



Blue Vision A/S
Vester Farimagsgade 1, 2.
1606 Copenhagen V

Annual report 2019

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

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Management endorsement

The Board of Directors and the Executive Management have today considered and approved the annual report for 2019 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 2019, as well as of the result of the company's activities and moneyflows for the financial year 1 January – 31 December 2019.

In our opinion, the management report contains a true and fair account of developments in the company's activities and financial conditions, results for the year, cash flows and financial positions, 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 meeting.

Copenhagen, 31 March 2020

Executive board:

Peter Hauge Jensen
Director

Board:

Nicolai Dines Kærgaard
Chairman

Claus Abildstrøm

Ulrik Feldstedt Hjorth

Rolf Gordon Adamson

Audit report of the independent auditor

To the shareholders of Blue Vision A/S

Conclusion

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 2019, and that the result of the Company's activities and cash flows for the financial year 1 January – 31 December 2019 is in accordance with international financial reporting standards as approved by the EU and additional requirements of the Danish Financial Statements Act.

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

Audited accounts

The annual accounts of Blue Vision A/S for the financial year 1 January – 31 December 2018 include 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. S#ml&t r&f&r&r&t to as "r&gnsk#b&t".

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 of the opinion that the audit evidence obtained is sufficient and appropriate as a basis for our conclusion.

Independence

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.

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.

Election

We were first elected auditor for Blue Vision A/S on 8 January 2020 for the financial year 2019.

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 2019. 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><i>Valuation of assets intended for sale</i></p> <p>In 2018, Blue Vision A/S sold the shares in its subsidiary Portinho S.A. and receivables from the same for a total of DKK 11 million. EUR, where, as part of the sale, a payment plan was agreed under which two payments should have been made in 2019 for a total of EUR 1 million. With a balance of EUR 10 million, the commission is not eligible for a refund. EUR end 2020. In 2019, only one payment of EUR 0.5 million has been received. Management has been in continuous dialogue with the buyer, and as of today there is an agreement in principle on a total early repayment of the remaining receivable. Closing and subsequent payment are awaiting various process actions. As of December 31, 2019, the value of assets determined for sale has been recognized at 71.3 mio.kr.</p> <p>There is a risk that the agreement in principle will not be implemented, but the original agreement will remain in force.</p> <p>The process of non-payment in 2019 and the conclusion of an agreement in principle on early repayment, which has not yet been executed, means that we have considered the valuation of assets destined for sale as a key factor in the audit.</p> <p>We refer to note 8 of the financial statements.</p>	<p>We have, as part of the audit of the management's assessment of the value of assets determined for sale made the following:</p> <p>Discussed with management and the company's legal advisor the process of negotiating an agreement in principle on early settlement of the receivable and the expectations that this agreement will be executed.</p> <p>We have had a dialogue with the company's legal advisor about the content of the agreement in principle and to understand the legal alternatives if the agreement in principle is not implemented, including that the original agreement will continue to apply thereafter. We have including an understanding of the guarantees and recovery possibilities applicable, where appropriate, in the original agreement.</p> <p>We have assessed whether note information complies with applicable requirements of accounting standards and is adequate and complete.</p>
<p><i>Valuation of investment assets</i></p> <p>In 2019, Blue Vision A/S has initiated the implementation of a new business strategy, which means that investment assets are generally valued at fair value. As of December 31, 2019, investment assets are represented only by unlisted investments where fair value is substantially based on unobservable inputs (Level 3 of IFRS).</p>	<p>We have reviewed and challenged management's assessment of investment assets, which, as stated in Note 7, has been written down to DKK 0 as of December 31, 2019.</p> <p>Below we have:</p>

<p>fair value hierarchy), and thus is based on a significant degree of management discretion and significant degree of uncertainty due to the nature and nature of investments.</p> <p>On this basis, we have considered the valuation of investment assets as a key aspect of the audit.</p> <p>We refer to note 7 of the financial statements.</p>	<p>! Obtained supporting evidence of the most important assumptions used in management's assessment of the fair value of investments as at 31 December 2019.</p> <p>! Challenged management on alternative assessments, including effect on the valuation of expected turnaround initiatives in the Heartcare ApS subgroup.</p> <p>! Assessed whether note information complies with applicable accounting standards requirements and is adequate and complete.</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 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 sedition report.

Management's responsibility for the accounts

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with international financial reporting standards as approved by the EU and additional requirements in the Annual Reporting Act.

Management is also responsible for the internal control that management deems necessary to prepare financial statements without material misstatement, whether due to fraud or error.

In preparing the financial statements, the 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.

Auditor's responsibility for auditing the accounts

Our aim is to obtain a high degree of assurance as to whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report with a conclusion. High levels of assurance are a high level of assurance, but do not guarantee that an audit carried out in accordance with international standards on auditing and the additional requirements applicable in Denmark will always reveal material misstatement where it exists. Misstatements may arise from fraud or error and may be considered material if it can reasonably be expected that it influences individually or collectively the financial decisions taken by accounting users on the basis of the financial statements.

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

- ! identify and assess the risk of material misstatement in the financial statements, whether due to fraud or error, design and perform 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 error 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 a conclusion 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 conclude whether management's preparation of the financial statements on the basis of the accounting plan for continued operations is appropriate and whether, on the basis of the audit evidence obtained, there is material certainty associated with events or circumstances that could create significant 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 as to give a true and fair view thereof.

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 an opinion to senior management that we have complied with relevant ethical requirements regarding independence and disclose to it all relationships and other matters that are reasonably likely to affect our independence and, where applicable, related safeguards.

