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Company Announcement No 8/2020

Annual Report 2019

26 March 2020

DIVESTING THE CORE ACTIVITY RESHAPING **EAC INVEST**

Key Points from 2019

- Continued and prolonged decline in the corporate moving and relocation industry, leading to continued challenges in the turn-around of Santa Fe Relocation.
- Significant challenge to refinance EUR 38m debt by March 2020.
- Divestment of Santa Fe Relocation, eliminating all debt and securing cash to continue the company.
- Renaming the company to EAC Invest, and reshaping the company as an investment company.
- Refocusing on operating cost of EAC Invest and management of minority investments in Asia as well as tax cases in Denmark.
- Net loss in 2019 of EUR 11.4m (equal to a loss of DKK 85m). A net profit of EUR 2.2m from continuing operations (EUR 1.1m)
- Cash position end year of EUR 1.1m (equal to DKK 8.2m), of which DKK 7m is in EAC Invest Parent. Short-term one-off net liabilities payable in connection with the transaction of DKK 1.5m.

Outlook for 2020

- Expect tax cases to be processed in the High Court (Landsretten) in 2H of 2020, although uncertain, potentially with a conclusion within 2020, but with a risk of further appeals.
- Continue to work to maximise short term performance of minority investments, while exploring potential divestments. No divestments expected to complete within 2020.
- Expected dividends from minority investments of around DKK 2m.
- Expected operating cost of DKK 2m.
- Expected tax refund of around DKK 13m.
- Expected one-off cost in connection with share consolidation (reverse share split) and restructuring to EAC Invest of DKK 1.0m.
- Expected Share buy back in connection with share consolidation of DKK 3.5m.
- Expected cash position end year of DKK 17m, of which DKK 15m in EAC Invest Parent.
- Covid-19 provides significant uncertainty about future dividends from investments. This is not reflected in the outlook, due to uncertainty prevailing at the time of the annual report.

Yours Sincerely,

EAC Invest A/S

For further information, please contact:
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ANNUAL REPORT
2019

EACInvest

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MANAGEMENT REPORT

DIVESTING THE CORE ACTIVITY RESHAPING **EAC INVEST**

2019 became transformational as the company divested our only operating activity, Santa Fe Relocation, and started the transition towards becoming an investment company, with the objective of maximising value of remaining investments for the shareholders.

The market for corporate relocation continued to be extremely difficult, with the moving business in continued decline, continued margin pressure as well as global geopolitical instability. All these factors illustrated that the relocation business required a continued substantial restructuring to weather the market storm. Successful growth of the Immigration Business, the Consumer Business and the Relocation Services businesses were not sufficient to stem the decline and the losses in the corporate moving business. Subsequent development with the Covid-19 virus developing into a global pandemic has further increased the pressure and capital requirement on the business. A pressure that EAC Invest would have had extreme difficulties to overcome.

In the beginning of 2019, we redeveloped the strategy for the moving and relocation business, culminating with the board approving the strategy, restructuring and transformation plan mid-year. As expected, the prolonged negative market developments in in the corporate moving market continued to put pressure on cash and investments, and therefore put our ability to execute the strategy at risk, without strengthening our balance sheet.

As our lender, Proventus Capital Partners, announced that they were unwilling to support funding beyond the March 2020, we investigated all options for refinancing, including capital injection and replacement of the EUR 38m Proventus facility. Without refinancing in place, continuing to execute the strategy or run the business satisfactorily under extremely difficult market conditions was at significant risk. As we were not able to identify any workable financing solutions, the option to divest the relocation business at the terms negotiated, was the best and most appropriate solution, for our shareholders, employees, customers and suppliers. Santa Fe Relocation now has the ability to continue the journey under new ownership, and at the same time, the transaction gave EAC Invest a workable foundation to pursue the value in the minority investments held in Asia – and ultimately realise potential value for our shareholders. With Covid-19, this seems an even clearer decision now.

After the transaction, EAC Invest no longer holds any operating businesses, and rely on current cash and dividends from the minority shareholdings in Asia to fund the company's cost, until the shareholdings can be divested, and cash realised from divestments or otherwise.

In order to secure the financial solidity of the company for the coming 5 years, we have minimised and eliminated all costs across the Company, and during Q1 also embarked on the share consolidation (reverse share split) to reduce the number of shareholders and thereby the cost of the listing on the stock exchange. We are simultaneously managing the ongoing tax cases with the Danish tax authorities, hopefully for a closing during 2020.

We will during 2020 adapt our Articles of Association as well as our financial reporting to illustrate the new focus of the company. The required elements will be presented and proposed at the Annual General Meeting of Shareholders.

Henning Kruse Petersen
Chairman of the Board

Martin Thaysen
CEO

STRATEGY

EAC Invest's strategy is to maximise value of investments and assets for shareholders over the next 5 years.

- Ensure lowest possible operating costs, to ensure liquidity and maximise shareholder value.
- Through board and investor engagements, maximise value of investments operationally, while pursuing divestment opportunities at the right time and at the right price.
- Engage to win the ongoing tax cases, securing value for both current and potential future shareholders.
- Effectively manage cash over the period.

The company holds 3 minority shareholdings in Asia, each with their challenges and opportunities. We have three ongoing tax cases with Danish Tax Authorities (SKAT), that have the potential to add solidity to the company's financial situation and tax losses carried forward if won, or if lost will put the company's viability as a going concern at risk. Finally, we have an earn-out running for the next 5 years, from the divestment of Santa Fe Relocation.

Each of these assets and considerations are described below.

Thai Poly Acrylic Company Limited (TPA)
EAC Invest holds a 17.4% indirect ownership share in Thai Poly Acrylic Company Limited through the associated company Asiatic Acrylics Company Ltd. TPA is a publicly listed company on the Stock Exchange of Thailand (SET: TPA.BK). TPA has a production facility producing acrylics predominantly to the Thai market. The ownership in TPA is held through a joint venture with Lucite (a subsidiary of Mitsubishi Chemicals), where Lucite holds the control. TPA generates a regular profit and distributes a regular dividend. EAC Invest's strategy with TPA is to support the company's operation best possible, securing a continued dividend to shareholders, and continue to explore options to divest the shareholding at the right time and at the right price.

Zhongbao Water (ZBW)
EAC Invest holds a 34.89% ownership share in Beijing Zhongbao Drinking Water Company Ltd. ZBW produces bottled water for sale in China, predominantly to hotels, embassies, consulates, etc. The market for bottled water in China is highly competitive, and the profitability of the company has been under pressure for the past years. EAC Invest's strategy is to seek a divestment of the shareholding at the earliest possible time.

East Lake Villas (ELV)
EAC Invest holds a 5% ownership in the Joint Venture Beijing Dongzhimen International Apartment Co., Ltd. The majority shareholder controlling 95% of the Joint Venture is Shougang Group (China Steel) through subsidiaries. The joint venture was established in December 1986, with a 45-year duration until December 2031. ELV is a 44,000 square meter property in Beijing, with a total construction area of 72,000 square meters for apartments, villas, club and office space. ELV is currently moderately profitable and generates a regular modest dividend, substantially below the potential of the property, given the location, size and current plot ratio and allowable construction floor area. ELV holds a significant upside, but as shareholder agreement is not beneficial to EAC Invest when the current agreement expires in 2031, and realisation of an upside is fully dependent on close alignment and collaboration with Shougang Group. EAC Invest's strategy is collaborate closely with Shougang Group to establish and implement a development that maximises value of ELV for it's investors.

Danish Tax Cases
EAC Invest has three pending transfer pricing tax cases relating to the divested Plumrose business in Venezuela for the period 2008-14. All three cases have previously been won in the National Tax Tribunal (Landsskatteretten). The Danish Tax Authorities have, however, appealed all three cases to the Danish Courts. The Legal Adviser to the Danish Government (Kammeradvokaten) has requested that all three tax cases are processed collectively in the Danish Eastern High Court (Landsretten) and it is expected that the cases will be processed during 2020.

If all cases are ultimately won, this is estimated to have a positive cash impact of around DKK 13m and the company will subsequently have total tax losses carried forward estimated of around DKK 86m. If certain cases, contrary to expectations, are lost, it will eliminate the carried forward losses and result in a substantial negative cash flow impact, which will cause material uncertainty around the company's ability to continue as a going concern.

As a result of the cases already won, a tax refund of around DKK 13m is expected during H1 2020. Should we lose the case in the Danish High Court, the tax refund will need to be repaid to the Danish Tax Authorities, and the company will additionally face a number of tax corrections to the tax years 2008-2014, that will have a significant negative cash flow impact.

The legal costs related to the tax cases are covered in full by the Danish Tax Authorities.

Tax Losses Carried Forward
EAC Invest has tax losses carried forward equivalent to a tax asset of around DKK 86m. The tax assets are currently not recognised in the balance sheet, due to uncertainty with respect of utilisation within the foreseeable future. The ongoing tax cases are vital to win, to retain these tax losses carried forward, and the value for current or future shareholders.

Earn Out with Santa Fe Relocation
As part of the transaction to divest Santa Fe Relocation, EAC Invest holds a potential earn-out of 15% of a potential future gain, should Santa Fe Relocation be divested before 25 September 2024. The market for corporate relocation is under considerable pressure, and at the time of sale, Santa Fe Relocation still required time and capital to complete the strategic transformation agreed, which could impact value and timing of a potential future divestment. Due to the considerable uncertainty of whether the earn out will materialise, the earn out has not been ascribed any value, and has not been recognised in the balance sheet.

Cash
EAC Invest will after dividend payments from investments in Thailand and China, as well as the expected tax refund from Danish Tax Authorities, retain a significant cash position during 2020. The unfavourable interest environment for cash deposits, with negative interest rates, could result in a significant potential interest cost, which will be mitigated best possible. EAC Invest is not in a position to pay out the excess cash to shareholders until the tax cases have been finally concluded, and various options are therefore being considered, to keep the cash as productive as possible in the best interest of the shareholders.

Risk
EAC Invest recognises that the realisation of investments, and the ongoing tax cases places the company at a material risk. The shareholder agreements we have for our investments in Asia are not favourable to EAC Invest and do not hold minority shareholder protection. Realising optimal value from the investments requires considerable effort and time, in careful negotiation and collaboration with majority shareholders. While some of the investments hold potential upside, realising any of this upside is not a given. While we have, so far, won the ongoing tax cases with the Danish Tax Authorities and at the Danish Tax Tribunal, the cases have to be processed at the High Court, and could be appealed further to the Supreme Court, meaning the cases could continue well into 2021.

Covid-19
The Corona Virus, Covid-19, has since the beginning of 2020 had material effect on global markets and almost all industries. While the businesses that EAC Invest hold minority shares in, are not directly or highly exposed to impacts from Covid-19, it must be expected that businesses will be impacted, and there is a potential downside risk to the outlook presented. This is not reflected in the outlook, due to uncertainty prevailing at the time of the annual report.

FINANCIAL HIGHLIGHTS

EURm	* 2019	* 2018	2017	2016	2015
CONSOLIDATED INCOME STATEMENT					
Revenue	0.0	0.0	248.6	338.6	373.6
Earnings before depreciation, amortisation and special items (EBITDA before special items)	-0.7	-0.7	10.4	10.6	10.2
Special items, net	-0.4	2.1	13.1	7.6	-0.7
Earnings before depreciation and amortisation (EBITDA)	-1.1	1.4	23.5	18.2	9.5
Operating profit (EBIT)	-1.1	1.4	19.8	-3.7	1.8
Financials, net	0.2	-0.2	-1.1	-2.4	-3.4
Share of profit in associates	0.3	-0.1	0.2	0.2	0.6
Profit before taxes (EBT)	-0.6	1.1	18.9	-5.9	-1.0
Income tax	-2.8	0.0	7.3	4.6	2.3
Profit from continuing operations	2.2	1.1	11.6	-10.5	-3.3
Profit from discontinued operations	-13.6	-71.0	-7.3	0.0	-0.1
Profit for the year	-11.4	-69.9	4.3	-10.5	-3.4
Earnings per share (diluted) EUR, continuing operations	-0.9	-5.8	0.3	-1.0	-0.3

EURm	2019	2018	2017	2016	2015
CONSOLIDATED BALANCE SHEET					
Total assets	7.8	128.0	211.8	234.7	241.3
EAC's share of equity	7.3	20.2	83.5	86.8	96.8
Non-controlling interests	0.0	0.0	0.0	2.2	1.7
Working capital employed	0.0	8.3	7.1	2.8	12.2
Net interest bearing debt, end of year	-1.1	19.3	12.8	-2.4	9.6
Net interest bearing debt, average	-0.7	16.3	6.3	4.0	14.9
Invested capital	1.7	34.5	90.6	79.3	101.0
Cash and cash equivalents	1.1	20.7	18.9	43.6	30.5
Investment in intangible assets and property, plant and equipment	0.0	4.6	6.9	6.0	3.8
CASH FLOW					
Operating activities	-1.2	-0.7	-8.3	4.6	12.5
Investing activities	-13.5	1.1	4.6	8.6	-0.4
Financing activities	0.0	-2.5	-14.5	-0.3	-1.0
RATIOS					
EBITDA margin (%), before special items	-	-	4.2	3.1	2.7
Operating margin (%)	-	-	8.0	-1.1	0.5
Equity ratio (%)	93.6	15.8	39.4	37.0	40.1
Return on invested capital (%), annualised	-6.1	2.2	23.3	-4.1	1.6
Return on parent equity (%)	-80.0	-134.9	4.6	-12.9	-4.1
Equity per share (diluted)	0.6	1.7	6.9	7.2	8.1
Number of employees end of year, continuing operations	3	2	2,186	2,679	2,908

* Income statement 2019 and 2018 reflecting continuing operations for the EAC Invest (Santa Fe Relocation divested 25 September 2019)

FINANCIAL REVIEW

CONSOLIDATED INCOME STATEMENT

Restatement of comparatives

Profit after tax from the divested Santa Fe Relocation is presented separately in the income statement under discontinued operations. Comparatives have been restated accordingly.

CONTINUING OPERATIONS

EBITDA before special item was a loss of EUR 0.7m or slightly better than the most recent outlook as announced on 25 September 2019 (announcement no. 10/18) of around EUR -1.0m.

EBITDA before special items was a loss of EUR -0.7m (EUR -0.7m) containing mainly staff costs in EAC Invest of which the majority related to services provided to the Santa Fe business and therefore being recharged as management fee which is reflected as part of other operating income. Other external expenses are mainly related to shareholder cost at EAC Invest including auditor fee and other external advisory fee and travel expenses.

Special items were a loss of EUR 0.4m in 2019 (an income of EUR 2.1m in 2018) containing primarily divestment related costs. Special items in 2018 was a gain which included a reversal of acquisition related provision (Interdean) in EAC Invest of EUR 1.4m as well reversal of a provision in EAC China of EUR 0.7m.

Reported EBITDA was a loss of EUR 1.1m (2018: profit of EUR 1.4m).

Share of profit in associates, net of tax was an income of EUR 0.3m (2018: loss of EUR 0.1m) mainly related to the indirect shareholding in Thai Poly Acrylic Company Limited (34%) held through the associated company Asiatic Acrylics in Thailand.

The **income tax expense** for 2019 was an income of EUR 2.8m (EUR 0.0m). The tax income was a result of a reversed tax liability related to the Plumrose tax case for the year 2010 of EUR 2.8m. In connection with a positive ruling in the most significant pending tax case, EAC Invest was granted access to change a previous tax choice, and thereby being allowed to utilise tax losses carried forward in the 2010 tax return against royalty income received. For further information on the pending tax cases refer to note 5.7.

Net profit from continuing operations in 2019 was EUR 2.2m (EUR 1.1m) impacted positively by the reversed income tax liability. 2018 did benefit from reversed provisions.

Net loss from discontinued operations was EUR 13.6m (EUR 71.0m) corresponding to the loss of EUR 8.0m from the disposal of the Santa Fe Relocation business, which was divested on 25 September 2019 (announcement no 16/19), and the net loss from the Santa Fe Relocation operations in the period until the divestment amounting to EUR 5.6m (EUR 71.0m).

EAC Invest A/S' share of the net loss for 2019 was EUR 11.4m (EUR 69.9m).

CONSOLIDATED BALANCE SHEET

Total equity by the end of 2019 was EUR 7.3m (EUR 20.2m) corresponding to a solvency ratio (Equity ratio) of 94% based on the EAC Invest share of equity. The equity was negatively impacted by the losses for the year from discontinued operations of EUR -13.6m.

Cash outflow from operating activities of EUR 1.2m (EUR 0.7m) was primarily related to the operating loss for the year in EAC Invest Parent and adverse working capital movements.

Cash outflow from investing activities of EUR 13.5m, was primarily related to the divestment of the Santa Fe Relocation business. Net proceeds of EUR 0.8m offset by the cash balance of EUR 14.6m disposed of. 2018 was a cash inflow of EUR 1.1m in 2018 related to disposal of a property in Copenhagen.

