivables	82	82	72.396	72.396
Cash and cash equivalents	0	0	1	1
<b>Loans and advances</b>	<b>57,582</b>	<b>57,582</b>	<b>72,397</b>	<b>72,397</b>
Bank debt	8.479	8.479	350	350
Debt to portfolio companies	0	0	505	505
Debt to shareholders	1.562	1.562	807	807
Supplier debt	3.260	3.260	3.453	3.453
Other debts	0	0	127	127
<b>Financial liabilities measured at amortized cost price;</b>	<b>13.301</b>	<b>13.301</b>	<b>5.242</b>	<b>5.242</b>

### 14 Related Parties

Blue Vision A/S has no shareholders with controlling influence.

Blue Vision A/S has registered the following shareholders with 5% or more of the share capital:

- Jeanette Gyldstoft Borg
- Erhvervsinvest ApS
- Rubis Holding ApS
- NK Invest ApS
- Valore Capital Group ApS
- Magnus Kjøller Holding ApS
- Portfolio Company ApS

## **Annual accounts 1 January – 31 December**

As stated in Note 2, the Executive Board and the Board of Directors have not received remuneration in 2019 and 2020. In 2020, costs have been incurred for a law firm in which a board member is a partner, with 935 t.kr. (2019: t.kr 400)

As of December 31, 2020, the company is indebted to Jeanette Gyldstoft Castle with a total of 1,562 t.kr. (2019: 807 t.kr.). The amount is due on demand and bears interest at 2% p.a (2019: demand/interest free). In 2020, interest has been accrued by 27 t.kr. (2019: 0 t.kr.).

The company has a receivable from Portinho S.A (see note 8) of 71,344 t.kr. The company's ceo has special interests in Portinho S.A. and the shares owned by the director are pledged as collateral for the receivable. Blue Vision A/S' Chairman of The Board of Directors is about to be appointed to Portinho S.A's Board of Directors.

### **15 Post-balance sheet events**

After the balance sheet date, the Company has completed and registered the capital reduction with provision for special reserve, which was adopted at the Annual General Meeting held on 31 December 2020 (see note 9).

After the balance sheet date, the company has filed a claim for compensation against former owners of Heartcare ApS and others. (see notes 1 and 12).

After the balance sheet date, the Company has formalised an agreement on the deferral of payment for the receivable against Portinho S.A, including strengthening the collateral with a mortgage on shares in Portinho S.A, in which the CEO of Blue Vision A/S has special interests and been granted the right to appoint a board member to the Board of Directors of Portinho S.A.

After the balance sheet date, agreements have been made that bank debt for 5 mio.kr. first due for redemption in April 2022, and bank debt of DKK 3.5 million will not be due until early 2022.

Interest will continue to be payable on an ongoing basis.

The company has subsequently entered into agreements that supplier debt for 3.0 mio.kr. has been changed to convertible loan and liquidity is partly provided by raising convertible loans for 0.4 mio.kr. a total of DKK 3.4 million pursuant to Article 4.1.B, 4.3 of the Articles of Association. A and B. If convertible loans are not converted to equity, there is no share of the convertible loans due for payment in 2021. In addition, creditor agreements have been entered into for 2.4 mio.kr, so that the due date is extended to the beginning of 2022.

The company has received a statement of support valid until 31.12.2021 from a major shareholder with an amount of up to DKK 0.5 million, which contributes to full coverage of known credit in 2021. rer as of 31.12.2020, where no agreement has been entered into on payment deferral until 2022 and to cover ordinary expected operating costs in 2021.

With regard to the provisions for the surety obligations that Blue Vision A/S assumed in connection with the acquisition of Heartcare ApS, any claim that must be actualized will be disputed, which is why it is unlikely to have a liquidity impact in the financial year 2021. This should also be seen in the context of the expected time course of the claims for damages against the sellers of Heartcare ApS.