On the basis of the relationships communicated to senior management, we determine which factors were most significant in the audit of the accounts for the current period and are thus key factors in the audit. We describe these matters in our audit report, unless otherwise permitted by law to preclude disclosure of the matter, or in the extremely rare cases where we determine that the matter should not be communicated in our audit report because the adverse consequences thereof could reasonably be expected to outweigh the public interest benefits from such communications.

Copenhagen, 31 March 2020

Deloitte Statsautoriseret Revisionspartnerselskab
CVR no. 33963556

Kim Tataka Mücke
Chartered Accountant
mne10944

Management report

Company information

Blue Vision A/S Vester
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1606 Copenhagen V

Telephone: +45 26229911

Homepage: www.blue-vision.dk

Email: nk@bluevision.dk

CVR no.: 26 79 14 13

Founded: 20 September 2002

Fiscal year: 1 January - 31
December

Municipality of origin: Copenhagen

Board

Nicolai Dines Kærgaard (chairman)

Claus Abildstrøm

Rolf Gordon Adamson

Ulrik Feldstedt Hjorth

Executive board

Peter Hauge Jensen

Audit

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen

General assembly

The Annual General Meeting will be held on 27 April 2020 at 10.00.

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 -14.4 mio.kr. (2018: -7.3 mio.kr). Profit has been negatively impacted by 5.7 mio.kr due to value adjustment of investments and negatively impacted by 7.0 mio.kr. relating to the value adjustment of the company's receivables from the sale of Portinho S.A. etc. and costs incurred to ensure payment of the receivable.

Equity as at 31 December 2019 amounts to 67.2 mio.kr. against 77.6 mio.kr. as of December 31, 2018.

Outlook for 2020

Blue Vision A/S expects to continue implementing the investment strategy in 2020. Due to the company's circumstances, no performance targets for 2020 are currently announced.

It is Blue Vision A/S' expectations for 2020, that the company, to the extent permitted by the financial preparer, to initiate a repurchase program of own shares on one or more occasions.

Events after the end of the financial year

From the balance sheet date until today, no circumstances have occurred that upset the assessment of the annual report and that have not been expressed in the management report or in a note to the financial statements, or have been adjusted in the balance sheet as of December 31, 2019 as a result of the assessment of a corrective event.

The COVID-19 outbreak in 2020 has so far not affected the holding activities of the company and the outbreak has not had a direct impact on the valuation of the company's assets and liabilities in 2020.

Management report

Main and key figures for the company

tkr.	2019 4)	2018 4)	2017	2016	2015
Income statement					
Operating profit	-1,671	-1,673	-1,983	-1,320	-2,710
Value adjustments portfolio investments	-5,723	1,723	0	0	0
Financial account profit	-30 3,488	2,160 3,980	3,648		
Profit for the year	-14,417	-7,713	177	2,660	938
Balance sheet					
Current assets	0	1,723	0	0	74,631
Assets for sale	71,344	78,987	74,631	74,631	0
Total assets	72,397	80,838	86,300	83,743	80,635
Share capital 2)	83,092	119,092	108,692	108,692	Equity 67,155
Equity	77,572	85,091	74,491	75,572	
Current liabilities	5,242	3,266	1,209	9,252	8,063
Cash flows					
Cash flows from operations	-274	-1,579	-4,921	-191	-3,686
Cash flows from investment, net	1,650	0	0	0	-1,668
Cash flows from financing	-1,376	1,577	5,423	-741	5,000
Total cash flow	0	-2	502	-932	374
Key figures 1)					
Solvency ratio	92.8%	96.0%	98.6%	89.0%	93.7%
Earnings per share (EPS Basic), DKK	-0.14	-0.06	0.00	0.03	-0.09
Diluted earnings per share (EPS-D), DKK	-0.14	-0.06	0.00	0.03	-0.09
Number of shares (listed in paragraph)					
Number of shares outstanding, end	15,909,227	119,092,270	119,092,270	108,692,270	10,869,227
Number of shares outstanding excluding treasury shares, etc., end 2)	15,909,227	119,092,270	118,333,445	107,353,287	10,869,124
Average number of shares outstanding excluding treasury shares etc. 2)	101,895,096	119,092,270	111,138,922	93,747,083	10,869,124
Per share a nom. 1 kr. (stated in kr.)					
Nominal value per share	1	1	1	10	10
Net asset value per share	0.81	0.65	0.71	8.73	9.01
Stock Exchange rate (last trade) 3)	3.66	0.50	0.31	6.25	14.60
Stock exchange price/net asset value	0.87	0.77	0.43	0.72	1.62

- 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". Key figure definitions are given on page 39.
- 2) In October 2019, the company implemented a capital reduction of DKK 67,183,043, which the Danish Business Authority did not want to approve, and the capital reduction has therefore not yet been registered. See mention in report and in note 12 The share capital reflects the registered share capital as of 31.12.2019, while the capital reduction has been withdrawn from the outstanding number of shares for the purpose of calculating profit per share from the end of October 2019.
- 3) The stock exchange price as at 31 December 2019 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.

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 have been developed and maintained on an ongoing basis in order to ensure an active, safe and profitable positioned 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 2019 and publishes it on the company's website <http://www.blue-vision.dk/index.php/da/om-blue-vision/corporate-governance> at the same time as the publication of the annual report for 2019.

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 explain" principle. It is the opinion of the Board of Directors that the Recommendations on 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.