Cash outflow from financing activities was EUR 0.0m versus a cash outflow of EUR 2.5m in 2018 connected to repayment of overdraft facilities as part of the new finance agreement entered into with Proventus.

Going Concern

The Board of Directors has considered the Group's cash flow forecasts for a period of not less than 12 months from the date of approval of these financial statements. Based on this review, the Board of Directors has assessed that, taking into account reasonably possible changes in dividend from minority investments and estimated operating cost for EAC Invest Parent, the Group will be able to continue as a going concern. Accordingly, EAC Invest continues to apply the going concern basis of accounting in preparing its financial statements.

Management has concluded that there are no factors giving reason to doubt whether the EAC Invest can and will continue operations for at least 12 months from the balance sheet date. However, Management refer to the Strategy section on page 8 Danish tax cases as well as the contingent liability note in note 5.7.

OTHER EVENTS AND STRATEGIC INITIATIVES

Divestment of Santa Fe Relocation business – Discontinued Operations

The market for corporate relocation continued to be extremely difficult during 2019, with the moving business in continued decline, continued margin pressure as well as global geopolitical instability. All these factors illustrated that the relocation business required a continued substantial restructuring to weather the market storm.

As the main lender, Proventus Capital Partners were unwilling to support funding beyond the March 2020, all options for refinancing were investigated, including capital injection and replacement of the EUR 38m Proventus facility. Without refinancing in place, continuing to execute the strategy or run the business satisfactorily under extremely difficult market conditions was at significant risk. As no workable financing solutions was identified, the option to divest the relocation business at the terms negotiated, was the best and most appropriate solution, for our shareholders, employees, customers and suppliers.

On 25 September 2019 (Company Announcement No 16/2019) the EAC Invest Group A/S closed the transaction with Santa Fe Intressenter AB, a company controlled by Lazarus Equity Partners with support from Proventus Capital Partners, to divest its subsidiary Santa Fe Group Limited, which holds the group's relocation activities. Upon sale, EAC Invest A/S received a cash consideration of EUR 1m and reimbursement of transaction cost to a limit of EUR 250k. Additionally, it has been agreed that EAC Invest will receive 15% of the gain in the event of a future cash sale of the relocation business within 5 years from the agreement has been signed. The future gain is adjusted for e.g. debt, interest and any potential additional investments. The transaction took the form of a share transfer.

The Santa Fe Relocation business has been classified as a discontinued operation in 2019. The comparative consolidated statement of profit or loss and OCI has been represented to show the discontinued operation separately from continuing operations.

In connection with closing of the sale in September 2019, the EAC Invest's share of the accumulated negative foreign exchange adjustments related to the Santa Fe Relocation business has been recycled from other comprehensive income and recognised in net profit from discontinued operations (in the income statement) in the amount of EUR 0.1m.

Net loss from discontinued operations for 2019 amounts to EUR -5.6m. The accounting impact of the divestment as a whole was a net accounting loss for 2019 of EUR -13.6m.

Long Term Incentive Programme
The Board of Directors of EAC Invest A/S (previously Santa Fe Group A/S) has for the years 2017, 2018 and 2019 granted a total of 974,800 options to members of the global management team.

The Board of Directors have as a consequence of the divestment of Santa Fe Relocation resolved to accelerate the vesting and exercise periods relating to all Share Options. The vesting and exercise period will expire on 23 April 2020.

Exercise prices for the different options programmes are DKK 58.1, DKK 81.3, DKK 37.9 and DKK 6.7. With current share price, all options are expected to lapse with no options exercised. Total cost recognised in income statements are EUR 0 (zero).

As contemplated by the Remuneration Policy and Incentive Guidelines as approved by the Company's general meeting, the Board of Directors have in 2019 granted a total of 198,000 Shares to members of the Management Team, against retention conditions, forfeiture conditions and salary sacrifices.

The Board of Directors have as a consequence of the divestment of Santa Fe Relocation resolved to release all restrictions connected to the share grants, and released receivers of the share grants of any conditions attached to the share grants.

The Company has covered its obligations to deliver the shares for the restricted shares through its portfolio of treasury shares. The Restricted Shares have been expensed in 2019.

Completion of capital reduction and changes to the share capital (Company announcement no 12/2019)
On 29 April 2019, the Annual General Meeting of EAC Invest A/S adopted the proposal to reduce the company's share capital by nominally DKK 821,145,956.75. The share capital reduction was registered on 30 May 2019 and EAC Invest A/S' share capital therefore amounts to nominally DKK 43,218,208.25. As a consequence of the reduction, the denomination of the shares is changed, so that the nominal denomination is reduced from DKK 35 and DKK 70 to DKK 1.75 and DKK 3.50, respectively. There is no distribution in connection with the share capital reduction. The total number of shares and the voting rights per share are unchanged. Pursuant to section 32 of the Danish Consolidated Act no. 12 of 8 January 2018 on capital markets, notification is hereby given that EAC Invest Group A/S' total share capital subsequently amounts to nominally DKK 43,218,208.25 and the total voting rights amount to 12,348,059.50.

SUBSEQUENT EVENTS

After year-end, EAC Invest A/S has received notification from Olav W. Hansen stating that Olav W. Hansen directly and indirectly holds shares and voting rights in excess of 10% of the total number of shares and voting rights in EAC Invest A/S.

According to the announcement, as of 17 March 2020, Olav W. Hansen owns 1,236,627 shares in EAC Invest A/S, representing 10% of the company's share capital and voting rights (Company announcement No 7/10).

EAC Invest did on 27 February 2020 receive notice that the Tax Authorities (Skattestyrelsen) has referred two previously won tax cases to the court. The tax cases were previously won in the main case in the national tax court (Landsskatteretten) in November 2019. The cases are awaiting further processing.

The Corona Virus, Covid-19, has since the beginning of 2020 had material effect on global markets and almost all industries. While the businesses that EAC Invest hold minority shares in, are not directly or highly exposed to impacts from Covid-19, it must be expected that businesses will be impacted, and there is a potential downside risk to the outlook presented. This is not reflected in the outlook, due to uncertainty prevailing at the time of the annual report.

On 3 March 2020 an extraordinary general meeting was held in EAC Invest A/S (company announcement 05/20).

At the extraordinary general meeting the following resolutions were adopted:

- Proposals submitted by the Board of Directors regarding execution of a reverse share split at a consolidation ratio of 1,000:1 by:
    - Reduction of the Company's share capital by transfer to distributable reserves.
    - Revaluation of the denomination of the Company's shares by a consolidation of shares at a ratio of 1,000:1.

- Deletion of existing Board authorisations to increase the share capital by a maximum of 10%, ref. note 4.1.

- The redemption to take place in connection with the reverse share split is further described in a separate redemption announcement (company announcement 6/2020). The expected cash flow impact associated with the share buy back in connection with share consolidation is expected to be EUR 0.7m (DKK 3.5m).

No other material events have taken place after 31 December 2019.

OUTLOOK 2020

- Expect tax cases to be processed in the High Court (Landsretten) in H2 of 2020, although uncertain, potentially with a conclusion within 2020, but with a risk of further appeals.
- Continue to work to maximise short term performance of minority investments, while exploring potential divestments. No divestments expected to complete within 2020.
- Expected dividends from minority investments of around DKK 2m.
- Expected operating cost of DKK 2m.
- Expected tax refund of around DKK 13m.
- Expected one-off cost in connection with share consolidation (reverse share split) and restructuring to EAC Invest of DKK 1m.
- Expected Share buy back in connection with share consolidation of DKK 3.5m.
- Expected cash position end year of DKK 17m, of which DKK 15m in EAC Invest Parent.
- Covid-19 provides significant uncertainty about future dividends from investments. This is not reflected in the outlook, due to uncertainty prevailing at the time of the annual report.

Disclaimer The 2019 outlook reflects management's expectations of future events and must be viewed in the context of the business environments and currency markets, which may cause actual results to deviate materially from those projected by EAC Invest. The outlook is stated at current exchange rates and based on estimated consensus growth rates in key economies.

PARENT COMPANY FINANCIAL STATEMENTS

The EAC Invest Parent Company's separate financial statements have been prepared in line with prior years using DKK as presentation currency.

- Cash flows from operating activities were a net inflow of DKK 2m (DKK 22m)
- Cash balances at 31 December 2019 amounted to DKK 7m (DKK 0m)
- Total assets at year-end were DKK 41m (DKK 199m)
- Total equity at year end totalled DKK 36m (DKK 181m) of which DKK -7m (DKK -662m) was retained earnings
- Net loss on disposal of subsidiaries of DKK 160m (DKK 0m) related to the divested Santa Fe Relocation business. The net loss was in line with the most recent outlook as announced on 25 September 2019 (announcement no. 10/18)

GOVERNANCE

Board of Directors

Henning Kruse Petersen	Preben Sunke	Jesper Lok
Chairman (Independent)	Deputy Chairman (Independent)	Member (Independent)
CEO, 2KJ A/S and Komplementarselskabet Midgard Denmark ApS	Group Chief Operating Officer and Member of the Executive Board of Danish Crown A/S	
Joined in 2006	Joined in 2007	Joined in 2018
Other Board assignments: **Chairman:** Den Danske Forskningsfond Erhvervsinvest Management A/S Lunar Group ApS Lunar Way A/S Lunar Card A/S Lunar Bank A/S Midgard Denmark K/S Cursum A/S **Deputy Chairman:** Asgard Ltd. **Board Member:** Villiam H. Michaelsens Legat The EAC Foundation Midgard Group, Inc. Dekka Holdings Ltd. Balder Finance Ltd. MediBee Care A/S First Aiders A/S	**Other Board assignments:** **Chairman:** Slagteriernes Arbejdsgiverforening **Board Member:** Forenet Kredit Daka Denmark A/S Skandia Kalk Holding ApS	**Other Board assignments:** **Chairman:** Dagrofa A/S World Marine Offshore **Board Member:** ALLIANCE+ PISIFFIK RelyOn Nutec Silverstream Technologies Vestergaard Company unicef Danmark
EAC Invest Shareholding: 138,000	EAC Invest Shareholding: 2,800	EAC Invest Shareholding: 0

MANAGEMENT

Martin Thaysen
CEO, EAC Invest A/S
Joined in 2015
Other Board assignments: **Chairman of the Board of Directors**: The East Asiatic Company (China) Limited East Asiatic (Thailand) Company Limited Asiatic Acrylics Company Limited **Member of the Board of Directors:** Thai Poly Acrylic Company Limited (TPA) Beijing Dongzhimen Apartment Company Limited (East Lake Villas)
EAC Invest Shareholding: 200,000

SHAREHOLDER INFORMATION

Investor relations
EAC Invest provides information to investors and analysts about the Group's businesses and financial performance with the aim of ensuring transparency and a fair valuation of the share.

The website is the main source of investor-related information. Annual reports and interim reports are available online immediately after being published. According to standard practice, EAC Invest does not comment on issues related to its financial performance or expectations three weeks prior to planned releases of full-year or interim financial reports.

The EAC Invest share
The shares were traded at a price of DKK 1.7 (DKK 13.9) at the end of the year on NASDAQ Copenhagen A/S. The share yielded an overall decrease of 88% during 2019. The daily average turnover of EAC Invest shares in 2019 was around DKK 0.3m (DKK 0.6m), corresponding to a total traded volume of DKK 68m (DKK 142m). On 31 December 2019, the market capitalisation of the EAC Invest was DKK 20m. The share is 100% free float, i.e. all EAC Invest shares are freely negotiable. For change of control matters related to employment contracts and other contracts, refer to note 2.3 and note 5.7.

Share capital
The share capital amounts to DKK 43,218,208.25 being reduced from DKK 864,364,165 following a nominally share capital reduction of DKK 821,145,956.75 completed and registered on 30 May 2019. The total number of shares consist of 12,347,512 shares at a nominal value of DKK 3.5 each (previously DKK 70), equalling DKK 43,216,292, and 1,095 shares at a nominal value of DKK 1.75 each (previously DKK 35 each), equalling DKK 1,916.25. There is only one class of shares.

Treasury shares
As of 31 December 2019, EAC Invest held 104,494 (302,494) treasury shares, equivalent to 0.8% of the total share capital. Treasury shares are held at zero value in the books. The main purpose of the share buyback was to accommodate the exercise of share options under incentive schemes which is expected to be cancelled. Authorisation to acquire treasury shares is disclosed in note 4.1.

Ownership information
At the end of 2019 10,197 shareholders were listed in EAC Invest's register of shareholders (10,811). About 85% (82%) of EAC Invest's total share capital is held by registered shareholders. The ten largest shareholders (excluding own shares) hold in aggregate 20% (25%) of the registered share capital. Approximately 3% (10%) of the registered share capital is held by shareholders based outside Denmark.

Register of Shareholders:
EAC Invest's Register of Shareholders is maintained by:
VP Investor Services A/S
14 Weidekampsgade
DK-2300 Copenhagen S

No shareholders have reported a holding of more than 5% of the shares at 31 December 2019 in reference to section 29 of the Danish Securities Trading Act. However, it was reported and announced on 3 January 2020 that Olav W. Hansen directly and indirectly holds shares and voting rights in excess of 5% of the total in EAC Invest A/S.

EAC Invest strives to engage in open dialogue with current and potential shareholders and encourages shareholders to register their holdings with the company and thereby make use of their influence. Registration can take place through the shareholder's own bank securities department or securities broker.

Management's holdings of EAC Invest shares
As of 31 December 2019, the members of the Board of Directors and Executive Board combined held a total of 340,800 EAC Invest shares (258,766 shares).

EAC Invest maintains a list of insiders in accordance with applicable law. Insiders and related persons may not undertake transactions in EAC Invest shares during a closed period of 30 calendar days before the announcement of any of the group's interim financial reports or annual reports.

Annual General Meeting and Dividend
The Annual General Meeting of The EAC Invest A/S will be held on Thursday, 30 April 2020 at 14:00 at:
Asia House
Indiakaj 16
2100 Copenhagen Ø
Denmark

The notice to convene the meeting will be sent to the listed shareholders who have so requested. A notice will also be posted on the investor section of the EAC Invest website www.eac.dk together with other key shareholder information related to the AGM.

EAC Invest aims to maintain the necessary equity to fund the group's operations and to achieve the group strategy. Excess capital will be distributed to the shareholders through dividend payments including interim dividends and/or share buybacks. Ordinary dividends are determined at annual general meetings.

The Board of Directors will propose to the Annual General Meeting that no ordinary dividend be paid in respect of the 2019 financial year.

Further Information
Contact for institutional investors, analysts, media, private investors and shareholders:

Martin Thaysen, CEO
Tel. +45 3525 4300
E-mail: investorinformation@eac.dk
www.eac.dk

Financial Calendar 2020
26 March – Annual Report 2019
30 April – Annual General Meeting
27 August – Interim Report H1 2020

Announcements to NASDAQ Copenhagen A/S during 2019, refer to the website:
https://www.eac.dk/press-releases

Trading and share key figures as of 31 December

	2019	2018	2017	2016	2015
Share closing price	1.7	13.9	44.5	56.0	65.5
Share high/low	16/1	48/10	62/44	71/54	79/45
Total number of outstanding shares	12,348,060	12,348,060	12,348,060	12,348,060	12,348,060
Treasury Shares	104,494	302,494	302,494	338,494	338,494
Nominal Value	3.5	70	70	70	70
Share capital (DKKm)	43	864	864	864	864
EAC Invest's share of equity	58	151	622	645	722
Market value (DKKm)*	20	167	536	673	787
Earnings per share (EPS)**	1.5	0.7	2.2	-7.4	-2.2
Equity per share*	5	13	52	54	60
Dividend per share (DKK)	0	0	0	0	0
P/E ratio	1.1	19.9	20.2	-7.6	-29.8
P/BV	0.4	1.1	0.9	1.0	1.1
Payout ratio (%)	-	-	-	-	-

Per share ratios are calculated based on diluted earnings per share. *) Excl. treasury shares. **) Earnings per share from continuing operations excl. treasury shares (converted at the end of year DKK/EUR exchange rate)

Corporate Governance

This corporate governance report for EAC Invest A/S, cf. section 107b of the Danish Financial Statements Act, covers the period 1 January – 31 December 2019.

The corporate governance report for EAC Invest A/S includes:
A description of governing bodies, governance principles and remuneration included on this page.
A description of risk management.
A description of internal controls related to the financial reporting.

Governing Bodies
The Board of Directors is responsible for the overall strategy, budgets, goals and management of the company and it lays down the rules of procedure and supervises the work of the Executive Board. The Executive Board (CEO) attend meetings and teleconferences of the Board of Directors, and the Chairman of the Board of Directors maintains close contact with the Executive Board. Members of the Board of Directors are elected by the shareholders for terms of 12 months. Members whose term of office has expired are eligible for re-election until they reach the age of 72. When proposing a nomination to the Annual General Meeting, the Board of Directors takes into account the skills required to perform the duties of a board member. The Board of Directors considers the following competencies to be particularly relevant to EAC Invest: Experience in the management of international companies, strategic development, financial matters, risk management and divestments. The Board of Directors is deemed to possess these competencies and, by virtue of its size, the Board of Directors has decision-making power and drive.