## **Annual accounts 1 January – 31 December**

As a result of the above, the Company has partially exercised the authorisations granted to the Board of Directors in Articles 4.1.B, 4.3.A and 4.3.B of the Articles of Association.

## **Annual accounts 1 January – 31 December**

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### **Accounting policies**

The company's annual accounts are presented in accordance with international financial reporting standards as approved by the EU and Danish disclosure requirements for annual reports for listed companies.

### **Basis for preparation**

Blue Vision A/S has implemented the new and amended accounting standards (IFRS) and interpretations (IFRIC), which are mandatory for financial reporting for 2020. The implementation of the new and changed standards and interpretations has not led to changes to the recognition and measurement of the financial statements.

The annual report is presented in Danish kroner rounded to the nearest DKK 1,000.

### **Changes in classifications**

In its annual accounts for 2018 and 2019, the company has dealt with the sale of Portinho S.A under IFRS 5's rules on assets determines for sale where the related receivable from the sale is shown as a separate item under current assets. As a result of the agreement on payment deferral, cf. note 8, it has been assessed that the rules on separate presentation as an asset intended for sale are no longer relevant, and the receivable is now presented in the financial statements for 2020 as long-term receivables. Receivables one initially due for full and final payment at the end of 2020. The payment deferral agreement was formally concluded after 31.12.2020, but probations on payment deferral were initiated before the balance sheet date, and in light of the fact that the counterparty would realistically not onlyne redemption receivable as at 31 December 2020 combined with agreement on payment deferral is formalized after the balance sheet date, it is considered that the receivable is presented as long-term receivable as of December 31,ember 2020. In the comparative figures for 2019, the receivable is shown as short-term receivable based on the settlement agreement in force as of 31 December 2019.

As a result of the fact that receivables are no longer classified as derivative of assets intended for sale, terminology for the associated profit and loss impact has changed in the profit and loss account, but as such the change has no effect on profit and loss and equity.

### **Implementation of new and changed standards and interpretations**

Implementation of new and amended standards and interpretations with entry into force 1. January 2020 has not given rise to any changes in accounting policies.

### **Standards and interpretations not yet in force**

At the time of publication of this annual report, there are a number of new or amended standards and interpretations which have not yet entered into force and have therefore not been

## **Annual accounts 1 January – 31 December**

### **16 Accounting policies, continued**

incorporated into the Company's annual accounts. It is management's assessment that these will not have a significant impact on the annual accounts for the coming financial years.

#### **Consolidated financial statements – implementation of the exemption in IFRS 10 and termination of subsidiaries in 2020**

In 2019, Blue Vision A/S acquired the total capital of Heartcare ApS and underlying subsidiaries. With reference to IFRS 10, Blue Vision A/S has not prepared consolidated financial statements, either in 2019 or 2020, as the company is assessed to meet the definition of an investment company. The investments were fully written down in 2019, and subsequently Heartcare ApS and the underlying subsidiaries have been declared to be in bankruptcy proceedings, whereby Blue Vision A/S no longer has influence on Heartcare ApS and its underlying subsidiaries.

#### **Conversion of foreign currency**

Transactions in foreign currencies were converted during the year at the rate of the transaction day. Exchange rate differences that occur between the rate of the transaction date and the rate on the payment date are recognized in the income statement under financial income or expenses.

Investment assets, receivables, debts and other monetary headings denominated in foreign currencies are converted at the exchange rate of the balance sheet date.

Difference between the rate on the balance sheet date and the rate at the time of the receivable or debt arising or the rate prevailing in the last year report is recognized in the income statement under financial income and expenses.

#### **Income statement**

##### **Administrative costs**

Administrative expenses include miscellaneous company expenses and other costs arising from the company's operations.

##### **Financial income and expenses**

Financial income and expenses contain interest and exchange rate adjustments, which are not considered to be an integral part of the value adjustment of the company's investment assets. In addition, the amortization of liabilities, allowances and allowances is included under the advance tax scheme.