The section of the report on corporate governance is not covered by the auditor's opinion on the management report in the annual report of Blue Vision A/S. The information on the company's control and risk management systems and the composition of the company's management bodies, etc. is covered by the auditor's opinion on the management report in the company's annual report.

Board members and other management positions Chairman

Nicolai Dines Kærgaard:

- ! NK Invest ApS, Ceo
- ! Copenhagen City Investments ApS, CEO
- ! Holistic House Ørestad A/S, CEO
- ! Copenhagen Hotel Invest ApS, CEO
- ! Ejendomsselskabet Hviding P/S,, board member, director
- ! The Company of 25 March 2015 II ApS, Director

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- ! Apto Capital APS, Director
- ! The company of 25 March 2015 DK ApS, Director
- ! NK Invest Kalundborg IVS, Director
- ! NK Invest Hviding IVS, Director
- ! Holistic House Daycare ApS, Director

Board member Attorney Claus Abildstrøm:

- ! Fanum A/S, board member
- ! Frontfuel A/S, board member
- ! Kolind A/S, board member
- ! SPC Holdings 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
- ! LLC Consult v. Claus Abildstrøm, fully responsible participant
- ! GLÒ Holding A/S, Chairman of the Board
- ! GLÒ Danmark A/S, Chairman of the Board
- ! AB A/S, member of the Board of Directors
- ! Real Estate Management ApS, board member
- ! Nordholm ApS, board member
- ! RHB Havnehuset A/S, board member

Board member Ulrik Feldstedt Hjorth:

- ! Anakan Invest ApS, CEO
- ! Mangaard & Partners ApS, board member
- ! CITYCALLCENTER ApS, Director
- ! Anakan Ventures ApS, Director

Board member Rolf Gordon Adamson

Management report

! No other management occupations

Other information

The Board of Directors is composed in order to acquire special competencies with a view to implementing Blue Vision A/S' strategy.

In addition, it is considered essential that the Board of Directors has general management experience, in particular in the management of IPO 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.

At the first upcoming annual general meeting, the Board of Directors will ensure that the articles of association are adjusted so that they specifically take into account the maximum age of board members and that rules for gender distribution are established.

Incentive programmes

The company has no incentive programs but will in the coming period consider the introduction of incentive programs for management and key employees of the company and portfolio companies.

Statement of social responsibility and under-represented 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 assesses, in line with the Company's development and future plans, whether actual guidelines for social responsibility and points below should be prepared.

The company has chosen to have a target figure of 20% in so far as the board members elected by the general meeting must be made up of the under-represented gender. The goal is currently not met, as the company has 4 board members, all of whom are men. The company also operates in an industry characterised by a high

Management report

ratio of men. In connection with any change of board members, the company will assess suitable female candidates and the company strives to meet the target figure by April 2021.

Due to the number of employees in the company, no goals and policies have been set for the Executive Management.

The Company's goals and policies for the underrepresented gender will be adjusted on an ongoing basis in line with the Company's development and activity.

Knowledge resources

Due to the company's Board of Directors and Executive Management, Blue Vision A/S has broad experience and know-how within investment in companies, real estate and general financing of purchases and sales of companies and real estate.

In addition, the company's board of directors and management also have experience in the management of listed companies.

Shareholder information

Equity

As announced in company announcement no. 2 of 21 February 2020, the Danish Business Authority has decided to administratively reverse the registration of a capital reduction of DKK 67,183,043 made on 29 October 2019. The Danish Business Authority assesses that the capital reduction has not provided adequate security for a creditor's notified claims. The Board of Directors of Blue Vision A/S disagrees with the Danish Business Authority's decision, as Blue Vision A/S had already secured the creditor's claims prior to the implementation of the capital reduction by depositing an amount corresponding to the claim filed by the creditor with Blu& Vision A/S' lawyer, cf. note 9.

The Danish Business Authority has assessed that a bank guarantee should have been provided. The company is in the process of arranging a bank guarantee and a proposal for re-approval of the capital reduction will be made at the upcoming annual general meeting. Blue Vision A/S will as soon as possible refer the Danish Business Authority's decision to the Danish Business Appeals Board.

The registered share capital thus amounts to DKK 83,092,270, consisting of 74,358,160 A shares and 8,834,110 B shares (2018: 119,092,270 shares of DKK 1 divided into 108,692,270 A shares and 10,400,000 B shares). The A-shares listed on Nasdaq Copenhagen A/S under fund code DK0060700359. However, following the general meeting resolution on the unregistered capital reduction, outstanding listed shares have only included 13,042,027 A shares. No shares are granted special equal rights. There are no restrictions on marketability and no voting restrictions.

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

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Information on major shareholders See note 18.

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 4.1 A. to increase the company's share capital by up to nominally DKK 50,000,000 or several times. The increase may be affected by full cash payment, by conversion of debt or by payment in non-cash values, including deposits by an existing undertaking. The capital increase shall include pre-emptive rights for existing 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 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.

cf. section 4.1. B. to increase the company's share capital by up to a nominal value of DKK 50,000,000 or more. 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. The capital increase must be without pre-emptive rights for existing shareholders and the capital increase must be at least at the market price. The new shares must be negotiable instruments and are recorded 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 no 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 4.1B of the Articles of Association to increase the Company's share capital without pre-emptive rights for the existing shareholders by 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 by 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 values other than cash, including entering out of an existing company. The capital increase shall be without pre-emptive rights for existing shareholders and shall be at least at market price. The new B shares are issued in a new independent share class, which the Board of Directors is authorized to establish in connection with the capital increase. The B shares must be non-negotiable and recorded in a name in the company's register of shareholders. The B shares shall not be issued in dematerialized form through VP SECURITIES A/S and shall not 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 B shares to dividends and other rights in the company shall arise from the date decided by the Board of