All members of the Board of Directors are independent and have no special interest in EAC Invest except as minority shareholders. The Board of Directors held a total of ten meetings and twenty-five teleconferences during 2019. At the Annual General Meeting, the Chairman of the Board of Directors together with the Executive Board report on the main activities of the past year. At the same time, major developments and new strategic initiatives are presented to the shareholders and the financial position and outlook of the Group are reviewed.

Members of the Board of Directors and the Executive Board are described in the separate section.

EAC Invest Governance Principles
The EAC Invest's Board of Directors and Executive Board consistently seek to ensure that the company observes its corporate governance policies and procedures in order to optimise value creation in the Group. The EAC Invest strives to maintain an open and active dialogue with its stakeholders, and responsible behaviour and respect for the environment form an integral part of the Group's way of doing business. Policies and procedures for stakeholder relations and social responsibility are reflected in this annual report.

The Board of Directors considers the relevance of the recommendations by the Committee on Corporate Governance, available at www.corporategovernance.dk.

The Board of Directors has responded to each of the recommendations in the Corporate Governance Reporting Form available at www.eac.dk

In general, EAC Invest A/S follows the committee's recommendations, but the company's board of directors has, based on the limited size of the company, its activity and organisation, chosen entirely or partially derogate from the Committee's recommendations in the following areas:

<table>
<tr><td colspan="2">2.2.1 Corporate social responsibility</td></tr>
<tr><td>Recommendation
The Committee recommends that the board of directors adopt policies on corporate social responsibility.</td><td>Explanation
Based on the limited size of the company, its activity and organisation EAC Invest A/S does not have a corporate social responsibility policy, including no policies for human rights, environmental conditions and climate impact.</td></tr>
<tr><td colspan="2">3.4.3 Audit committee</td></tr>
<tr><td>Recommendation
The Committee recommends that the members of the board of directors set up an audit committee and that a chairman is appointed who is not the chairman of the board of directors.</td><td>Explanation
The EAC Invest complies only partially with the Recommendation. Due to the size of the Board of Directors (three members) and the competencies of its members, the Board of Directors has decided not to establish any board committees other than an audit committee chaired by the Deputy Chairman and consisting of all members of the Board of Directors.</td></tr>
<tr><td colspan="2">3.4.6 Nomination committee</td></tr>
<tr><td>Recommendation
The Committee recommends that the board of directors establish a nomination committee, which is at least, responsible for the following preparatory tasks:
describing the qualifications required by the board of directors and the executive board and for a given position, indicating the time expected to be spent carrying out a specific position, as well as assessing the competencies, knowledge and experience found in the two governing bodies,
annually assessing the structure, size, composition and results of the board of directors and the executive board and recommend any changes to the board of directors,
annually assessing the competencies, knowledge, experience and succession of the individual members of management and report to the board of directors in this respect,
recommending candidates for the board of directors and the executive board, and
proposing an action plan to the board of directors on the future composition of the board of directors, including proposals for specific changes.</td><td>Explanation
The EAC Invest complies only partially with the Recommendation. Due to the size of the Board of Directors (three members) and the competencies of its members, the Board of Directors has decided not to establish any nomination committee.
The Board of Directors undertakes the listed preparatory tasks.</td></tr>
<tr><td colspan="2">3.4.7 Remuneration committee</td></tr>
<tr><td>Recommendation
The Committee recommends that the board of directors establish a remuneration committee, which is at least, responsible for the following preparatory tasks:
recommending the remuneration policy (including the “General Guidelines for incentive-based Remuneration”) to the board of directors and the executive board for approval by the board of directors prior to approval by the general meeting,
making proposals to the board of directors on remuneration for members of the board of directors and the executive board, as well as ensuring that the remuneration is in compliance with the company’s remuneration policy and the assessment of the performance of the persons concerned. The committee should have information on the total remuneration that members of the board of directors and the executive board receive from other companies in the group,
recommending a remuneration policy applicable for the company in general and
assisting with the preparation of the annual remuneration report.</td><td>Explanation
The EAC Invest complies only partially with the Recommendation. Due to the size of the Board of Directors (three members) and the competencies of its members, the Board of Directors has decided not to establish any nomination committee.
The Board of Directors undertakes the listed preparatory tasks.</td></tr>
</table>

4.2.3 Disclosure of remuneration report	
Recommendation	**Explanation**
The Committee recommends that the company prepares a remuneration report that includes information on the total remuneration received by each member of the board of directors and the executive board from the company and other companies in the group and associated companies for the last three years, including information on the most important content of retention and resignation arrangements and that the correlation between the remuneration and company strategy and relevant related goals be explained. **The remuneration report should be published on the company's website.**	The company does currently not prepare a remuneration report. The EAC Invest complies only partially with the Recommendation. The Company discloses the aggregate remuneration to the Board of Directors and the Executive Board, respectively. The above-mentioned information is available on the company's website. Information about remuneration on an individual basis does not, in the opinion of the Company, serve any objective purpose.
5.2. Whistleblower scheme	
Recommendation	**Explanation**
The Committee recommends that the board of directors establish a whistleblower scheme for expedient and confidential notification of serious wrongdoing or suspicions thereof.	Based on the limited size of the company, its activity and organisation EAC Invest A/S does not have a whistleblower scheme.

Remuneration

The Executive Board receives a fixed salary. For further information, please refer to note 2.3 and 5.4 in the consolidated financial statements.

EAC Invest has no retention or severance programmes in force for the Executive Board.

The remuneration of the members of the Board of Directors consists of a fixed annual fee. The remuneration for 2019 was approved at the Annual General Meeting in 2019 and is disclosed in note 2.3 to the consolidated financial statements. The remuneration for 2020 will be submitted for approval at the Annual General Meeting to be held on 30 April 2020.

SUSTAINABILITY

Statement of social responsibility (Cf. §99a of the Danish Financial Statements Act)
Based on the limited size of the company, its activity with minority shareholdings in three different companies and organisation, EAC Invest A/S does not have a corporate social responsibility policy, including no policies for human rights, social and employee matters, bribery and corruption, environmental conditions and climate impact.

Statement of sexual composition of the Management (Cf. §99b of the Danish Financial Statements Act)
Pursuant to Danish legislation on gender equality, EAC Invest also has an objective for the proportion of the underrepresented gender on the Board of Directors. It is EAC Invest's ambition that 25% of the members of the Board of Directors are women. Consequently, EAC Invest will ensure that qualified candidates are considered before the Board of Directors proposes candidates to the Annual General Meeting. However, the Board of Directors' final submission of candidates will always be based on their actual competencies and experiences relative to EAC Invest's needs to ensure that the candidate deemed best qualified is proposed. This may mean that the ambition of a 25% female representation on the Board of Directors will always not be met, but it will continue to be a general ambition.

At the end of 2019, the company's board of directors consists of three members. Currently no women are represented in the company's board of directors, but the EAC Invest will aim at achieving the 25% target before 2025. EAC Invest has not laid down policies for diversity in management, as management only consists of one person.

Risk Management

Effective risk management is an integral part of EAC Invest's management processes, whereby risks and opportunities are regularly identified and assessed to enable appropriate actions and responses.

Risk governance
The identification and assessment of key risks are important in supporting decision making and enables Management to react proactively to issues with a potential material impact on the EAC Invest's minority investments or which may prevent the realisation of strategic objectives.

The Board of Directors and the Audit Committee review and monitor key risks and related risk management on an on-going basis. It is the responsibility of Management at all levels to ensure that the assessment of risks is formalised and that appropriate mitigation plans are implemented.

Risk profile
EAC Invest is exposed to some financial risks, and the Group's risk profile is impacted by the company having divested the main business and is left with three minority investments with limited dividend potential.

The risks listed below are those that the Board of Directors and the Executive Board currently view as the most critical to the business.

GROUP KEY RISKS	MITIGATING MEASURES
The Company's dividend expectations from minority investments are subject to uncertainty The Company's expectations for the future are based on a number of assumptions. If these assumptions are not met, in whole or in part, the Company's future results may deviate considerably from the expectations, which may have a material adverse effect on the Company's results and financial position.	➢ EAC Invest holds representatives in the Boards of two minority investments to maximise the influence in decisions around the operation, development and capital structure of the investments including dividend distribution maximisation.
Risks of Tax disputes EAC Invest has three pending transfer pricing tax cases relating to the divested Plumrose business in Venezuela for the period 2008-14. All three cases have previously been won in the National Tax Tribunal (Landsskatteretten). The Danish Tax Authorities have, however, appealed all three cases to the Danish Courts. The Legal Adviser to the Danish Government (Kammeradvokaten) has requested that all three tax cases are processed collectively in the Danish Eastern High Court (Landsretten) and it is expected that the cases will be processed during 2020. The outcome is subject to considerable uncertainty and will cause significant uncertainty around the company's ability to continue as a going concern if certain tax cases are ultimately lost. The Company disagrees with the position of the tax authorities and believes that the outcome of the dispute will be in favour of the Company or will not have a material effect on the financial position of EAC Invest.	➢ EAC representatives with knowledge around facts and circumstances in the disputed tax years follow the cases close and assist the lawyers best possible to ensure that all relevant matters and arguments are brought forward.
Financial exposure EAC Invest is exposed to financial risks in the China and Thailand key markets.	➢ The financial risks are managed and mitigated on a continuing basis. Financial risks are related to interest rates, exchange rates, credit, liquidity risks and governance in local jurisdictions. For a detailed description of financial risks, reference is made to note 4.5 of the consolidated financial statements.

INTERNAL CONTROLS

The internal control system is managed by the Board of Directors and the Executive board in combination, through regular reporting, reviews and dialogue.

The Company’s financial reporting cycle comprises the annual budget, quarterly financial review, full-year estimates updated twice a year and ad-hoc updates on progress on initiatives.

The largest commercial risks relate to the development of the company's minority investments. Management continuously monitors the development within each investment and the CEO is represented on the Board of Directors within two minority investments as well as the two wholly owned subsidiaries. The investment strategy and any investment decision is based on the management's expectations for the future, in order to develop the investments and thereby to maximise value for the shareholders. Management seeks to provide the best possible foundation for decision-making and to realistically weigh risks and potential opportunities.

The EAC Invest Parent accounts and cash flow statement are prepared and reviewed by Management monthly. The monthly reporting forms the basis for interim reports and annual reports. Subsidiaries report results quarterly and the Company reporting is on that basis consolidated. The interim report is not audited. The annual report is audited by the company's auditor.

The company's accounting, reporting, management and control systems consist of a combination of externally and internally developed systems. The company has implemented business procedures and controls for minimizing errors and fraud.

The company's management assesses that there are no significant risks associated with measurement and reporting.

STATEMENT BY THE BOARD OF DIRECTORS AND MANAGEMENT

The Board of Directors and the Executive Board have today discussed and approved the annual report of EAC Invest A/S for 2019.

The annual report has been prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the Parent Company's assets, liabilities and financial position at 31 December 2019 and of the results of the Group's and the Parent Company's operations and cash flows for the financial year 1 January – 31 December 2019.

Further, in our opinion, the Management's review includes a fair review of the development in the Group's and the Parent Company's operations and financial matters, results for the year, cash flows and financial position as well as describes the most significant risks and uncertainties affecting the Group and the Parent Company.

We recommend that the annual general meeting approve the annual report.

Copenhagen, 26 March 2020

Executive Board:

Martin Thaysen

Board of Directors:

Henning Kruse Petersen Chairman	Preben Sunke Deputy Chairman	Jesper Teddy Lok

INDEPENDENT AUDITOR'S REPORT

To the shareholders of EAC Invest A/S

Opinion

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the Parent Company's assets, liabilities and financial position at 31 December 2019 and of the results of the Group's and Parent Company's operations and cash flows for the financial year 1 January – 31 December 2019 in accordance with the International Financial Reporting Standards as adopted by the EU and additional requirements in the Danish Financial Statements Act.

Our opinion is consistent with our long-form audit report to the Board or Directors and the Audit Committee.

Audited financial statements

EAC Invest A/S' consolidated financial statements and parent company financial statements for the financial year 1 January – 31 December 2019 comprise the income statement, statement of comprehensive income, balance sheet, statement of changes in equity, statement of cash flows and notes, including summary of significant accounting policies, for the Group as well as for the Parent Company (the financial statements). The financial statements are prepared in accordance with the International Financial Reporting Standards as adopted by the EU and additional requirements in the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark.

Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

We declare, to the best of our knowledge and belief, that we have not provided any prohibited non-audit services, as referred to in Article 5(1) of the Regulation (EU) 537/2014 and that we remained independent in conducting the audit.

Independent auditor's report

We were appointed auditors of EAC Invest A/S for the first time on 7 April 2016 for the financial year 2016. We have been re-appointed by resolutions passed by the annual general meeting for a total uninterrupted engagement period of four years up to and including the financial year ending 31 December 2019.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the 2019 financial year. These matters were addressed in the context of our audit of the financial statements as a whole, and in the forming of our opinion thereon. We do not provide a separate opinion on these matters.

Key audit matters	How our audit addressed the key audit matter
Divestment of Santa Fe Relocation	
On 25 September 2019, EAC Invest A/S divested its subsidiary Santa Fe Group Limited, which held the Group's relocation activities. The divestment is considered a key audit matter as it is a significant unusual transaction that has significant implications to the presentation of the financial statements. Reference is made to note 2.6 (Special items) and 5.5 (Discontinued operations) to the consolidated financial statements and note 10 (Special items) and 12 (Investment in subsidiaries) to the parent company financial statements.	For the purpose of our audit, the procedures we carried out included the following: — We evaluated the appropriateness of the presentation of the divested activity as discontinued operations. — On a sample basis, we vouched items included in special items in note 2.6 to the consolidated financial statements and note 10 to the parent company financial statements to supporting documentation. — On a sample basis, we vouched items included in the loss on divestment in note 12 to the parent company financial statements to supporting documentation. — We tested the represented comparative consolidated statement of profit or loss and OCI. — We performed reconciliations and analytical procedures over the information in note 5.5 to the consolidated financial statements.
Going concern assumption	
After the divestment of Santa Fe Relocation, EAC Invest A/S no longer holds any operating businesses, and rely on current cash and dividends from minority shareholdings in Asia to fund the company's operating costs. Furthermore, the Company has three ongoing tax cases with the Danish Tax Authorities. If certain of the cases, contrary to expectations, are lost, it will result in a substantial negative cash flow impact, which will cause material uncertainty around the company's ability to continue as a going concern. Reference is made to note 1.7 regarding Management's assessment of the Group's ability to continue as a going concern, the description of liquidity risks in note 4.5 and the description of the uncertain tax positions in note 5.7 to the consolidated financial statements and note 15 and 18 to the parent company financial statements.	For the purpose of our audit, the procedures we carried out included the following: — We evaluated Management's going concern assessment, including Management's assumptions used in the projected cash flows. We vouched input to the cash flow forecast to supporting documentation. — We obtained a written assessment of the outcome of the tax cases from the Company's lawyer. — We assessed whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. — We read notes 1.7, 4.5 and 5.7 to the consolidated financial statements and note 15 and 18 to the parent company financial statements and assessed whether the description of the going concern assumption and description of financial risks and uncertain tax positions have been fairly presented.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

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

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the International Financial Reporting Standards as adopted by the EU and additional requirements in the Danish Financial Statements Act and for such internal control that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Independent auditor's report

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements may arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Company's internal control.

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Parent Company to cease to continue as a going concern.

- evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

Independent auditor's report

- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with government with a statement that we have complied with relevant ethical requirements regarding independence, and communicate to them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated to those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determined that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Copenhagen, 26 March 2020

KPMG

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

Henrik O. Larsen State Authorised Public Accountant mne15839	Lau Bent Baun State Authorised Public Accountant mne26708

FINANCIAL STATEMENTS

GROUP CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Income Statement

EURm	Note	2019	2018
Other external expenses	2.2	0.6	0.5
Staff costs	2.3	0.7	0.6
Other operating income	2.4	0.6	0.5
Other operating expenses	2.5	0.0	0.1
Operating profit before amortisation, depreciation, impairment and special items		**-0.7**	**-0.7**
Special items, net	2.6	-0.4	2.1
Operating profit before amortisation, depreciation and impairment		**-1.1**	**1.4**
Amortisation and depreciation of intangibles, property, plant and equipment	3.1, 3.2	0.0	0.0
Operating profit/loss		**-1.1**	**1.4**
Financial income	4.2	0.3	0.1
Financial expenses	4.2	0.1	0.3
Share of profit in associates		0.3	-0.1
Profit/loss before income tax expense		**-0.6**	**1.1**
Income tax expense	5.1	-2.8	0.0
Profit/loss from continuing operations		**2.2**	**1.1**
Profit/loss from discontinued operations		-13.6	-71.0
Net profit/loss for the year		**-11.4**	**-69.9**
Attributable to:			
Equity holders of the parent EAC Invest		-11.4	-69.9
Non-controlling interests		0.0	0.0
Earnings per share (EUR)	4.1	**-0.9**	**-5.8**
from continuing operations		0.2	0.1
from discontinued operations		-1.1	-5.9
Earnings per share diluted (EUR)	4.1	**-0.9**	**-5.8**
from continuing operations		0.2	0.1
from discontinued operations		-1.1	-5.9

EACInvest

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EURm	**2019**	2018
Net loss for the year	**-11.4**	**-69.9**
Other comprehensive income for the year:		
Items not reclassifiable to the income statement		
Actuarial gains/ (losses), defined benefit obligations	0.0	0.6
Taxes	0.0	-0.1
Total items not reclassifiable to profit or loss, net of tax	**0.0**	**0.5**
Items reclassifiable to the income statement		
Foreign currency translation adjustments, foreign entities	1.7	-0.1
Foreign currency translation adjustments, transferred to profit from discontinued operations	-0.1	6.1
Total items reclassifiable to the income statement, net of tax	**1.6**	**6.0**
Other comprehensive income, net of tax	**1.6**	**6.5**
Total comprehensive income	**-9.8**	**-63.4**
Total comprehensive income attributable to:		
Equity holders of the parent EAC Invest	-9.8	-63.4
Non-controlling interests	0.0	0.0

Consolidated Balance Sheet - Assets

EURm	Note	**31.12.2019**	31.12.2018
Non-current assets			
Intangible assets	3.1	0.0	19.0
Property, plant and equipment	3.2	0.0	10.4
Investment in associates	5.6	2.9	2.8
Other investments	4.3	1.6	1.6
Deferred tax	5.2	0.0	1.4
Other receivables		0.0	0.7
Total non-current assets		**4.5**	**35.9**
Current assets			
Inventories		0.0	1.8
Trade receivables	4.5	0.0	48.0
Contract assets		0.0	10.6
Other receivables	3.3	0.4	8.4
Current tax receivable	5.7	1.8	1.0
Cash and cash equivalents		1.1	20.7
		3.3	90.5
Assets held for sale		0.0	1.6
Total current assets		**3.3**	**92.1**
Total assets		**7.8**	**128.0**

Consolidated Balance Sheet – Equity and Liabilities

EURm	Note	**31.12.2019**	31.12.2018
Equity			
Share capital	4.1	6.0	115.9
Translation reserve		0.3	-1.3
Treasury shares		0.0	-2.8
Retained earnings		1.0	-91.6
EAC' share of equity		**7.3**	**20.2**
Non-controlling interests		0.0	0.0
Total equity		**7.3**	**20.2**
Liabilities			
Non-current liabilities			
Borrowings	4.4	0.0	2.8
Deferred tax	5.2	0.0	1.5
Provisions for other liabilities and charges	3.6	0.0	1.7
Defined benefit obligations	3.4	0.0	0.9
Total non-current liabilities		**0.0**	**6.9**
Current liabilities			
Borrowings	4.4	0.0	37.2
Trade payables		0.0	39.6
Contract liabilities		0.0	5.9
Other liabilities	3.5	0.5	14.9
Current tax payable		0.0	2.2
Provisions for other liabilities and charges	3.6	0.0	1.1
Total current liabilities		**0.5**	**100.9**
Total liabilities		**0.5**	**107.8**
Total equity and liabilities		**7.8**	**128.0**

Consolidated Statement of Changes Equity

EURm	Share capital	Translation reserves	Treasury shares	Retained earnings	Proposed dividend for the year	EAC's share of equity	Non-controlling interests	Total equity
Equity at 1 January 2019 as previously reported	**115.9**	**-1.3**	**-2.8**	**-91.6**	**0.0**	**20.2**	**0.0**	**20.2**
Impact of accounting policy change (IFRS 16)*				-3.2		-3.2		-3.2
Equity at 1 January 2019	**115.9**	**-1.3**	**-2.8**	**-94.8**	**0.0**	**17.0**	**0.0**	**17.0**
Comprehensive income for the period								
Profit for the period				-11.4		-11.4		-11.4
Other comprehensive income								
Foreign currency translation adjustments, foreign entities		1.7	0.0			1.7		1.7
Foreign currency translation adjustments, transferred to profit from discontinued operations		-0.1				-0.1		-0.1
Actuarial gain/(losses), defined benefit obligations reclassified				0.0		0.0		0.0
Tax on other comprehensive income, reclassified				0.0		0.0		0.0
Total other comprehensive income	0.0	1.6	0.0	0.0	0.0	1.6	0.0	1.6
Total other comprehensive income for the period	**0.0**	**1.6**	**0.0**	**-11.4**	**0.0**	**-9.8**	**0.0**	**-9.8**
Transactions with the equity holders								
Reduction of share capital	-109.9	0.0	0.9	109.0		0.0		0.0
Share grant			1.9	-1.8		0.1		0.1
Total transactions with the equity holders	-109.9	0.0	2.8	107.2	0.0	0.1	0.0	0.1
Equity at 31 December 2019	**6.0**	**0.3**	**0.0**	**1.0**	**0.0**	**7.3**	**0.0**	**7.3**

Equity at 1 January 2018	**115.9**	**-7.2**	**-2.9**	**-22.3**	**0.0**	**83.5**	**0.0**	**83.5**
Comprehensive income for the period								
Profit for the period				-69.9		-69.9	0.0	-69.9
Other comprehensive income								
Foreign currency translation adjustments, foreign entities		-0.2	0.1			-0.1		-0.1
Foreign currency translation adjustments, transferred to profit from discontinued operations		6.1				6.1		6.1
Actuarial gain/(losses), defined benefit obligations				0.6		0.6		0.6
Tax on other comprehensive income				-0.1		-0.1		-0.1
Total other comprehensive income	0.0	5.9	0.1	0.5	0.0	6.5	0.0	6.5
Total other comprehensive income for the period	**0.0**	**5.9**	**0.1**	**-69.4**	**0.0**	**-63.4**	**0.0**	**-63.4**
Transactions with the equity holders								
Share grant				0.1		0.1		0.1
Total transactions with the equity holders	**0.0**	**0.0**	**0.0**	**0.1**	**0.0**	**0.1**	**0.0**	**0.1**
Equity at 31 December 2018	**115.9**	**-1.3**	**-2.8**	**-91.6**	**0.0**	**20.2**	**0.0**	**20.2**

No ordinary dividends are proposed for 2018 and 2019

CONSOLIDATED CASH FLOW STATEMENT

EURm	Note	31.12.2019	31.12.2018
Cash flows from operating activities			
Operating profit/loss		-1.1	1.4
Adjustment for:			
Other non-cash items	4.9	0.0	-2.3
Change in working capital	4.8	-0.2	0.1
Interest paid		0.0	0.0
Interest received		0.1	0.1
Corporate tax paid		0.0	0.0
Net cash flow from operating activities		**-1.2**	**-0.7**
Cash flows from investing activities			
Dividends received from associates	5.6	0.3	0.2
Investments in intangible assets and property, plant and equipment		-	0.0
Proceeds from sale of non-current assets		-	0.9
Proceeds from sale of discontinued operations (less restricted cash balances disposed)	5.5	-13.8	0.0
Net cash flow from investing activities		**-13.5**	**1.1**
Net cash flow from operating and investing activities		**-14.7**	**0.4**
Cash flows from financing activities			
Proceeds from borrowings	4.4	0.0	-2.5
Net cash flow from financing activities		**0.0**	**-2.5**
Net cash flow from discontinued operations	5.5	-5.3	4.0
Changes in cash and cash equivalents		**-20.0**	**1.9**
Cash and cash equivalents at beginning of year, continuing operations		0.3	0.3
Cash and cash equivalents at beginning of year presented as discontinued operations		20.4	18.6
Translation adjustments of cash and cash equivalents		0.4	-0.1
Cash and cash equivalents at end of year	4.7	**1.1**	**20.7**

Consolidated Notes

1. Basis of preparation of the consolidated financial statement

The consolidated financial statements of the EAC Invest for 2019 are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and Danish disclosure requirements for listed companies.

1.1 General information

The EAC Invest A/S (the Company) and its subsidiaries (together the EAC Invest or the Group) own minority shareholdings in three different companies.

The Company is a limited liability company incorporated and domiciled in Denmark. The address of its registered office is 20 Indiakaj, DK-2100 Copenhagen Ø, Denmark.

The annual report comprises both consolidated financial statements and separate Parent Company financial statements. The Company has its listing on NASDAQ Copenhagen A/S.

On 26 March 2020, the Board of Directors approved this annual report for publication and approval by the shareholders at the annual general meeting to be held on 30 April 2020.

The financial statements are presented in EUR million unless otherwise stated.

The Group's subsidiaries and associates are listed in separate section.

1.2 Changes in accounting policies and estimates

The Group has adopted the IFRS standards and amendments that are effective from 1 January 2019.
Implementation of these standards and amendments do not have a material effect on the Group's financial statements and are not expected to have any significant future impact.

Due to the transition methods chosen by the Group in applying these standards, comparative information throughout these financial statements has not been restated to reflect the requirements of the new standards, except for separately presenting impairment loss on trade receivables and contract assets.

Of the new standards and amendments implemented in 2019 the most significant are as follows:

IFRIC 23
Uncertainty over income tax treatments clarifies the accounting for uncertainties in income taxes

IFRS 16 Leases
IFRS 16 Leases is effective for the reporting period beginning on 1 January 2019.

IFRS 16 has been implemented on 1 January 2019 using the modified retrospective approach (with practical expedients) with the cumulative effect of applying the standard recognised in the opening balance of retained earnings at 1 January 2019 with no restatement of comparative information. Right-of-use assets will be measured as if IFRS 16 had been applied since the commencement date, discounted using an applicable incremental borrowing rate at the date of initial application.

Since EAC Invest divested the main business Santa Fe Relocation as of 25 September 2019 the new standard and IFRS 16 will have no impact to the continuing EAC Invest operations.

New accounting regulation for the coming years is disclosed in note 1.5.

1.3 Consolidated financial statements

Subsidiaries
Subsidiaries are entities over which the EAC Invest has control.

The EAC Invest has control over an entity, when the Group is exposed to or has rights to variable returns from its involvement in the entity and has the ability to affect those returns through its power over the entity. Only potential voting rights that are considered to be substantive at the balance sheet date are included in the control assessment. Subsidiaries are fully consolidated from the date on which control is transferred to the EAC Invest. They are deconsolidated from the date on which control ceases. Intercompany transactions, balances and unrealised gains on transactions between consolidated companies are eliminated.

1.4 Foreign currency translation

Items included in the financial statements of each of the EAC Invest's entities are measured using the currency of the primary economic environment in which the entity operates ('functional currency'). The EAC Invest is a Danish listed group, however the consolidated financial statements are presented in EUR ('presentation currency') representing the predominant functional currency within EAC Invest up to the divestment of the Relocation business which took place on 25 September 2019.

Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency translation adjustments resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

EAC Invest companies
The items of the income statements and balance sheets of foreign subsidiaries with a functional currency other than EUR are translated into the presentation currency as follows:

- (i) assets and liabilities are translated at the closing rate at the date of the balance sheet;
- (ii) income and expenses are translated at the rate of the transaction date or at an approximate average rate; and
- (iii) all resulting foreign currency translation adjustments are recognised as a separate component of equity.

Foreign currency translation adjustments of a loan or payable to subsidiaries which are neither planned nor likely to be settled in the foreseeable future and which are therefore considered to form part of the net investment in the subsidiary are recognised directly in other comprehensive income.

When a foreign operation is disposed or a significant capital reduction in a foreign operation is effected, the EAC Invest's share of accumulated foreign exchange adjustments are recycled from other comprehensive income and recognised in the income statement as part of the gain or loss on the sale.

Goodwill arising on the acquisition of a foreign entity is treated as an asset of the foreign entity and translated at the foreign exchange rate at the balance sheet date.

1.5 New Accounting Regulation

The IASB has issued a number of new standards and amendments not yet in effect or endorsed by the EU and therefore not relevant for the preparation of the 2019 Financial Statements. None of these are currently expected to carry any significant impact on the EAC Invest's Financial Statements when implemented.

The implementation of new or revised standards and interpretations, which are mandatory for the Financial Statements for 2019, has changed the scope of note disclosures but has not led to changes in recognition and measurement.

None of the standards and amendments implemented had material impact on the Group's Financial Statements.

1.6 Significant Accounting Estimates and Judgements

In connection with the preparation of the consolidated financial statements, Management has made accounting estimates and judgements affecting the assets and liabilities reported at the balance sheet date as well as the income and expenses reported for the financial period.

Management continuously reassesses these estimates and judgements based on a number of factors in the given circumstances.

Significant accounting estimates and judgements considered material in the preparation and understanding of the consolidated financial statements are listed below and described in more detail in the relevant notes:

- Financial instruments by category (note 4.3)
- Contingent liabilities and uncertain tax positions (note 5.7)

1.7 Going Concern

According to the regulations for preparation of financial statements, the Management is required to determine whether the financial statements can be presented on a ‘going concern' basis. Based on estimated future prospects, expectations of future cash flow, availability of liquidity, etc.

The Board of Directors has considered the Group's cash flow forecasts for a period of not less than 12 months from the date of approval of these financial statements. Based on this review, the Board of Directors has assessed that, taking into account reasonably possible changes in dividend from minority investments and estimated operating cost for EAC Invest Parent, the Group will be able continue as a going concern. Accordingly, EAC Invest continues to apply the going concern basis of accounting in preparing its financial statements.

Management has concluded that there are no factors giving reason to doubt whether the EAC Invest can and will continue operations for at least 12 months from the balance sheet date. However, Management refer to the Strategy section on page 8 (Danish tax cases) as well as the contingent liability note in note 5.7.

2. Result for the year

The section provides a description of consolidated operating profit including special items. Reference is also made to the comments on the profit development of the Group in the Financial Review on page 11-15.

2.1 Operating Segments

Accounting policies
The presentation of operating segments for the EAC Invest Group reflects the Group's legal entity structure in line with the internal management reporting. Information about operating segments is provided in accordance with the Group's accounting policies. Segment assets and liabilities comprise items which are directly attributable to the individual segment and certain allocated items.

Subsequent to the divestment of the Santa Fe Relocation business, the Group has only one segment. The discontinued operations is disclosed in note 5.5.

2.2 Other External Expenses

Accounting policies
Other external expenses comprise of expenses associated with the listing of EAC Invest at the Nasdaq stock exchange in Copenhagen, travelling, IT, communications and office expenses.

2.3 Staff Costs

Accounting policies
Staff cost include wages and salaries, pensions, social security cost and other staff cost. Staff cost are recognised in the financial year in which the employee renders the related service. Cost related to long term employee benefits, e.g. share-based payments, are recognised in the period to which they relate.

	2019	2018
Salaries and wages to employees	0.5	0.3
Salaries to the Executive Board of the Parent Company	0.1	0.1
Board fees to the Board of Directors of the Parent Company (fixed fee only)	0.1	0.2
Equity - settled share-based payment transactions, employees [1]	0.0	0.0
Total staff costs	**0.7**	**0.6**
Of which compensation to Executive Board		
Salaries and other short-term employee benefits	0.1	0.1
Total	**0.1**	**0.1**

[1] For further see note 5.4

Employment contracts for members of the Executive Board contain terms and conditions that are common to those of their peers in companies listed on Nasdaq Copenhagen - including terms of notice and non-competition clauses.

Number of employees	**2019**	2018
EAC Invest Group average	3	2
EAC Invest Group, end period	3	2

2.4 Other Operating Income

Accounting policies
Other operating income comprise items of a secondary nature to the EAC Invest Group's main activity, including rental income, management service fee and gains on the sale of intangible assets and property, plant and equipment.

EURm	2019	2018
Rental income	0.0	0.0
Management service fee	0.6	0.5
Total	**0.6**	**0.5**

2.5 Other Operating Expenses

Accounting policies
Other operating income comprise items of a secondary nature to the EAC Invest Group's main activity, including losses on the sale of intangible assets and property, plant and equipment.

EURm	2019	2018
Loss on sale of fixed assets	0.0	0.1
Other	0.0	0.0
Total	**0.0**	**0.1**

2.6 Special Items

Accounting policies
Special items include significant income and expenses that cannot be attributed directly to the Group's ordinary operating activities.

Special items include restructuring costs associated with major organisational changes within the EAC Invest Group including fundamental structural, procedural and managerial reorganisations, restructuring cost relating to acquisition and divestment of enterprises and major gains or losses arising from disposals of assets that have a material effect in the reporting period and other significant non-recurring items.

EURm	2019	2018
Cost related to merger, acquisition and divestments	-0.4	-0.3
Reversed provision related to the Interdean acquisition	0.0	1.4
Other	0.0	1.0
Total	**-0.4**	**2.1**

3. Operating Segments and Liabilities

This section covers the operating assets and related liabilities that form the basis for EAC Invest's activities.