##### **Tax on profit for the year**

## **Annual accounts 1 January – 31 December**

### **16 Accounting policies, continued**

Tax due and receivable is shown under current assets/liabilities. Joint taxation contributions due or receivable are recognised in the balance sheet under receivables from or payables to acquired undertakings.

#### **Balance**

##### **Financial assets including portfolio companies**

Financial assets consist of investment assets, including investments in portfolio companies, which are measured at fair value via the income statement, although the company does not have investments in portfolio companies as of December 31, 2020.

31 December 2019.

#### **Receivables**

Receivables are measured at amortized cost. Write-downs are made to counter losses where an objective indication has occurred that an individual receivable or portfolio of receivables has deteriorated.

Write-downs are calculated as the difference between the carrying value and the present value of the expected cash flows, including the realisation value of any collateral received. The discount rate shall be the effective interest rate applied at the time of first recognition on each receivable or portfolio.

Revenue recognition of interest on written-down receivables shall be calculated on the written-down value by the effective interest for the individual receivable.

#### **Equity**

##### *Dividend*

Dividends are recognized as a liability at the time of adoption at the annual general meeting (the date of declaration). Dividends proposed for the year are shown as a separate item under equity.

Extraordinary dividends are recognised as a liability at the time of the decision.

##### *Reserve for own shares*

Reserve for treasury shares contains acquisition costs for the company's holding of treasury shares. Dividends for own shares are directly included in transferred comprehensive income in equity.

Gains and losses on the sale of treasury shares are carried forward on transferred earnings.

## **Annual accounts 1 January – 31 December**

### **16 Accounting policies, continued**

#### **Payable tax and deferred tax**

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

Deferred tax is measured by the balance-oriented debt method of all temporary differences between the accounting and tax value of assets and liabilities.

Deferred tax assets, including the tax value of carry-forward tax losses, are recognized under other non-current assets at the value to which they are expected to be used, either by offsetting tax on future earnings or by offsetting deferred tax liabilities within the same legal tax entity and jurisdiction. Deferred tax assets are assessed annually and recognized only to the extent that they are likely to be utilized.

Deferred tax is measured on the basis of the tax rules and tax rates that will apply under the balance sheet date legislation when the deferred tax is expected to be triggered on current tax. Changes in deferred tax due to changes in tax rates are recognised in the comprehensive income for the year.

#### **Provisions for commitments**

Provisions shall include legal and actual liabilities which are uncertain in terms of amount or due date and which relate to the financial year or previous financial years. Provisions for commitments shall be measured at the best estimate of the amounts which: are necessary to settle the obligation on the balance sheet date.

#### **Financial commitments**

All financial liabilities are measured at amortized cost.

#### **Cash flow statement**

The cash flow statement shows cash flows by operating, investment and financial activity for the year, the year's shift in cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities are calculated according to the indirect method as profit before tax adjusted for non-cash operating items, change in operating capital, interest received and paid, dividends received and corporate tax paid.

Cash flows from investment activity include payments related to the purchase and sale of portfolio companies and other investment activities.

## Annual accounts 1 January – 31 December

### 16 Accounting policies, continued

Cash flows from financing activities include changes in the size or composition of share capital and associated costs, as well as borrowing, repayment of interest-bearing debt, purchase and sale of treasury shares and payment of dividends to shareholders.

Cash and cash equivalents are cash equivalents.

#### Ratios

The key figures given in the annual report are calculated as follows:

Solvency ratio	$\frac{\text{Equity, end} \times 100}{\text{Liabilities total, end of year}}$
Earnings per share (EPS Basic)	$\frac{\text{Result}}{\text{Average number of shares outstanding}}$
Diluted earnings per share (EPS-D)	$\frac{\text{Diluted result}}{\text{Diluted average number of shares outstanding}}$
Net asset value per share	$\frac{\text{Equity}}{\text{Number of shares at end}}$
Exchange rate/net asset value (P/BV)	$\frac{\text{Stock exchange price}}{\text{Net asset value}}$