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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 share 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 subscription 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 authorized to make capital increases in the company on one or more occasions in connection with the subsequent exercise of the above warrants. The increase must be without pre-emptive rights for the company's previous shareholders. The new instruments must be negotiable instruments and are recorded in the company's register of shareholders, cf. article 3.2 of the Articles of Association. 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 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 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:

Cf. section 4.3.A. 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 must give the right to subscribe nominally dkk 50,000,000 shares in the company. The subscription of the convertible loan shall be made without pre-emptive rights for the company's previous 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 subsequent conversion of the above-mentioned loan. 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 is determined by the Board of Directors in connection with the

Management report

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 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.

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 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 previous 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 carry out 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 are registered in the name in the register of shareholders of the Community, 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 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 registration of the capital increase.

In accordance with Article 4.4 of the Articles of Association, the Board of Directors is authorised to lay down the detailed conditions for the capital increases in accordance with the above authorisations and to make such changes to the Company's Articles of Association, including the creation of new classes of capital, which may be necessary as a result of the Board of Directors' exercise of the said authorisations.

Dividend

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

The Board of Directors recommends to the Annual General Meeting that no dividend be paid for 2019.

Own share policy

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

Management report

Annual General Meeting

The Annual General Meeting will be held on 27 April 2020 at 10.00.

Financial calendar for 2020

The financial calendar for 2020 is as follows:

31 March 2020 Publication of annual report for 2019

27 April 2020 Holding of the Annual General Meeting for 2019

24 August 2020 Publication of interim report H2 2020

30 March 2021 Publication of annual report for 2020

30 April 2021 Holding of the Annual General Meeting for 2020.

Contact Person – Investor Relations

Blue Vision A/S' website www.bluevision.dk further information and all published announcements can be found.

Inquiries regarding relevant relations with investors and the stock market can also be directed to Nicolai Kaergaard:

Phone: +45 26 22 99 11

Email: nk@bluevision.dk

Issued company announcements in 2019

In 2019, Blue Vision A/S has issued the following company announcements:

10 January Transfer agreement concerning Portinho S.A.

5 February Notice of extraordinary general meeting.

26 February Decision approving the final sale of Portinho S.A.

Management report

28. February Deadline for submission of items to be included on the agenda of the Annual General Meeting.
29. March Summary of annual report 2019
- 29 March Notice of notice of annual general meeting
- 5 April Major shareholder announcement
- 11 April Major shareholder announcement
- 26 April Minutes of the Annual General Meeting
- 23 August Summary of interim report Q2 2019
- 30 August Acquisition of the company Heartcare ApS and agreement on directed issue by contribution in kind
- 9 September Notice of appointment to extraordinary general meeting incl. annexes
- 17 September Adjusted business area, strengthened management and new acquisition
- 30 September Minutes of extraordinary general meeting.
- September 30 Management change
- 1 October Reporting of transactions of senior executives and their related parties
- 30 October Major shareholder announcement
- 30 October Information on capital reduction
- 1 November Capital increase completed
- November 7 Major shareholder announcement
- November 7 Management acquires shares

Management report

28 November Possible early retirement and adjustment of organisation

10. December Change of auditor

11. December Financial Calendar 2020

17. December meeting Notice of notice convening an extraordinary general meeting

18. December Acquisition of companies

Issued company announcements in 2020

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

8 January Minutes of extraordinary general meeting

21 February Decision from the Danish Business Authority

Expected company announcements in 2020

Blue Vision A/S expects to issue the following additional company announcements etc. in 2020:

31 March 2020 Publication of annual report for 2019

27 April 2020 Holding of the Annual General Meeting for 2019

24 August 2020 Publication of interimreport H1 2020

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Income statement

tkr.	Note	2019	2018
		<u> </u>	<u> </u>
Administrative expenses	2	-1,671	-1,673
Operating profit		<u>-1,671</u>	<u>-1,673</u>
Net profit on assets destined for sale	3	-6,993	-11,251
Value adjustment portfolio investments	7	-5,723	1,723
Financial revenue	4	0	3,613
Financial costs	5	-30	-125
Profit before tax		<u>-14,417</u>	<u>-7,713</u>
Tax on profit or loss for the year	6	0	0
Profit for the year/Total income		<u><u>-14,417</u></u>	<u><u>-7,713</u></u>

Comprehensive income statement

Profit for the year	-14,417	-7,713
Other comprehensive income before and after tax	0	0
	<u>- 14.417</u>	<u>-7,713</u>

Balance sheet

tkr.	Note	2019	2018
		<u> </u>	<u> </u>
ASSETS			
		Non-current assets	
Portfolio investments	7 0	<u> </u>	<u>1.723</u>
Total non-current assets		<u> </u>	<u>1.723</u>
		0 Current assets	
Receivables	9	1,052	127

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Deferred tax asset	10	0	0
Cash and cash equivalents	11	1	1
		<hr/>	<hr/>
		1,053	128
Assets for sale	8	71,344	78,987
		<hr/>	<hr/>
Total current assets		72,397	79,115
		<hr/>	<hr/>
Total assets		72,397	80,838
		<hr/>	<hr/>