3.1 Intangible Assets

Accounting policies
Amortisation for the year are recognised in the Income Statement based on the amortisation profiles determined for the intangible assets and detailed by category below.

Goodwill
In connection with the acquisition of subsidiaries, goodwill is determined in accordance with the acquisition method. Goodwill is measured at cost less accumulated impairment losses. Goodwill is allocated to cash generating units for the purpose of impairment testing. Each of those cash generating units represents the investment of the business segments in each region of operation.

Goodwill and assets with indefinite useful lives are subject to annual impairment tests. Other non-current assets are tested for impairment when there is an indication that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

Brands, trademarks and licences
Brands, trademarks and licences with a definite useful life are measured at cost less accumulated amortisation and impairment losses. Amortisation is provided on a straight-line basis over the estimated useful lives of the assets.

Trademarks with an indefinite useful life are not amortised but tested annually for impairment.

Software
The cost of acquired software licences comprises of the cost incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives on a straight-line basis.

Costs that are directly associated with the production of identifiable and unique software products controlled by EAC Invest, and that will probably generate economic benefits are recognised as intangible assets. Such software development cost are amortised over their estimated useful lives.

Trademarks with finite useful life	Max. 20 years depending on the strength of the trademark and expected use
Software etc.	3-5 years
None-compete agreements	Max. 5 years depending on contractual terms
Supplier contracts	Max. 5 years depending on contractual terms
Customer relationships	3-15 years depending on customer loyalty track record

	Goodwill[1]	Trademarks	Software	Other[1]	Total
2019					
Cost:					
01.01.	49.1	26.8	15.9	7.2	99.0
Translation adjustments	0.6	0.0	0.3	0.1	1.0
Additions	0.0	0.0	1.3	0.0	1.3
Disposals, discontinued operations	-49.7	-26.8	-16.8	-7.3	-100.6
Reclassification	0.0	0.0	-0.1	0.0	-0.1
31.12.	0.0	0.0	0.6	0.0	0.6
Amortisation/impairment:					
01.01.	39.1	26.8	6.9	7.2	80.0
Translation adjustments	0.0	0.0	0.4	0.1	0.5
Amortisation for the year, discontinued operations	0.0	0.0	1.9	0.0	1.9
Disposals	0.0	0.0	0.0	0.0	0.0
Disposals, discontinued operations	-39.1	-26.8	-8.5	-7.3	-81.7
Reclassifications	0.0	0.0	-0.1	0.0	-0.1
31.12.	0.0	0.0	0.6	0.0	0.6
Carrying amount 31.12.	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

[1] The carrying amount of goodwill and other intangible assets, related to customer relationships from the acquisition of Interdean, was written off 31 December 2018 and cost, amortisation and impairment has been disposed with the Santa Fe Relocation divestment.

	Goodwill[1]	Trademarks	Software	Other[1]	Total
2018					
Cost:					
01.01.	81.6	45.9	14.4	11.6	153.5
Translation adjustment	-1.8	-1.0	0.1	-0.2	-2.9
Additions	0.0	0.0	3.2	0.0	3.2
Disposals, discontinued operations	-30.7	-18.1	-1.8	-4.2	-54.8
31.12.	49.1	26.8	15.9	7.2	99.0
Amortisation/impairment:					
01.01.	32.5	45.9	6.1	8.5	93.0
Translation adjustments	-1.8	-1.0	0.2	-0.2	-2.8
Impairment for the year, discontinued operations	39.1	0.0	0.0	2.5	41.6
Amortisation for the year, continuing operations	0.0	0.0	2.1	0.6	2.7
Amortisation for the year, discontinuing operations (Santa Fe Australia)	0.0	0.0	0.3	0.0	0.3
Disposals, discontinued operations	-30.7	-18.1	-1.8	-4.2	-54.8
31.12.	39.1	26.8	6.9	7.2	80.0
Carrying amount 31.12.	**10.0**	**0.0**	**9.0**	**0.0**	**19.0**

[1] The carrying amount of goodwill (EUR 39.1m) and other intangible assets of EUR 2.5m, related to customer relationships from the acquisition of Interdean, was written off 31 December 2018.

		Trademarks		Goodwill	
		2019	2018	**2019**	2018
Acquisition:	**Country:**				
Santa Fe Asia[1]	Asia	-	0.0	-	10.0
Interdean International Relocation Group [2,3]	EMEA	-	-	-	-
Total		**0.0**	**0.0**	**-**	**10.0**

[1] 16 countries across Asia
[2] 35 countries across Europe (including Russia) and Central Asia

EACInvest

3.2 Property, Plant and Equipment

Accounting policies
Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent cost is included in the asset's carrying amount or recognised as a separate asset when it is probable that future economic benefits associated with the item will flow to EAC Invest, and the cost of the item can be measured reliably.

Depreciation for the year are recognised in the Income Statement based on the depreciation profiles determined for the assets. Land is not depreciated. Depreciation on other assets are provided on a straight-line basis over their estimated useful lives, as follows:

Buildings	20-30 years
Plant, etc.	20-30 years
Other installations	3-15 years
IT equipment	3 years

The cost of an asset is divided into separate components which are depreciated separately if their useful lives differ.

The assets' residual values and useful lives are reviewed and adjusted annually if appropriate

Assets held for sale
Assets, which according to the EAC Invest strategic plan are to be sold, are classified as assets held for sale when their carrying amount is primarily expected to be realised in connection with a sale within 12 months. Such assets and related liabilities are presented separately in the balance sheet.

EURm	Land and buildings etc.	Other assets, installations, IT equipment etc.	Trucks, vehicles etc.	Total
2019				
Cost:				
01.01.	7.6	13.5	5.8	26.9
Translation adjustment	0.0	0.3	0.2	0.5
Additions for the year, Right of use assets - Discontinued operations	19.0	0.8	0.7	20.5
Additions for the year, discontinued operations	0.1	0.4	0.0	0.5
Disposals for the year, discontinued operations	0.0	-0.3	-0.9	-1.2
Disposals, discontinued operations	-26.7	-14.6	-5.8	-47.1
31.12.	0.0	0.1	0.0	0.1
Depreciation/Impairment:				
01.01.	2.3	9.9	4.3	16.5
Translation adjustment	0.0	0.1	0.3	0.4
Depreciation for the year, discontinued operations	4.4	1.2	0.6	6.2
Disposals	0.0	-0.2	-0.7	-0.9
Disposals, discontinued operations	-6.7	-10.9	-4.5	-22.1
31.12.	0.0	0.1	0.0	0.1
Carrying amount 31.12.	**0.0**	**0.0**	**0.0**	**0.0**
Carrying amount of right of use assets	0.0	0.0	0.0	0.0

As of 25 September 2019 EAC Invest has divested the Santa Fe Relocation business including all property, plant and equipment. No right of use assets remain at EAC Invest as of 31 December 2019.

The Santa Fe Group was at 31 December 2019/18 not contractually committed to any future investments related to property, plant and equipment.

EURm	Land and buildings etc.	Other assets, installations, IT equipment etc.	Trucks, vehicles etc.	Total
2018				
Cost:				
01.01.	10.9	15.5	12.6	39.0
Translation adjustment	0.0	0.0	-0.3	-0.3
Additions	0.4	0.8	0.2	1.4
Disposals	-2.7	-1.1	-3.3	-7.1
Disposals, divestment RM (Portugal)	0.0	-0.4	0.0	-0.4
Disposal, discontinued operations	-1.0	-1.3	-3.4	-5.7
31.12.	7.6	13.5	5.8	26.9
Depreciation/Impairment:				
01.01.	5.0	10.5	8.2	23.7
Translation adjustment	0.0	0.0	-0.1	-0.1
Depreciation for the year, continuing operations	0.3	1.6	0.5	2.4
Depreciation for the year, discontinuing operations (Santa Fe Australia)	0.2	0.0	0.5	0.7
Disposals	-2.7	-1.0	-3.1	-6.8
Disposals, divestment RM (Portugal)	0.0	-0.3	0.0	-0.3
Disposals, discontinued operations	-0.5	-0.9	-1.7	-3.1
31.12.	2.3	9.9	4.3	16.5
Carrying amount 31.12.	**5.3**	**3.6**	**1.5**	**10.4**
Carrying amount of financial leases	5.0	0.7	0.5	6.2

A warehouse in Beijing was reclassified to assets held for sale end of 2017 following the divested Record Management activities in China which was not finally closed as at 31 December 2017. Current expectation is a transaction can be closed during 2019 and consequently the carrying amount of the Beijing warehouse, amounting to EUR 1.6m, has continued to be classified as asset held for sale at the balance sheet date. The Santa Fe Group was at 31 December 2018/17 not contractually committed to any future investments related to property, plant and equipment.

3.3 Other Receivables

EURm	**2019**	2018
Prepayments	0.0	2.7
Deposits	0.0	1.7
Other receivables	0.4	4.0
Total	**0.4**	**8.4**

3.4 Employee benefits

Accounting policies

Pension obligations
EAC Invest has no pension plans as of 31 December 2019. The pension plan as of 31 December 2018 are primarily defined contribution plans within the discontinued Santa Fe Relocation business.

For defined benefit plans, the actuarial present value (projected unit credit method) of future benefits under the defined benefit plan less the fair value of any plan assets is recognised in the balance sheet as defined benefit obligations. Pension cost for the year are recognised in the income statement based on actuarial estimates at the beginning of the year. Actuarial gains or losses are recognised in other comprehensive income.

Defined benefit obligations
EAC Invest A/S has no pension plans as of 31 December 2019. The divested Santa Fe Relocations business participates as employer in pension plans depending on local regulations. Usually these pension plans are defined contribution plans, however following the acquisition of Interdean in 2011 also some defined benefit plans in Switzerland, where the pension plan is classified as a defined benefit pension plan because the Company's obligation towards the plan participants under Swiss legislation are not fully discharged when the annual contribution to the plan has been made.

EURm	**2019**	2018
Fair value of plan assets	0.0	-1.8
Present value of obligations	0.0	2.7
Net liability recognised (funded plans) 31.12.	0.0	0.9

The plan assets consist primarily of insurance contracts, but also equity securities and cash (no treasury shares).

The net liability is on actuarial calculations applying assumptions regarding primarily discount rate, expected return on plan assets, future salary increases and future pension increases.

The discount rate applied for 2018 is 1.0% and determined on basis of corporate bonds with a high credit rating (AA or AAA). A change in the discount rate of +/- 0.25 basis points would decrease/increase the liability 31 December 2018 by EUR 0.1m.

The future salary was end of 2018 is assumed to increase by 2.0% p.a. If the future salary increases by an additional 0.25% p.a., it would increase the liability by less than EUR 0.1m.

3.5 Other Liabilities

EURm	**2019**	2018
Other liabilities by origin:		
Staff payables	0.1	5.4
Duties to public authorities	0.0	2.5
Prepayment from customers	0.0	1.9
Other accrued expenses	0.4	5.1
Total	**0.5**	**14.9**

3.6 Provisions

Accounting policies

Provisions are recognised when the EAC Invest Group has a legal or constructive obligation as a result of past events and it is more probable than not that there will be an outflow of resources embodying economic benefits to settle the obligation. The amount recognised as a provision is Management's best estimate of the present value of the amount at which the liability is expected to be settled.

Other provisions primarily consist of provisions linked to acquisitions and potential warranty claims related to divestments.

EURm	Other provisions	Employee benefits	**2019**	Other provisions	Employee benefits	2018
01.01.	2.0	0.8	2.8	3.8	1.0	4.8
Translation adjustment	0.0	0.0	0.0	0.0	-0.1	-0.1
Utilised	0.0	0.0	0.0	-0.4	0.0	-0.4
Disposal, Discontinued operations	-1.5	-0.8	-2.3	0.0	-0.2	-0.2
Reversed	-0.5	0.0	-0.5	-2.8	0.0	-2.8
Additions	0.0	0.0	0.0	1.4	0.1	1.5
Reclassified	0.0	0.0	0.0	0.0	0.0	0.0
31.12.	**0.0**	**0.0**	**0.0**	**2.0**	**0.8**	**2.8**
Non-current	0.0	0.0	0.0	0.9	0.8	1.7
Current	0.0	0.0	0.0	1.1	0.0	1.1
	0.0	**0.0**	**0.0**	**2.0**	**0.8**	**2.8**

4. Capital Structure and Financing Items

This section describes how EAC Invest manages its capital structure, cash position and related risks and items. The Group's financial risks, including its credit and liquidity risks are described in more detail in note 4.5.

4.1 Shareholders' Equity

Accounting policies
Dividend distribution to the Company's shareholders is recognised as a liability at the time when the dividends are approved by the Company's shareholders. Dividends proposed for the year are disclosed separately in equity.

Treasury shares are recognised directly in equity in the reserve for treasury shares at nominal value. The difference between nominal value and the acquisition price and consideration (net of directly attributable transaction cost) and dividends on treasury shares are recognised directly in equity in retained earnings.

The translation reserve comprises foreign exchange differences arising on translation to EUR of financial statements of foreign entities.

104,494 shares of the treasury shares are held to cover the share option programme of the Group. The Board of Directors have as a consequence of the divestment of Santa Fe Relocation resolved to accelerate the vesting and exercise periods relating to all Share Options. The vesting and exercise period will expire on 23 April 2020 as described in note 5.4.

The Board of Directors has been authorised to allow the EAC Invest Group to acquire treasury shares in the period until the next Annual General Meeting up to a combined nominal value of 10% of the share capital; as permitted under section 48 of the Danish Companies Act. The purchase price may not deviate by more than 10 per cent from the official price quoted on NASDAQ Copenhagen at the time of acquisition. However, the authorisation was cancelled in connection with the extraordinary Annual General meeting on 3 March 2020.

Shares consist of only one share class and include no special rights, preferences or restrictions. All shares are fully paid up.

Capital and treasury shares	Shares of DKK 70	Nominal value DKK '000	Nominal value EUR '000
01.01.2018	12,348,060	864,364	115,862
31.12.2018 / 01.01.2019	**12,348,060**	**864,364**	**115,862**
Reduction of nominal value of shares	0	-821,146	0
31.12.2019	**12,348,060**	**43,218**	**5,793**

As at 31 December 2019, the share capital included 1,095 (2018: 1.095) half shares.

Treasury shares	Shares of DKK 70	Nominal value DKK '000	Nominal value EUR '000	% of share capital
01.01.2018	302,494	21,175	2,838	2.45
Movements	0	0	0	0.00
31.12.2018 / 01.01.2019	**302,494**	**21,175**	**2,838**	**2.45**
Movements	-198,000	-13,860	-1,858	**-1.60**
Reduction of nominal value of shares	0	-6,949	-931	**-0.16**
31.12.2019	**104,494**	**366**	**49**	**0.85**

EURm	**2019**	2018
Earnings per share		
Profit/loss from continuing operations	2.0	1.1
Non-controlling interest	0.0	0.0
EAC Invest's share of profit from continuing operations	2.0	1.1
Profit from discontinued operations	-13.6	-71.0
Non-controlling interest	0.0	0.0
EAC Invest's share of profit from discontinued operations	-13.6	-71.0
Average number of shares outstanding	12,348,060	12,348,060
Average number of own shares	186,994	302,494
Average number of shares excluding own shares	12,161,066	12,045,566
Average dilution effect of outstanding options	0	0
Diluted average number of shares	**12,161,066**	**12,045,566**

At 31 December 2019, all of the outstanding share options are out-of-the-money.

Outstanding share options, as further explained in note 5.4, may dilute EPS in the future

EURm	**2019**	2018
Earnings per share (EUR)	**-0.9**	**-5.8**
from continuing operations	0.2	0.1
from discontinued operations	-1.1	-5.9
Earnings per share diluted (EUR)	**-0.9**	**-5.8**
from continuing operations	0.2	0.1
from discontinued operations	-1.1	-5.9

4.2 Financial Income and Expenses

Accounting policies
Financial income and expenses comprise interest income and expenses, exchange gains and losses on debt and transactions in foreign currencies, as well as amortisation of financial assets and liabilities, etc.

EURm	**2019**	2018
Interest income on financial assets measured at amortised cost	0.0	0.1
Foreign exchange gains	0.0	0.0
Dividends from shares, external	0.0	0.0
Interest income on income tax receivable	0.3	0.0
Total financial income	**0.0**	**0.1**
Interest expenses and fees on financial liabilities measured at amortised cost	0.0	0.1
Foreign exchange losses	0.1	0.2
Total financial expenses	**0.1**	**0.3**
Total, net	0.2	-0.2

4.3 Financial Instruments by Category

EURm	2019	2018
Financial assets measured at fair value through OCI		
Other investments (fair value is based on the weighted estimated probabilities of different outcomes of the investment, including net present value of expected future cash flows (dividends) using a discount factor of 6.5% p.a. (6% p.a.). Estimated gain on selling the property based on observable market data and given different development scenarios)	1.6	1.6
Total	**1.6**	**1.6**
Financial assets measured at amortised cost		
Trade receivables	0.0	48.0
Other receivables1, non-current and current	0.4	13.6
Bank and cash balances	1.1	20.7
Total	**1.5**	**82.3**
Financial liabilities measured at amortised cost		
Non-current borrowings	0.0	2.8
Bank loans, current, etc.	0.0	37.2
Trade payables	0.0	39.6
Other liabilities2, current	0.4	5.1
Total	**0.4**	**84.7**

1 Excluding non-financial instruments such as prepayments, staff receivables etc. of EUR 0.0m (EUR 6.1m).
2 Excluding non-financial instruments such as public debt, staff payables etc. of EUR 0.1m (EUR 15.7m).