Annual accounts 1 January – 31 December

Balance sheet

		t kr.	Note	2019	2018
LIABILITIES			Equity		
Share capital				83,092	119,092
Reserve for own shares				0	0
Carryover result				-15,937	-41,520
Total own funds	12	67,155	77,572	Outstanding liabilities	
Bank debt			13	350	149
Debt to portfolio undertakings			14	505	0
Debt to shareholders			15	807	1,337
Supplier debt				3,453	1,780
Other liabilities				127	0
Total short-term liabilities			5,242	3,266	Total liabilities
		5,242			
		3,266			
Total Liabilities				72,397	80,838

Cash flow statement

		t kr.	Note	2019	2018
Profit for the year				-14,417	-7,713
Value adjustments for serial investments			7	5,723	0
Net profit sales of assets intended for sale without liquidity impact		6,993			
Financial income		11,251			
Financial costs				30	125
Change in working capital				1,427	219
Cash flow on primary operating activities				-244	-1,454

Annual accounts 1 January – 31 December

Total financial costs		-30-125	
P meadow flows from operating activities		<u>-274</u>	<u>-1,579</u>
Payments from assets intended for sale	8	3,700	0
Total cost of assets for sale		-2,050	0
On investment flows		<u>1,650</u>	<u>0</u>
Capital reduction deposits	9	-1,047	0
Increase in bank debt		201	92
Displacement debt to capital owners		-530	1,291
Own capitalization		0	194
P revenue streams from financing activities		<u>-1,376</u>	<u>1,577</u>
Cash flow	<u>0</u>	-2 Cash and cash equivalents December 31	
11	<u>1</u>	<u>1</u>	1
Cash on 1 January		1	3
Debt obligations from financing activities			
t kr.		2019	2018
Debts arising from financing activities 1 January		1,486	103
Debt repayments	-530 0	Borrow Admission	201
Financing liabilities 31 December	1,157	<u>1,383</u>	<u>1,486</u>
Debt to shareholders		807	1,337
		B 350	149
Financing liabilities 31 December		<u>1,157</u>	<u>1,486</u>

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Statement of own funds

t kr.	capital	Reserve Equity-for shares	OWN Transferred result	Equity total		
Equity January 1, 2018	119,092	-534	-33,467	85,091		
Equity movements in 2018						
Profit for the year	0	0	-7,713	-7,713		
Remaining treasury shares transferred to carried over result;	0		-340		340	0
Total total income in 2018	0	340	-8.053	-7.713		
Transactions with owners						
Sale of own shares	194	0	0	194		
Transactions with shareholders		194	0	194		
	119.092	0	-41.520	77.572		
Equity 31 December 2018						
Equity movements in 2019						
Year result	0	0	-14.417	-14.417		
Total total income in 2019	0	0	-14.417	-14.417		
Transactions with owners						
Capital reduction to deficit coverage	-40,000	0	40,000	0		
Capital reduction for the purpose of transfer to reserves -67,183 0					67,183 0	
Capital increase 4,000 0 0				4,000		
Transactions with shareholders	-	0	107.183	4.000		103,183
Reversal of capital reduction want register (see note 12)	67.183	0	-67.183	0		

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	83.092	0	-15.937	67.155
Equity 31 December 2019				

Summary of notes to the financial statements

Note	Note
1 Accounting estimates and valuations treasury shares and capital management	12 Equity,
2 Administrative expenses	13 Bank debt
3 Netprofit on assets destined for sale	14 Debt to shareholders
4 Financial income	15 Debt to portfolio companies
5 Financial expenses	16 Contingent assets, liabilities and securities;
6 Tax	17 Financial risks and financial instruments
7 Portfolio investments	18 Related parties
8 Assets determined for sale	19 Events after the balance sheet day
9 Receivables	20 Accounting policies
10 Deferred tax asset	
11 Cash and cash equivalents	

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Notes

1 Accounting estimates and assessments

Financing of the company's operations

The company has financed operations in 2019 partly by using partial payment received from the sale of Portinho S.A, and the company also has drawing facilities at banks of 3.5 mio.kr. where 350 t.kr. has been withdrawn as of December 31, 2019. Until they are received from the sale of Porhinho S.A, the company will not assume significant liabilities, and the current capital resources are considered sound for management to assess that the financial statements are presented with continued operations in mind.

Assets determined before sale

The value of assets determined for sale includes a material accounting estimate until the asset is fully liquidated. Please refer to note 8 for further mention.

Statement of fair value

As of December 31, 2019, the company only has unlisted investments. Fair value is calculated substantially based on unobservable inputs (Level 3 of the IFRS fair value hierarchy). See note 7 for further mention.

2 Administrative expenses

tkr.	2019	2018
Remuneration for auditor elected by the general meeting		
Statutory audit	100	350
Other declaration tasks	0	0
Tax advice	0	0
Other services	0	0
	<u>50</u>	<u>0</u>
	<u>150</u>	<u>350</u>

Remuneration to the Board of Directors and executive management

The Board of Directors and the Executive Management have not received remuneration in 2019 (2018: DKK 0).

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3 Net profit on assets destined for sale

tkr.	2019	2018
Sale value of shares and assets of subsidiary	0	78,987
Book value of receivables from subsidiary	0	-74,692
Book value assets determined for sale	0	-15,546
Adjustment of the value of assets for sale (Note 8)	-3,943	0
Costs associated with the sale of assets for sale	-3,050	0
	-6.993	-11.251

4 Financial income

Interest Subsidiary	0	3.613
	0	3.613
	0	3.613
Interest on financial assets measured at amortised cost amounts to	0	

5 Financial costs

Interest, other		
Interest on financial liabilities measured at amortised cost		
Constitute	30	125
	30	125
	30	125

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6 Tax

Tax on the profit for the year can be explained as follows:

Calculated 22% tax on profit before tax (income)	2,597	1,697
Tax value of non-deductible value adjustments and cost	-2,220	-1,318
Unrecognized Deferred Tax	-377	-379
	0	0
Effective tax rate	0,0 %	0,0 %

7 Portfolio investments

			2019		2018	
	Home	Ownership	Cost	Fair value	Cost	Fair value
interest						
Heartcare ApS	Copenhagen	100%	4.000		0	0
Other investment	in	i.a	1.723		1.723	1.723
			5.723		1.723	1.723
Value adjustment for the year					-5,723	
1,723						

7 Portfolio investments, continued

In accordance with the accounting policies, Blue Vision A/S recognizes portfolio investments at fair value via the income statement.

In 2018 and 2019, the company has only had unlisted investments, and the fair value is determined at level 3 in according to IFRS' fair value hierarchy.

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Level 3 – discretionary determination of fair value for unlisted investments

For investments in immature companies, fair value is determined in accordance with current practice for e.g. venture companies, at cost until other verifiable information on the value of the companies is available, typically in connection with the transfer of ownership shares or injection of new capital from new co-owners ("price of recent investment"), after which the value is adjusted accordingly. If it is obvious that the value has decreased, there will be written down to a lower assessed fair value determined below taking into account the intrinsic value and the liquidity of the individual companies.

For investments in mature companies, including companies that have had positive earnings over a period of time – and this is expected to continue in the coming years – fair value is determined according to recognised valuation models, usually discounted cash-flow model, alternatively multiple-based valuation method, depending on the type of investment asset.

Heartcare ApS' subsidiaries have experienced a reduction in turnover, which has led to a larger loss in 2019. Therefore, Blue Vision A/S has chosen to write down the investment to zero. The operations of the subsidiaries are also affected by COVID-19 in 2020.

In addition, Blue Vision A/S has assessed that the value of the second investment, which in 2018 was recognised at 1.7 mio.kr, is subject to considerable uncertainty, which is why management has also chosen to write down the second investment by DKK 1.7 million to zero.

8 Assets destined for sale

Assets destined for sale covered by the company's benefit from the sale of a plot of land in 2018 for a total of EUR 11 million – with an initial partial payment agreement of EUR 0.5 million. EUR in March and August 2019 and with payment of EUR 10 million at the end of 2020. Partial payment in March 2019 was received as agreed, and subsequently there has been a dialogue about the settlement of the sale price. At the end of March 2020, an agreement in principle was reached on an early repayment for full and final settlement of the receivable. Final payment is pending closing, which is expected to take place in the near future.

tkr.	2019	2018
	_____	_____

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Receivables from the sale of activities	71,344	78,987
	71,344	78,987
Development:		
Balance at the beginning	78.987	0
Sale value shares and receivables Portinho S.A	0	78.987
Payments received	-3.700	0
Revaluation	-3.943	0
	71,344	78,987
Balance at end	71,344	78,987

9 Receivables

Vat receivable	0	105
Capital reduction deposits (see Note 12 and 16)	1,047	0
Other loans	5	22
	1.052	127

10 Deferred Tax Asset

As of December 31, 2019, the Company has an unrecognized tax asset of 22.3 mio.kr. (2018: 21.9 mio.kr.) relating to carry-over deficits. Any recognition awaits the company's making taxable profits.

11 Cash and cash equivalents

The Company's liquidity reserve consists of cash equivalents, which as of December 31, 2019 amount to 1 t.kr. (2018: 1 t.kr.) and drawing rights of 3.5 mio.kr, where 350 t.kr had been deducted.

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12 Own funds, own funds and asset management

In 2017, a capital increase of DKK 10,400,000 was implemented in the form of B shares. In 2019, capital reductions totalling nominally DKK 40,000,000 have been implemented to cover losses. In 2019, the AGM also approved a capital reduction of DKK 67,183,043 for special reserve. As announced in company announcement no. 2 of 21 February 2020, erhvervsstyrelsen has decided to administratively reverse the registration of the capital reduction. The Danish Business Authority assesses that the capital reduction has not provided adequate security for a creditor's notified claim, cf. note 16. The Industrial Sector has considered that a bank guarantee should have been provided. The registered capital reduction shall thus be considered null and void. The Board of Directors of Blue Vision A/S disagrees with the Danish Business Authority's decision, as Blue Vision A/S had already secured the creditor's claims prior to the completion of the capital reduction by depositing an amount equal to that notified by the creditor with Blue Vision A/S' lawyer cf. note 9. The company is in the process of arranging a bank guarantee and a proposal for reauthorization of the capital reduction will be made at the upcoming annual general meeting.

The registered share capital thus amounts to DKK 83,092,270, consisting of 74,358,160 A shares and 8,834,110 B shares (2018: 119,092,270 shares of DKK 1, orally of 108,692,270 A shares and 10,400,000 B shares). However, following the general meeting decision on the unregistered capital reduction, outstanding listed shares have only included 13,042,027 A shares. No shares are granted special rights. There are no restrictions on marketability and no voting restrictions. All shares are fully paid up.