Significant accounting estimates
Financial assets measured at fair value through OCI:
The fair value of the financial assets are approximately equal to the carrying amount. EAC Invest holds a 5% ownership in the Joint Venture Beijing Dongzhimen International Apartment Co., Ltd. The majority shareholder controlling 95% is Shougang Group (China Steel) through subsidiaries. The joint venture was established in December 1986, with a 45-year duration until December 2031. East Lake Villas (ELV) is a 44,000 square meter property in Beijing, with a total construction area of 72,000 square meters for apartments, villas, club and office space. ELV is currently moderately profitable and generates a regular modest dividend, substantially below the potential of the property, given the location, size and current plot ratio and allowable construction floor area. ELV holds a significant upside, but the shareholder agreement is not beneficial to EAC Invest when the current agreement expires in 2031, and realisation of an upside is fully dependent on close alignment and collaboration with Shougang Group. EAC Invest's strategy is to collaborate closely with Shougang Group to establish and implement a development that maximises value of ELV for its investors.

For trade receivables and payables as well as other receivables and payables this is due to the short-term nature of these balances.

For non-current borrowings and bank loans this is based on floating interest rate-based balances and assumed minimal changes in credit risk.

4.4 Financial Liabilities

Accounting policies

Financial liabilities are initially recognised at fair value (typically the amount of the proceeds received), net of transaction costs incurred. In subsequent periods, the financial liabilities are measured at amortised cost; any difference between the cost (the proceeds) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Previous to 1 January 2019, and the implementation of IFRS 16, leases of property, plant and equipment, where substantially all the risks and rewards of ownership are transferred to the Group, are classified as finance leases. Financial liabilities also include the outstanding obligation under finance leases, measured at amortised cost.

Financial liabilities are classified as current liabilities unless EAC Invest has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

EURm	**2019**	2018
Non-current borrowings:		
Finance lease liabilities	0.0	2.8
Total	**0.0**	**2.8**
Current borrowings:		
Bank loans	0.0	36.8
Finance lease liabilities	0.0	0.4
Total	**0.0**	**37.2**
Total borrowings	**0.0**	**40.0**
Maturity of current and non-current borrowings:		
Less than one year	0.0	37.2
Between one and five years	0.0	1.1
More than five years	0.0	1.7
Total	**0.0**	**40.0**

At 31 December 2018 all non-current and current borrowings are floating interest based.

The borrowings are exposed to interest rate and currency risk, refer to note 4.5.

EAC Invest has no financial liabilities related to right of use assets in accordance with IFRS 16. Since comparative figures has not been restated for the changes following IFRS 16, below table is the financial lease position as of 31 December 2018 under the previous accounting policy.

The divested Santa Fe Relocation business had entered into financial lease contracts of which the main contract is related to a warehouse lease in France with a finance lease liability (present value of minimum lease payments) of EUR 2.9m 31 December 2018.

Finance lease liabilities are payable as listed below. The carrying amount of financially leased assets is disclosed in note 3.2.

	2019			2018		
EURm	**Future minimum lease payments**	**Interests**	**Present value of minimum lease payments**	Future minimum lease payments	Interests	Present value of minimum lease payments
Less than one year	0.0	0.0	0.0	0.5	0.1	0.4
Between one and five years	0.0	0.0	0.0	1.3	0.2	1.1
More than five years	0.0	0.0	0.0	1.8	0.1	1.7
	0.0	**0.0**	**0.0**	**3.6**	**0.4**	**3.2**

4.5 Financial Risks

Group policy for managing risk and capital

The divestment of the Santa Fe Relocation business has resulted in a need for an independent liquidity management. With a limited dividend stream from minority investments, EAC Invest has to manage the liquidity position very carefully to allow the necessary time span to divest the remaining minority investments best possible.

EAC Invest is primarily exposed to liquidity and funding risk, and to a lesser extent to financial market risks from movements in foreign exchange rates.

EAC Invest's financial risk management activities follow a policy framework approved by the Board of Directors. It is the EAC Invest's policy not to engage in any active speculation in financial risks. Therefore, the Group's financial management is focused on managing or eliminating financial risks relating to operations and funding.

Allocation to shareholders of available cash will primarily be in the form of share buybacks. EAC Invest will after dividend payments from investments in Thailand and China, as well as the expected tax refund from Danish Tax Authorities, retain a significant cash position during 2020. The unfavourable interest environment for cash deposits, with negative interest rates, could result in a significant potential interest cost, which will be mitigated best possible. EAC Invest is not in a position to pay out the excess cash to shareholders until the tax cases have been finally concluded, and various options are therefore being considered, to keep the cash as productive as possible in the best interest of the shareholders.

Managing capital

EAC Invest aims at maintaining a conservative debt-equity ratio.

Credit risk

EAC Invest has limited external credit risk related to liquid funds.

At the balance sheet date, the total credit risk amounts to EUR 1.1m (DKK 0.3m – continuing operations) corresponding to the amounts of cash and cash equivalents recognised in the balance sheet.

The available funds (cash and cash equivalents) of the Group are placed as demand or time deposits at relatively short terms. The Group is exposed to the risk that financial counterparties may default on their obligations towards the EAC Invest Group.

Accounting policies

Trade receivables are recognised at the trade date, initially measured at fair value and subsequently at amortised cost using the effective interest method, less provision for impairment. Loss allowances for impaired trade receivables are provided following an expected credit-loss model. The loss ratio is determined on the basis of historical data for losses realised.

Impairment of trade receivables

EURm	**2019**	2018
Balance at the beginning of the year	1.0	1.2
Translation adjustment	0.0	0.0
Additions during the year	0.0	0.3
Realised losses during the year and reversals	-0.3	-0.5
Discontinued operations	-0.7	0.0
Balance at the end of year	0.0	1.0

No significant losses were incurred in respect of individual trade receivables in 2018. Generally, no security is required from customers regarding sales on credit. The impairment assessments of trade receivables was changed as of 1 January 2018 and are now considered based on the IFRS 9 expected credit loss model, where previously an incurred loss model was applied. The changes in accounting policies have had no impact on equity and net profit/loss for 2018.

Trade receivables past due compound as follows (EUR 0m of trade receivables as of 31 December 2019):

		month (due)					
EURm	not due	0 - 1	1 - 2	2 - 3	3 - 6	> 6	**2018**
Receivables, not due	31.4						31.4
Receivables past due but not impaired		4.2	2.7	2.1	4.0	3.6	16.6
							48.0
In % of receivables not due and due but not impaired	65	9	6	4	9	7	
Expected loss ratio	0.0%	0.0%	0.6%	1.1%	3.5%	19.7%	
Impaired receivables past due	0.0	0.0	0.0	0.0	0.1	0.9	1.0
							49.0
Allowances for doubtful trade receivables							-1.0
Total trade receivables (net)							**48.0**

Liquidity risk

Liquidity risk is the risk of EAC Invest being unable to meet its obligations as they fall due because of inability to realise assets or obtain adequate funding. EAC Invest aim at maintaining a liquidity position which is sufficient to service financial obligations as they fall due.

On 25 September 2019 EAC Invest divested its subsidiary Santa Fe Group Limited, which held the group's relocation activities, to Santa Fe Intressenter AB, a company controlled by Lazarus Equity Partners with support from Proventus Capital Partners. The sale included the total debt to Proventus Capital Partners of EUR 38m, thus ending the company's previously announced financial challenges. All obligations related to the divested entity were waived. In connection with the sale, EAC Invest A/S did receive a cash consideration of EUR 1m.

EAC Invest had liquid funds at the end of 2019 of EUR 1.1m (DKK 0.3m – continuing operations).

The Board of Directors has considered the Group's cash flow forecasts for a period of not less than 12 months from the date of approval of these financial statements. Based on this review, the Board of Directors has assessed that, taking into account reasonably possible changes in dividend from minority investments and estimated operating cost for EAC Invest Parent, the Group will be able continue as a going concern. Accordingly, EAC Invest continues to apply the going concern basis of accounting in preparing its financial statements.

Management has concluded that there are no factors giving reason to doubt whether the EAC Invest can and will continue operations for at least 12 months from the balance sheet date. However, Management refer to the Strategy section on page 8 (Danish tax cases) as well as the contingent liability note in note 5.7.

Contractual maturities of financial liabilities:

		Contractual maturity incl. interest (cash flow)			
EURm	Carrying amount	Total	< 1 years	1 - 5 years	> 5 years
2019					
Non-derivative financial instruments					
Borrowings (non-current and current)	0.0	0.0	0.0	0.0	0.0
Trade payables	0.0	0.0	0.0		
Other liabilities	0.4	0.4	0.4		
2018					
Non-derivative financial instruments					
Borrowings (non-current and current)	40.0	45.3	42.2	1.3	1.8
Trade payables	39.6	39.6	39.6		
Other liabilities	5.1	5.1	5.1		

The contractual maturity overview represents the contractual undiscounted cash flows including estimated interest payments. Interest payments are based on current market conditions. Contractual commitments regarding property, plant and equipment are not reflected in the overview but the Group has not entered into any contractual agreements by the end of 2019 or 2018.

Currency risk
The Group is exposed to foreign exchange risk on balance sheet items, partly in terms of translation of debt denominated in a currency other than the functional currency of the relevant Group entity, and partly in terms of translation of net investments in entities with a functional currency other than EUR. The former risk affects the net profit.

The Group is exposed to translation risks from currency translation into the Group reporting currency (EUR). The EAC Invest Group's business activities are conducted in different currencies: THB and CNY. In order to minimise the currency risk available cash is to the extent possible up streamed to the Danish Parent company as fast as possible.

In the countries (particularly in Thailand and China) where the Group investments is represented, the currency correlates partly with the USD. Developments in exchange rates between EUR and the functional currencies of subsidiaries had an immaterial impact to EAC Invest's full-year EBITDA before special items.

Interest rate risk
EAC Invest exposure to interest rate fluctuations is very low as the company is debt free. EAC Invest is by the end of 2019 not exposed to floating interest rate risk on overdraft facilities as there were no loans or overdraft facilities.

However, the company is exposed to negative interests on deposits. The unfavourable interest environment for cash deposits could result in a significant potential interest cost, which will be mitigated best possible. EAC Invest is not in a position to pay out the excess cash to shareholders until the tax cases have been finally concluded, and various options are therefore being considered, to keep the cash as productive as possible in the best interest of the shareholders.

At the end of 2019, the combined interest rate risk was DKK 0m (DKK 0m) in the case of a one-percentage point increase in the interest rates (impact on net profit and equity). The sensitivity analysis is based on a weighted average of the monthly net interest bearing debt during the year.

4.6 Cash and Cash Equivalents

Accounting policy
Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments.

Cash and Cash equivalents

EURm	**2019**	2018
Cash held direct	1.1	11.7
Cash held on behalf of clients	0.0	8.0
Petty cash	0.0	0.2
Restricted cash	0.0	0.8
Total	**1.1**	**20.7**

4.7 Statement of Cash Flow

Accounting policy
Cash flows from operating activities are presented using the indirect method and stated as the consolidated operating profit/loss (EBIT) adjusted for non-cash operating items, including depreciation, amortisation and impairment losses, provisions and changes in working capital, interest received and paid and corporation taxes paid. Working capital comprises current assets less current liabilities excluding the items included in cash and cash equivalents, borrowings, tax payables and provisions.

Cash flows from investing activities comprise cash flows from business acquisitions and disposals and cash flows from the purchase and sale of intangible assets, property, plant and equipment and investments as well as dividends from associated companies. The cash flow effect of the acquisitions and disposals of companies is shown separately in cash flows from investing activities.

Cash flows from financing activities comprise changes in the amount or composition of the Group's share capital and related expenses as well as cash flows from draw down and repayment of borrowings as well as payment of dividends to shareholders including non-controlling interests.

Cash and cash equivalents comprise cash as well as short term securities with a term to maturity of less than 3 months, which are easily realisable and only subject to immaterial risk of change in value. Bank overdrafts are shown under borrowings in current liabilities in the balance sheet.

4.8 Change in Working Capital

EURm	2019	2018
Changes in other receivables/payables	-0.2	0.1
Total	**-0.2**	**0.1**

4.9 Other Non-Cash Items

EURm	2019	2018
Changes in provisions	-	-2.3
Share based payments	0.0	0.0
Foreign currency and other adjustments	0.0	0.0
Total	**0.0**	**-2.3**

4.10 Divestment of Records Management Activities

	2018
Purchase Price	0.4
Transaction costs	-0.2
Provision for warranties etc.	0.5
Carrying amount of assets disposed	-0.1
Gain on divestment	**0.6**
Non-cash items:	
Carrying amount of assets disposed	0.1
10% cash holdback	3.7
Provision for warranties etc.	-0.7
Deferred consideration 1)	12.5
Proceeds from divestment	**16.2**

1) Proceeds received 3rd January 2018 in China.

On 15 November 2017, the Santa Fe Group finalised and signed the agreement to divest the Records Management business in China and a warehouse property in Beijing to Iron Mountain Inc. against a cash consideration of EUR 23m. The business sale closed end of 2017, whereas it was not yet been possible to close the property sale. Santa Fe has opened up for other potential buyers to present offers for the property in order to expedite a transaction. Expectations end of 2018 was that a transaction could be closed during 2019 and consequently the carrying amount of the Beijing warehouse amounting to EUR 1.6m has been classified as asset held for sale at the balance sheet date 2018. All holdbacks related to the divestment of Records Management in 10 markets (cf. announcement no 7/2016) have been released during the first 10 months of 2018. The total released amount is EUR 2.7m. A further EUR 1.0m holdback related to the China transaction was released in December 2018.

During Q1 2018 the Santa Fe Group finalised the sale of the last remaining Records Management activity in Portugal. The transaction took the form of an asset transfer against a cash consideration of EUR 0.4m with an associated divestment gain of EUR 0.3m. The divestments of the Records Management business in China and Portugal resulted in a total divestment gain during 2018 of approximately EUR 0.6m, net proceeds received before tax of EUR 16.2m. The net gain before tax from the divestment is recognised as special items.

5. Other Disclosures

5.1 Income Tax Expense

Accounting policies
The tax for the year consists of current tax and changes in deferred tax for the year and considering uncertainty over income tax treatments. The tax for the year is recognised in the Income Statement, other comprehensive income or equity.

INCOME TAX EXPENSE

EURm	**2019**	2018
Current tax on profit for the year	-2.8	0.0
Change in deferred tax during the year	0.0	0.0
Corporate income tax	**-2.8**	**0.0**
Withholding tax	0.0	0.0
Income tax expense	**-2.8**	**0.0**
Profit before income tax	-0.8	1.1
Share of profit in associates	-0.3	0.1
Profit before income tax, excluding share of profit in associates	**-1.1**	**1.2**
Reported effective corporate tax rate (per cent)	**254.5**	**0.0**
Danish corporate tax rate in per cent	22.0	22.0
Corporation tax rate explanation		
Calculated Danish corporate income tax expense	-0.2	0.3
The tax effect from:		
Differences from non-taxable income / non-deductible expenses	-0.1	-0.3
Difference in tax rate of non-Danish companies	0.0	0.0
Utilisation of non-recognised deferred tax assets	0.3	0.0
Prior year tax adjustment	-2.8	0.0
Other	0.0	0.0
Reported corporate income tax expense	**-2.8**	**0.0**

For disclosure about uncertain tax positions refer to note 5.7

5.2 Deferred Tax

Accounting policies
Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill, which is not deductible for tax purposes and on other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Deferred tax is measured at the tax rates (and in accordance with the tax rules) applicable in the respective countries at the date when the deferred tax is expected to be realised or the deferred tax liability is settled and considering uncertainty over income tax treatments.

Under Danish tax legislation, the losses can be carried forward indefinitely. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the temporary differences can be used.

Adjustment is made for deferred tax concerning unrealised intercompany profits and losses eliminated. Changes in deferred tax due to changed tax rates are recognised in the income statement.

Deferred tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the EAC Invest Group, and it is probable that the temporary difference will not reverse in the foreseeable future.

The Group did not recognise deferred tax assets of EUR 2.6m (EUR 6.3m) in respect of tax losses carried forward amounting to EUR 11.6m (EUR 28.7m) due to uncertainty with respect to utilisation within a foreseeable future. The significant reduction in tax losses carried forward is related to a prior year tax adjustment (2010), where EAC Invest in connection with a positive ruling in the most significant pending tax case, was granted access to change a previous tax choice, and thereby being allowed to utilise tax losses carried forward in the 2010 tax return against royalty income received. As a result an expected tax payable of EUR 2.8m was reversed, which is recognised within the income tax line in the Income Statement. For further information on the pending tax cases refer to note 5.7.