Treasury shares

	Number of		nominal values (tkr.)		% share capital	
	2019	2018	2019	2018	2019	2018
		758.825		758.825	0,00	0,64
		-758.825		-758.825	0,00	-0,64
		0		0	0,00	0
1 January	0		0			
Departure, net	0		0			
31 December	0		0			

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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. If the need for capital injection is identified, the Executive Board and the Board of Directors will make an assessment of the optimal method for doing so. Among other things, it is governed by on the solvency ratio, which must exceed 75% as long as the company is without operating activity.

	tkr.	2019	2018
13 Bank debt			
Operating credits		350	149
Carrying value		350	149

Bank debt is included as follows in the balance sheet:

Current liabilities		350	149
Carrying value		350	149
Nominal value		350	149

14 Debt to shareholders

As of December 31, 2019, the Company has debts to certain shareholders totalling 807 t.kr. The amount is due on demand and is interest-free.

15 Debt to portfolio companies

Short-term liabilities:

Heartcare A/S	75 0	Contra A/S	430 0
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Annual accounts 1 January – 31 December

Carrying value
505

0

16 Contingent assets, liabilities and collateral

Contingent assets

For deferred tax asset, see Note 10.

Contingent liabilities

The company guarantees certain debts items in portfolio companies.

16 Contingent assets, liabilities and collateral, continued

In connection with a capital reduction in the autumn of 2019, cf. note 12, a claim of approximately 1 mio.kr has been filed against the company. The claim is disputed by Blue Vision A/S, and will now be tried in the courts. No amounts have been allocated for this in the annual accounts as of 31.12.2019.

Guarantees

No debt guarantees have been provided. However, as of December 31, 2019, there are 1,047 t.kr. in escrow account in connection with the implementation of capital reduction, see notes 9 and 12. The amount will be replaced by a bank guarantee in 2020.

17 Financial risks and financial instruments

Interest rate risks

Due to its limited financing activities, the company is not exposed to fluctuations in interest rates.

The company's bank deposits are placed in accounts on ordinary demand terms.

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Credit risks

As of December 31, 2019, the Company has a receivable from the sale of shares and receivables in its subsidiary Portinho S.A. in 2018. The receivable is secured by a mortgage on the buyer company as well as on a mortgage on the receivables from Portinho S.A and plot of land. See also note 8.

Liquidity risks

The Company's liquidity reserve as at December 31, 2019 consists of cash and cash equivalents and drawdown rights totalling 3.5 mio.kr, of which 350 t.kr had been withdrawn as of December 31, 2019.

The Company's debt obligations are due as follows (excluding any interest payments):

tkr.	2019				
	Accounting- money- value	Contract- Within flows	Equal 1 year	1 to 5 years	After 5 years
<i>Non-derivative financial</i>					
<i>Instruments</i>					
Bank debt	350	350	350	0	0
Debt to portfolio undertakings	505	505	505	0	0
Debt to shareholders	807	807	807	0	0
Supplier debt	3,453	3,453	3,453	0	0
Other debt	127	127	127	0	0
December 31, 2019					
	5,242				
	5,242	5,242	0	0	0

17 Financial risks and financial instruments, continued

tkr.	2018				
	Carrying value	Contract straight Cash flows	Within 1 year	1 to 5 years	After 5 years
<i>Non-derivative financial instruments</i>					
Debt to shareholders	1.337	1.337	1.337	0	0

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Bank debt	149	149	149	0	0
Supplier debt	1.780	1.780	1.780	0	0
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
December 31, 2018					
3,266	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
3,266	3,266	0	0		

Categories of financial instruments

	2019		2018	
tkr.	Carrying value	Fair value	Carrying value	Day-Value
	<hr/>	<hr/>	<hr/>	<hr/>
Portfolio investments	0	0	1.723	1.723
Financial assets recognized at fair value via the profit and loss account;	0	0	1.723	1.723
	<hr/>	<hr/>	<hr/>	<hr/>
Receivables	1.052	1.052	127	127
Cash and cash equivalents	1	1	1	1
Assets determined for sale	71.344	71.344	78.987	78.987
	<hr/>	<hr/>	<hr/>	<hr/>
Bank debt	350	350	149	149
Debt to portfolio companies	505	505	0	0
Debt to shareholders	807	807	1.337	1.337
Supplier debt	3.453	3.453	1.780	1.780
Other debts	127	127	0	0
Financial liabilities measured at amortized cost price;	5.242	5.242	3.266	3.266

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	_____	_____	_____	_____
Loans and advances				
18 Related Parties	72.397	72.397	80.838	80.838

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

As stated in note 2, the Executive Board and the Board of Directors have not received remuneration in 2019 and 2019. In 2019, a consultant fee of 1.8 mio.kr was paid to the former CEO. and attorney costs for law firms in which a board member is a partner, with 0.4 mio.kr included in costs associated with the sale of assets intended for sale, cf. note 3.

Debt to related parties amounts to 807 t.kr. as of December 31, 2019 (2018: 1,337 t.kr.). Debt to related parties does not bear interest during the financial year.

In addition, there have been no transactions with related parties.

19 Post-balance sheet events

The COVID-19 outbreak in 2020 has so far not affected the company's holding activities and the outbreak has not had a direct impact on the valuation of the company's assets and liabilities in 2020.

20 Accounting policies

The company's annual accounts are presented in accordance with International Financial Reporting Standards as recognised by the EU and Danish disclosure requirements for annual reports for listed companies.

Annual accounts 1 January – 31 December

Basis for preparation

Blue Vision A/S has implemented the new and amended accounting standards (IFRS) and interpretations (IFRIC), which are mandatory for the 2019 accounting. 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.

Annual accounts 1 January – 31 December

20 Accounting policies, continued

Implementation of new and changed standards and interpretations

The implementation of new and amended standards and interpretations with effect from 1 January 2019 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 incorporated into the Company's annual accounts. It is the management's assessment that these will not have a significant impact on the annual accounts for the coming regional years.

Consolidated financial statements – implementation of the exemption in IFRS 10

In 2019, Blue Vision A/S acquired 100% of the capital in Heartcare ApS and underlying subsidiaries and is thus to be considered a parent company.

With reference to IFRS 10, Blue Vision A/S has not prepared consolidated financial statements, as the company meets the definition of an investment company. Blue Vision A/S's sole purpose is to invest funds with a view to obtaining a return on the invested capital in the form of income, value increases or both, cf. the rules in IFRS 10 and IAS 27, which, among other things, specifically require that subsidiaries be measured at fair value and where fair value adjustments are included directly in the profit and loss report. Reference is also made to the business strategy mentioned in the management report.

The transition to applying the exemption in IFRS 10 has led to some changes in the presentation of the profit and loss account and the balance sheet. Comparative figures are customized.

Conversion of foreign currency

Transactions in foreign currencies were converted during the year at the rate of the transaction day. Exchange rate differences arising between the rate of the transaction date and the rate on the payment date are recognized in the profit and loss account under fine estimated income or expenses.

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

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20 Accounting policies, continued

The difference between the rate on the balance sheet date and the rate at the time of the receivable or current or the rate in the most recent annual report shall be recognised in the profit and loss account under financial income and expenses.

Income statement

Administrative costs

Administrative expenses include various company costs.

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

Tax due and receivable is shown under current assets/liabilities. Joint taxation contributions due or receivable are recognised in the balance of loans and advances on or payables to affiliated undertakings.

Balance sheet Financial assets including portfolio companies

Financial assets consist of investment assets, including investments in portfolio companies, are measured at fair value via the income statement.

As of December 31, 2019 and 2018, the Company has only investments in unlisted assets, all of which are valued at fair value by applying recognized valuation methods, including DCF methodologies, multiple based valuation and other similar recognized valuation methods.

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20 Accounting policies, continued

Receivables

Receivables are measured at amortized cost. Write-downs shall be made for the avoidance of 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 for each receivable or portfolio.

Receivables, cont'd

The recognition of interest on written receivables is calculated on the written-down value at the effective interest rate for each receivable.

Assets determined for sale

Assets intended for sale include non-current assets destined for sale. Liabilities relating to assets intended for sale are liabilities directly related to these assets, which will be transferred at the time of the transaction. Assets are classified as "destined for sale" when their carrying value will be recovered primarily through a sale within 12 months under a formal plan rather than through continued use.

Assets or disposal groups held for sale are measured at the lower of their value accounting value at the time of classification as "held for sale" or the fair value less selling costs. Assets are not depreciated or amortized from the time they are classified as "intended for sale".

Write-downs arising from the first classification as "intended for sale", and gains or loss of on subsequent measurement at the lowest value of the carrying value or fair value less selling expenses are recorded in the profit and loss account under the items which they concern. Gains and losses are disclosed in the notes on the accounts.

Assets and related liabilities shall be separated into separate lines in the balance sheet and the principal items shall be specified in the notes on the accounts. Comparative figures in the balance sheet are not adjusted.

Annual accounts 1 January – 31 December

20 Accounting policies, continued

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 commitment 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 treasury shares are recognized directly in transferred comprehensive income in equity.

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

Payable tax and deferred tax

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

Deferred tax is measured by the balance sheet-oriented debt method by all temporary differences between the carrying and tax value of assets and liabilities. However, deferred tax is not recognized on temporary differences relating to tax-non-depreciable goodwill and office properties, as well as other items where temporary differences – other than acquisitions – have arisen at the time of acquisition without having an effect on profit or taxable income. In cases where the assessment of the tax value can be carried out according to different tax rules, deferred tax is measured on the basis of the use of the asset planned by the management and the settlement of the liability.

Deferred tax assets, including the tax value of carry-forward tax losses, are recognized under other non-current assets at the value at which they are expected to be used, either by offsetting 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.

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20 Accounting policies, continued

Deferred tax assets and liabilities are set off where the Company has a legal right to offset current tax liabilities and tax assets or intends either to redeem current tax liabilities and tax assets on a net basis or to realize the assets and liabilities simultaneously.

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 as current tax. Changes in deferred tax due to changes in tax rates are recognised in the comprehensive income for the year.

Financial commitments

All financial liabilities as of December 31, 2019 and 2018 are measured at net realizable value.

Cash flow statement

The cash flow statement shows cash flows, in terms of operating, investment and financing 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 working capital, interest received and paid, dividends received and corporate tax paid.

Cash flow statement, continued

Cash flows from investment activities include payments in connection with the purchase and sale of portfolios and other investment activities, as well as the purchase and sale of securities.

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 include cash and cash equivalents.

Cash flows in currencies other than the functional currency are converted at the transaction day rates.

Ratios

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

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20 Accounting policies, continued

	<u>Equity, end x 100</u>	
Solvency ratio		Liabilities total, end of year
	<u>Result</u>	
Earnings per share (EPS Basic)		Average number of shares outstanding
	<u>Diluted result</u>	
Diluted earnings per share (EPS-D)		Diluted average number of shares outstanding
	<u>Equity</u>	
Net asset value per share		Number of shares at end
		<u>Exchange rate</u>
Price/net asset value (P/BV)	Net asset value	