The tax losses are primarily related to the Parent Company and under Danish tax legislation, the losses can be carried forward indefinitely. Deferred tax has not been calculated on temporary differences relating to investments in subsidiaries and associates as these investments are not expected to be sold within the foreseeable future. No significant tax liabilities have been identified in this respect.

Deferred tax		**2019**		2018
EURm	Assets	Liabilities	Assets	Liabilities
Fixed assets	0.0	0.0	0.6	1.4
Current assets, net	0.0	0.0	0.1	0.1
Current debt	0.0	0.0	0.0	0.0
Other liabilities	0.0	0.0	0.1	0.1
Losses carried forward	0.0	0.0	0.5	0.0
Provisions	0.0	0.0	0.3	0.1
Deferred tax assets / liabilities	0.0	0.0	1.6	1.7
Set-off within legal tax unit	0.0	0.0	0.2	0.2
Deferred tax assets / liabilities	**0.0**	**0.0**	**1.4**	**1.5**

5.3 Fees to auditors appointed at the annual general meeting

Audit fees

EURm	**2019**	2018
Auditors appointed at the annual general meeting including network firms		
Statutory audit	0.1	0.1
Other assurance services	0.0	0.0
Tax/VAT advisory services	0.0	0.0
Other non-audit services	0.0	0.0
KPMG Statsautoriseret Revisionspartnerselskab		
Statutory audit	0.1	0.1
Other assurance services	0.0	0.0
Tax/VAT advisory services	0.0	0.0
Other non-audit services	0.0	0.0

5.4 Incentive Schemes

Share Option Programmes
The Board of Directors of EAC Invest A/S (previously Santa Fe Group A/S) has for the years 2017, 2018 and 2019 granted a total of 974,800 Options to members of the global management team.

The Board of Directors have as a consequence of the divestment of Santa Fe Relocation resolved to accelerate the vesting and exercise periods relating to all Share Options. The vesting and exercise period will expire on 23 April 2020.

Exercise prices for the different options programmes are DKK 58.1, DKK 81.3, DKK 37.9 and DKK 6.7. With current share price, all options are expected to lapse with no options exercised.

Total cost recognised in income statements are EUR 0 (zero).

Restricted Shares
As contemplated by the Remuneration Policy and Incentive Guidelines as approved by the Company's general meeting, the Board of Directors have in 2019 granted a total of 198,000 Shares to members of the Management Team, against retention conditions, forfeiture conditions and salary sacrifices.

The Board of Directors have as a consequence of the divestment of Santa Fe Relocation resolved to release all restrictions connected to the share grants, and released receivers of the share grants of any conditions attached to the share grants.

The Company has covered its obligations to deliver the shares for the restricted shares through its portfolio of treasury shares. The Restricted Shares have been expensed in 2019.

5.5 Discontinued Operations

Accounting policies
A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:

Represents a separate major line of business or geographic area of operations
Is a part of a single co-ordinated plan to dispose of a separate major line of business or geographic area of operations, or
Is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale.

When an operation is classified as a discontinued operation, the comparative statement of profit or loss and other comprehensive income (OCI) is represented as if the operation had been discontinued from the start of the comparative year.

Assets, which according to EAC Invest's strategic plan are to be sold, are classified as assets held for sale when their carrying amount is primarily expected to be realised in connection with a sale within 12 months. Such assets and related liabilities are presented separately in the balance sheet.

On 25 September 2019 (Company Announcement No 16/2019) EAC Invest A/S closed the transaction with Santa Fe Intressenter AB, a company controlled by Lazarus Equity Partners with support from Proventus Capital Partners, to divest its subsidiary Santa Fe Group Limited, which holds the group's relocation activities. Upon sale, EAC Invest A/S received a cash consideration of EUR 1m and reimbursement of transaction cost to a limit of EUR 250k. Additionally, it has been agreed that EAC Invest A/S will receive 15% of the gain in the event of a future cash sale of the relocation business within 5 years from the agreement has been signed. The future gain is adjusted for e.g. debt, interest and any potential additional investments. The transaction took the form of a share transfer.

The Santa Fe Relocation business has been classified as a discontinued operation in 2019. The comparative consolidated statement of profit or loss and OCI has been represented to show the discontinued operation separately from continuing operations.

In connection with closing of the sale in September 2019, the EAC Invest's share of the accumulated negative foreign exchange adjustments related to the Santa Fe Relocation business has been recycled from other comprehensive income and recognised in net profit from discontinued operations (in the income statement) in the amount of EUR 0.1m.

Net loss from discontinued operations for 2019 amounts to EUR -5.6m. The accounting impact of the divestment as a whole was a net accounting loss for 2019 of EUR -13.6m.

Subsequent to the disposal, the EAC Invest Parent company continues to support the Santa Fe Relocation business with employees in Copenhagen that continue to provide services to Santa Fe for a management fee. Although intra-group transactions have been fully eliminated in the consolidated financial results, management has elected to attribute the elimination of transactions between the continuing operation and the discontinued operation before the disposal in a way that reflects the continuance of these transactions subsequent to the disposal, because management believes this is useful to the users of the financial statements.

To achieve this presentation, management has not eliminated from the results of the discontinued operation the inter-segment management fee from EAC Invest A/S to Santa Fe Group Limited made before its disposal. Because co-operation with the discontinued operation will continue after disposal, inter-segment management fee made by the continuing operations before the disposal are retained in continuing operations.

Discontinued operations

EURm	25.09.19	31.12.18
Revenue	**152.7**	**214.2**
Operating profit before amortisation, depreciation, impairment and special items	**11.5**	**-0.3**
Special items, net	-2.8	-4.6
Operating profit before amortisation, depreciation and impairment	**8.7**	**-4.9**
Amortisation and depreciation of intangibles, property, plant and equipment	8.1	5.2
Impairment of goodwill and other intangibles	0.0	41.6
Operating profit/loss	0.6	-51.7
Net Financials	-5.9	-2.8
Profit before income tax expense	**-5.3**	**-54.5**
Income tax expense	0.3	2.6
Profit from discontinued operations (Santa Fe Australia)	0.0	-13.9
Profit from discontinued operations	**-5.6**	**-71.0**
Loss on divestment of Santa Fe Relocation	-8.0	-
Tax on divestment	0.0	-
Net loss from discontinued operations	**-13.6**	**-71.0**
Net cash flow from operating activities	-3.5	-14.1
Net cash flow from investing activities	-1.1	12.9
Net cash flow from financing activities	-0.7	10.3
Net cash flow from discontinued operations (Santa Fe Australia)	-	-5.1
Changes in cash	**-5.3**	**-4.0**
Intangible assets	18.9	
Property, plant and equipment	25.0	
Inventories	1.6	
Trade receivables	48.2	
Work in Progress	11.2	
Other receivables	12.0	
Cash and cash equivalents	14.6	
Assets held for sale	1.7	
Current and non-current borrowings	63.9	
Trade payables	43.0	
Other liabilities including provisions	21.9	
Net liabilities sold	**4.4**	
Non-controlling interests	0.0	
EAC Invest's share of equity disposed	-4.4	
Cash consideration received	1.0	
Intercompany receivable from Santa Fe Relocation written-off	-4.7	
Recycling of accumulated negative foreign exchange translation adjustments from equity (other comprehensive income)	0.1	
Loss on divestment recognised in income statement (discontinued operations)	**-8.0**	
Cash consideration received	1.0	
Transaction cost paid	-0.2	
Cash and cash equivalents, disposed of	-14.6	
Cash outflow, net	**-13.8**	

5.6 Associates

Accounting policies
Associates are entities over which the EAC Invest has significant influence but not control, normally representing a shareholding of between 20 per cent and 50 per cent of the voting rights. Investments in associates are measured using the equity method.

Investment in associates

EUR m	2019	2018
Cost 01.01	2.9	2.8
Translation adjustment	0.3	0.1
Disposals, discontinued operations	0.0	0.0
Cost 31.12	**3.2**	**2.9**
Value adjustment 01.01	-0.1	0.0
Translation adjustment	0.0	0.0
Disposals, discontinued operations	-0.2	0.0
Net profit/(loss)	0.3	0.0
Dividend	-0.3	-0.1
Value adjustment 31.12	**-0.3**	**-0.1**
Carrying amount 31.12	**2.9**	**2.8**

The carrying amount of the investment in associates does not include goodwill

The Group's interests in its principal associates:

EURm	Country of incor-poration	Assets	Liabili-ties	Revenue	Profit/ Loss	% Inter-est held	EAC's share of profit in associ-ates	EAC's In-vestment in asso-ciates
2019								
Asiatic Acrylics Company Ltd. [1]	Thailand	5.1	-	-	0.5	51.00%	0.3	2.6
Beijing Zhongbao Drinking Water Co. Ltd.	China	1.2	0.4	1.5	-	34.89%	-	0.3
Total							**0.3**	**2.9**
2018								
Asiatic Acrylics Company Ltd. [1]	Thailand	4.5	0.0	-	(0.1)	51.00%	-	2.3
Beijing Zhongbao Drinking Water Co. Ltd.	China	1.3	0.5	1.6	0.0	34.89%	-	0.3
Alfa Relocation Management A/S	UK	1.7	1.3	7.2	0.0	50.00%	-	0.2
Total							**-**	**2.8**

1 The EAC Invest Group is not in control of the company through agreements, etc. Asiatic Acrylics holds a 17.4% indirect share in the Publicly listed company with a total market cap of THB 662m or EUR 19.8m (THB 790m or EUR 23.6m).

Financials presented for the associated companies are prepared in accordance with local GAAP in Thailand and China.

Thai Poly Acrylic Company Limited (TPA)
EAC Invest holds a 17.4% indirect ownership share in Thai Poly Acrylic Company Limited through the associated company Asiatic Acrylics Company Ltd. TPA is a publicly listed company on the Stock Exchange of Thailand (SET: TPA.BK). TPA has a production facility producing acrylics predominantly to the Thai market. The ownership in TPA is held through a joint venture with Lucite (a subsidiary of Mitsubishi Chemicals), where Lucite holds the control. TPA generates a regular profit and distributes a regular dividend. EAC Invest's strategy with TPA is to support the company's operation best possible, securing a continued dividend to shareholders, and continue to explore options to divest the shareholding at the right time and at the right price.

Zhongbao Water (ZBW)
EAC Invest holds a 34.89% ownership share in Beijing Zhongbao Drinking Water Company Ltd. ZBW produces bottled water for sale in China, predominantly to hotels, embassies, consulates, etc. The market for bottled water in China is highly competitive, and the profitability of the company has been under pressure for the past years. EAC Invest's strategy is to seek a divestment of the shareholding at the earliest possible time.

5.7 Contingent Assets/Liabilities and uncertain tax positions

CONTINGENT ASSETS AND LIABILITIES		
EURm	**2019**	**2018**
Other guarantees	0.0	0.3

EAC Invest A/S is jointly taxed with other Danish companies in the Group. As the administration company, EAC Invest A/S, has several unlimited liabilities for Danish corporate income taxes and interests within the joint taxation.

Earn Out related to Santa Fe Relocation divestment
As part of the agreement related to the divestment of Santa Fe Relocation, EAC Invest holds a potential earn-out of 15% of a potential future gain, should Santa Fe Relocation be divested before 25 September 2024. The market for corporate relocation is under considerable pressure, and at the time of the sale, Santa Fe Relocation still required time and capital to complete the strategic transformation agreed, which could impact value and timing of a potential future divestment. Due to the considerable uncertainty of whether the earn out will materialise, the earn out has not been ascribed any value, and has not been recognised as an asset in the balance sheet.

Legal proceedings pending and disputes, etc.
EAC Invest has three pending transfer pricing tax cases relating to the divested Plumrose business in Venezuela for the period 2008-14. All three cases have previously been won in the National Tax Tribunal (Landsskatteretten). The Danish Tax Authorities have, however, appealed all three cases to the Danish Courts. The Legal Adviser to the Danish Government (Kammeradvokaten) has requested that all three tax cases are processed collectively in the Danish Eastern High Court (Landsretten) and it is expected that the cases will be processed during 2020. The outcome is subject to considerable uncertainty, however the Company disagrees with the position of the tax authorities and believes that the outcome of the dispute will be in favour of the Company or will not have a material effect on the financial position of the EAC Invest Parent.

If all cases are ultimately won, this is estimated to have a positive cash impact of around EUR 1.7m (DKK 13m) which is reflected as an income tax receivable in the balance sheet. The amount is equal to additional income tax paid related to 2012 and 2013 as a consequence of tax corrections applied before the tax cases were won. The company will subsequently have total tax losses carried forward estimated of around DKK 86m. If certain cases, contrary to expectations, are lost, it will eliminate the carried forward losses and result in a substantial negative cash flow impact, which will cause material uncertainty around the company's ability to continue as a going concern.

5.8 Related parties

Ownership
The EAC Invest Group has no related parties with controlling interest. Related parties in the Group comprise affiliated companies and associates, as listed on page 84, members of the Board of Directors, Executive Board and other senior executives. Remuneration to the Board of Directors and the Executive Board is disclosed in note 2.3 and note 5.4. Shares held by the Board of Directors and the Executive Board are disclosed on page 17-18.

Transactions
The EAC Invest Group had no transactions with associates during 2019. The Group have received dividends from associated companies of EUR 0.3m (EUR 0.2m). Furthermore, the Group had no intercompany balances outstanding with associated companies at the end of the year. Intercompany transactions are eliminated in the consolidated financial statements. No further transactions with related parties have taken place during the year. Please refer to note 2.3 and 5.4 regarding remuneration of Management and for Management's possession of EAC Invest A/S shares and options.

5.9 Subsequent Events

After year-end, EAC Invest A/S has received notification from Olav W. Hansen stating that Olav W. Hansen directly and indirectly holds shares and voting rights in excess of 10% of the total number of shares and voting rights in EAC Invest A/S.

According to the announcement, as of 17 March 2020, Olav W. Hansen owns 1,236,627 shares in EAC Invest A/S, representing 10% of the company's share capital and voting rights (Company announcement No 7/10).

EAC Invest did on 27 February 2020 receive notice that the Tax Authorities (Skattestyrelsen) has referred two previously won tax cases to the court. The tax cases were previously won in the main case in the national tax court (Landsskatteretten) in November 2019. The cases are awaiting further processing.

The Corona Virus, Covid-19, has since the beginning of 2020 had material effect on global markets and almost all industries. While the businesses that EAC Invest hold minority shares in, are not directly or highly exposed to impacts from Covid-19, it must be expected that businesses will be impacted, and there is a potential downside risk to the outlook presented. This is not reflected in the outlook, due to uncertainty prevailing at the time of the annual report.

On 3 March 2020 an extraordinary general meeting was held in EAC Invest A/S (company announcement 05/20).

At the extraordinary general meeting the following resolutions were adopted:

- Proposals submitted by the Board of Directors regarding execution of a reverse share split at a consolidation ratio of 1,000:1 by:
    - Reduction of the Company's share capital by transfer to distributable reserves.
    - Revaluation of the denomination of the Company's shares by a consolidation of shares at a ratio of 1,000:1.
- Deletion of existing Board authorisations to increase the share capital by a maximum of 10%, ref. note 4.1.
- The redemption to take place in connection with the reverse share split is further described in a separate redemption announcement (company announcement 6/2020). The expected cash flow impact associated with the share buy back in connection with share consolidation is expected to be EUR 0.7m (DKK 3.5m).

No other material events have taken place after 31 December 2019.

Parent Company Financial Statements

Parent Income Statement

DKKm	Note	2019	2018
Income statement			
Other income from subsidiaries		4	3
Other external expenses		4	4
Staff costs	9	5	4
Other operating income/expenses		0	0
Operating loss before amortisation, impairments, depreciation and special items		**-5**	**-5**
Special items, net	10	**-3**	10
Operating profit/loss		**-8**	**5**
Loss on disposal of subsidiaries	12	160	0
Financing income	4	6	6
Financing expenses	5	5	818
Profit/loss before income tax expenses		**-167**	**-807**
Income tax expense	6	-21	0
Net profit/loss for the year		**-146**	**-807**
Proposed distribution of profit/loss			
Retained earnings		-146	-807
Total		**-146**	**-807**

Statement of Comprehensive Income

Net loss for the year	-146	-807
Total net comprehensive loss for the year	**-146**	**-807**

Parent Balance Sheet

DKKm	Note	**31 Dec 2019**	31 Dec 2018
Non-current assets			
Investment in subsidiaries	12	5	135
Receivables from subsidiaries	13	13	16
Total non-current assets		**18**	**151**
Current assets			
Receivables from subsidiaries	13	0	46
Other receivables	13	3	2
Current tax receivable		13	0
Cash and cash equivalents		7	0
Total current assets		**23**	**48**
Total assets		**41**	**199**

Balance Sheet – Equity and Liabilities

DKKm	Note	**31 Dec 2019**	31 Dec 2018
Equity			
Share capital	14	43	864
Retained earnings		-7	-662
Treasury shares		0	-21
Total equity		**36**	**181**
Liabilities			
Non-current liabilities			
Provision for other liabilities and charges	13	0	4
Total non-current liabilities		**0**	**4**
Current liabilities			
Payables to subsidiaries	13	1	1
Other liabilities	13	4	3
Current tax payable	13	0	10
Total current liabilities		**5**	**14**
Total liabilities		**5**	**18**
Total equity and liabilities		**41**	**199**

PARENT STATEMENT OF CHANGES IN EQUITY

DKKm	Share capital	Retained earnings	Treasury shares	Proposed dividend for the year	Total equity
Equity at 1 January 2019	**864**	**-662**	**-21**		**181**
Comprehensive income for 2019					
Net profit/loss for the year		-146			-146
Total comprehensive income for the year		**-146**		**0**	**-146**
Transactions with shareholders					
					0
Share grant		-13	14		1
Share capital reduction	-821	814	7		0
Total transactions with shareholders	-821	801	21	0	1
Equity at 31 December 2019	**43**	**-7**	**0**	**0**	**36**

No dividend is proposed for 2019

DKKm	Share capital	Retained earnings	Treasury shares	Proposed dividend for the year	Total equity
Equity at 1 January 2018	**864**	**144**	**-21**	**0**	**987**
Comprehensive income for 2018					
Net profit/loss for the year		-807			-807
Total comprehensive income for the year		**-807**		**0**	**-807**
Transactions with shareholders					
Share grant		1	0		1
Total transactions with shareholders	**0**	**1**	**0**	**0**	**1**
Equity at 31 December 2018	**864**	**-662**	**-21**	**0**	**181**

No dividend is proposed for 2018.

Further information about the share capital is disclosed in note 4.1 in the consolidated financial statements.

The Parent Company's policy for managing capital is disclosed in note 15. The Group policy for managing capital is disclosed in note 4.5 in the consolidated financial statements.

PARENT CASH FLOW STATEMENT

DKKm	Note	31 Dec 2019	31 Dec 2018
Cash flows from operating activities			
Operating profit		**-8**	**5**
Adjustment for:			
Depreciation			
Other non-cash items	16	3	-8
Change in working capital	17	7	25
Interest paid		0	0
Tax paid		0	0
Net cash flow from operating activities		**2**	**22**
Cash flows from investing activities			
Changes in non-current receivables from subsidiaries		-2	-4
Proceeds from sale of subsidiaries	12	7	0
Net cash flow from investing activities		**5**	**-4**
Net cash flow from operating and investing activities		**7**	**18**
Cash flows from financing activities			
Repayment of borrowings		0	-18
Net cash flow from financing activities		**0**	**-18**
Changes in cash and cash equivalents		**7**	**0**
Cash and cash equivalents at beginning of year		0	0
Cash and cash equivalents at end of period		**7**	**0**

PARENT NOTES

01 Basis of preparation of the Parent financial statement

The financial statements of the EAC Invest A/S parent company for 2019 are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and Danish disclosure requirements for listed companies.

GENERAL INFORMATION

For general information about the Parent Company, EAC Invest A/S, reference is made to note 1.1 in the consolidated financial statements. The Parent Company's principal activities include investment activities, operation of corporate functions and the holding of shares in subsidiaries, etc.

Basis of preparation

The separate financial statements of the Parent Company have been included in the Annual Report as required by the Danish Financial Statements Act. The separate financial statements of the Parent Company for 2019 are presented in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and Danish disclosure requirements for listed companies. The functional currency of the Parent Company is DKK and the financial statements of the Parent Company are presented in DKK million. When amounts of DKK 0m are used, the actual number is less than DKK 500 thousand unless otherwise stated.

CHANGES IN ACCOUNTING POLICIES AND ESTIMATES

Refer to the description included in note 1.2 in the consolidated financial statements. None of the changes in accounting policies referred to have impacted the Parent Company's accounting policies for recognition and measurement.

FINANCIAL STATEMENTS OF THE PARENT COMPANY

The accounting policies of the Parent Company are consistent with those applied in the consolidated financial statements (refer to section 1-5 in the consolidated financial statements) with the following exceptions:

Foreign currency translation

Foreign currency translation adjustments of balances with subsidiaries, which are neither planned nor likely to be settled in the foreseeable future, and which are therefore considered to form part of the net investment in the subsidiary, are recognised in the Parent Company's income statement as financial items.

Other income from subsidiaries

Other operating income from subsidiaries consist of management service fee and is recognised when the service has been provided.

Dividends from subsidiaries

Dividends from subsidiaries and associates are recognised in the Parent Company's income statement when the right to receive payment has been established (at the date of declaration). If the dividend exceeds the total comprehensive income of the subsidiary during the period, an impairment test is carried out.

Investments in subsidiaries and associates

Investments in subsidiaries and associates are measured at cost in the Parent Company's financial statements. If an indication of impairment is identified, an impairment test is carried out as described in the accounting policies of the consolidated financial statements (note 3.1). If the carrying amount of investments exceeds the recoverable amount, a corresponding impairment loss is recognised. Impairment losses are recognised in the Parent Company's income statement as financial items.

If the Parent Company has a legal or constructive obligation to cover a negative net asset value of a subsidiary, this obligation is recognised by means of a provision.

In the statement of cash flows, changes in current receivables/payables to/from subsidiaries are classified as changes in working capital within cash flows from operating activities. Changes in non-current receivables/payables from subsidiaries are classified as cash flows from investing activities.

NEW ACCOUNTING REGULATION

Reference is made to note 1.5 in the consolidated financial statements.

None of the described new accounting standards (IAS and IFRS) and interpretations (IFRIC) are expected to have a significant effect on the Parent Company's financial statements.

SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

In connection with the preparation of the parent company financial statements, management has made accounting estimates and judgements that affect the assets and liabilities reported at the balance sheet date as well as the income and expenses reported for the financial period.

Management continuously reassesses these estimates and judgements based on a number of other factors in the given circumstances.

Management assesses that, in respect of the financial reporting for the Parent Company, no accounting estimates or judgements are made when applying the Parent Company's accounting policies which are significant to the financial reporting apart from those disclosed in note 5.7 to the consolidated financial statements and note 18 in the Parent financial statements related to uncertain tax positions and going concern in note 1.7 in the Consolidated Financial Statements.

4 Financial Income

DKKm	**2019**	2018
Interest income on receivables from subsidiaries measured at amortised cost	3	2
Interest income on income tax receivable	2	0
Impairment loans, reversed	0	2
Foreign exchange gains	1	2
Total	**6**	**6**

5 Financial Expenses

DKKm	**2019**	2018
Impairment of loans to subsidiaries	5	0
Interest expenses and fee on financial liabilities measured at amortised cost	0	0
Impairment investment	0	818
Foreign exchange losses	0	0
Total	**5**	**818**

6 Income Tax Expense

DKKm	2019	2018
Current tax on profit for the year	-21	0
Change in deferred tax during year	0	0
Corporate income tax	**-21**	**0**
Income tax expense	**-21**	**0**
Profit before income tax	**-167**	**-807**
Reported effective corporate tax rate (%)	**12.6**	**0.0**
Danish corporate tax rate in per cent	22.0	22.0
Corporate tax rate explanation		
Calculated Danish corporate income tax expense	37	178
Corporate tax rate explanation:		
Differences from non-taxable income / non-deductible expenses	-1	0
Non-deductible impairment of investments/loans and reversals of impairment of loans from subsidiaries	-38	-180
Tax losses for which no deferred tax asset was recognised	2	2
Prior year tax adjustment	-21	
Effective tax rate (%)	**0**	**0**

The Parent Company did not recognise deferred tax assets of DKK 20m (DKK 47m) in respect of tax losses carried forward (within the Danish joint taxation scheme) amounting to DKK 86m (DKK 210m) and temporary deductible differences of DKK 3m (DKK 4m) due to uncertainty with respect to utilisation.

7 Audit Fee

DKKm	2019	2018
KPMG Statsautoriseret Revisionspartnerselskab		
Statutory audit	1	1
Other assurance services	0	0
Tax/VAT advisory service	-	-
Other non-audit services	0	0

8 Number Of Employees

DKKm	**2019**	2018
EAC Invest A/S, average	3	2

DKKm	**2019**	2018

9 Staff Costs

Salaries and wages to employees	3	2
Salaries to the Executive Board of the Parent Company	1	1
Board fees to the Board of Directors of the Parent Company	1	1
Total	**5**	**4**

Employment contracts for members of the Executive Board contain terms and conditions that are common to those of their peers in companies listed on NASDAQ Copenhagen – including terms of notice and non-competition clauses.

10 Special Items

DKKm	**2019**	2018
Cost related to merger, acquisition and divestments	-3	-2
Reversed provision related to the Interdean acquisition	0	10
Other	0	2
Total	**-3**	**10**

11 Incentive Schemes

Please refer to note 5.4 in the consolidated financial statements for information related to the Executive Board of the Parent Company.

12 Investment In Subsidiaries

DKKm	**2019**	2018
Cost 01.01.	1,734	1,733
Addition through share grant contribution to Santa Fe Group Limited	1	1
Disposals	-1,724	-
Cost 31.12.	11	1,734
Impairment:		
01.01	-1,599	-781
Impairment for the year	-131	-818
Disposals	1,724	-
Impairment 31.12	-6	-1,599
Carrying amount 31.12.	**5**	**135**

Loss On Disposal Of Subsidiaries

DKKm	**2019**	2018
Loss on divestment recognised in the income statement	-131	
Loan receivable written-off on disposal	-38	
Other receivables written-off	-2	
Provision reversed	4	
Cash consideration received	7	
Deferred consideration related to reimbursement of transaction costs	2	
Transaction costs realised	-2	
Loss on disposal of subsidiaries	**-160**	**-**

EAC Invest A/S (previously Santa Fe Group A/S) did on 25 September 2019 divest its subsidiary Santa Fe Group Limited, which held the group's relocation activities, to Santa Fe Intressenter AB, a company controlled by Lazarus Equity Partners with support from Proventus Capital Partners. For the parent company, the transaction results in an accounting loss of DKK 160m including an impairment of DKK 131m for the year writing the investment in Santa Fe Group Limited totally off. For further information refer to note 5.5 regarding discontinued operations in the consolidated financial statements.

Impairment in 2018 relates to Santa Fe Group Limited following the impairment losses recognised by the Santa Fe Relocation business combined with a general negative development in the underlying business during 2018. The impairment was based on a value in use assessment, primarily based on the key assumptions for the two CGUs in the Santa Fe Relocation business (EMEA and Asia), with the necessary adjustments relevant for EAC Invest Parent.

A list of subsidiaries and the Group’s associates is included on page 84.

EACInvest

13 Financial Instruments By Category

DKKm	2019	2018
Financial assets measured at amortised cost		
Receivables from subsidiaries, current and non-current	13	62
Other receivables, current	16	2
Cash and cash equivalents	7	0
Total	**36**	**64**
Financial liabilities measured at amortised cost		
Payables to subsidiaries, current	1	1
Other liabilities, current and non-current	4	17
Total	**5**	**18**

Fair value is estimated to be in line with carrying amounts, due to the short-term nature of the balances and the EAC Invest Parent's control over its subsidiaries.

14 Share Capital and Treasury Shares

Please refer to note 4.1 in the consolidated financial statements.

15 Credit Risk, Currency Risk, and Interest Rate Risk

Policy for managing risk

EAC Invest Parent's policy for managing risk is an integral part of the Group policy as described in note 4.5 to the consolidated financial statements.

The divestment of the Santa Fe Relocation business has resulted in a need for an independent liquidity management. With a limited dividend stream from minority investments, the EAC Invest Parent has to manage the liquidity position very carefully to allow the necessary time span to divest the remaining minority investments best possible.

EAC Invest Parent is primarily exposed to liquidity and funding risk, and to a lesser extent to financial market risks from movements in foreign exchange rates.

EAC Invest Parent's financial risk management activities follow a policy framework approved by the Board of Directors. It is EAC Invest Parent's policy not to engage in any active speculation in financial risks. Therefore, the Parent's financial management is focused on managing or eliminating financial risks relating to operations and funding.

Allocation to shareholders of available cash will primarily be in the form of share buybacks. EAC Invest will after dividend payments from investments in Thailand and China, as well as the expected tax refund from Danish Tax Authorities, retain a significant cash position during 2020. The unfavourable interest environment for cash deposits could result in a significant potential interest cost, which will be mitigated best possible. EAC Invest is not in a position to pay out the excess cash to shareholders until the tax cases have been finally concluded, and various options are therefore being considered, to keep the cash as productive as possible in the best interest of the shareholders.

Managing capital

EAC Invest Parent aims at maintaining a conservative debt-equity ratio.

Credit risk

EAC Invest Parent has limited external credit risk related to liquid funds. Credit risk related to subsidiaries is managed as part of the Group policy.

Liquidity risk

Liquidity risk is the risk of EAC Invest Parent being unable to meet its obligations as they fall due because of inability to realise assets or obtain adequate funding. EAC Invest Parent aim at maintaining a liquidity position which is sufficient to service financial obligations as they fall due.

On 25 September 2019 EAC Invest divested its subsidiary Santa Fe Group Limited, which held the group's relocation activities, to Santa Fe Intressenter AB, a company controlled by Lazarus Equity Partners with support from Proventus Capital Partners. The sale included the total debt to Proventus Capital Partners of EUR 38m, thus ending the company's previously announced financial challenges. All obligations from the divested entity were waived. In connection with the sale, EAC Invest A/S did receive a cash consideration of EUR 1m.

EAC Invest Parent had liquid funds at the end of 2019 of DKK 7m (DKK 0m).

The Board of Directors has considered the Parent's cash flow forecasts for a period of not less than 12 months from the date of approval of these financial statements. Based on this review, the Board of Directors has assessed that, taking into account reasonably possible changes in dividend from minority investments and estimated EAC Invest Parent cost, the Group will be able to comply with its financial covenants and continue as a going concern. Accordingly, EAC Invest continues to apply the going concern basis of accounting in preparing its financial statements.

Management has concluded that there are no factors giving reason to doubt whether the EAC Invest can and will continue operations for at least 12 months from the balance sheet date. However, Management refer to the Strategy section on page 8 (Danish tax cases) as well as the contingent liability note in note 14.

Currency risk

EAC Invest Parent is exposed to foreign exchange risk on balance sheet items, primarily in terms of translation of intercompany receivables/payables and loan balances denominated in a currency other than the functional currency of the EAC Invest Parent (DKK). This risk affects net financial items and is managed at Parent level. At year-end, intercompany receivables and external bank overdraft are primarily denominated in THB and CNY. Bank balances are primarily held in DKK to minimise the net currency exposure.

Interest rate risk

EAC Invest Parent exposure to interest rate fluctuations is very low as the company is debt free. The unfavourable interest environment for cash deposits could result in a significant potential interest cost, which will be mitigated best possible. EAC Invest is not in a position to pay out the excess cash to shareholders until the tax cases have been finally concluded, and various options are therefore being considered, to keep the cash as productive as possible in the best interest of the shareholders. EAC Invest Parent is by the end of 2019 not exposed to floating interest rate risk on overdraft facilities as there were no loans or overdraft facilities. Intercompany receivables are primarily based on short-term floating interest rates.

At the end of 2019, the combined interest rate risk was DKK 0m (DKK 0m) in the case of a one-percentage point increase in the interest rates (impact on net profit and equity). The sensitivity analysis is based on a weighted average of the monthly net interest bearing debt during the year.

16 Other Non-Cash Items

DKKm	**2019**	2018
Changes in provision	-4	-12
Reversed provision included in loss from subsidiaries	4	0
Foreign currency and other working capital adjustments	3	4
Total	**3**	**-8**

17 Changes In Working Capital

DKKm	**2019**	2018
Changes in current receivables/payables to/from subsidiaries	8	23
Changes in other receivables/liabilities	-1	2
Total	**7**	**25**

18 Contingent Liabilities and Uncertain Tax Positions

DKKm	**2019**	2018
Guaranties and similar commitments	**0**	**0**

EAC Invest A/S is jointly taxed with other Danish companies in the Group. As the administration company, EAC Invest A/S, has several unlimited liabilities for Danish corporate income taxes and interests within the joint taxation.

Earn Out related to Santa Fe Relocation divestment
As part of the agreement related to the divestment of Santa Fe Relocation, EAC Invest holds a potential earn-out of 15% of a potential future gain, should Santa Fe Relocation be divested before 25 September 2024. The market for corporate relocation is under considerable pressure, and at the time of the sale, Santa Fe Relocation still required time and capital to complete the strategic transformation agreed, which could impact value and timing of a potential future divestment. Due to the considerable uncertainty of whether the earn out will materialise, the earn out has not been ascribed any value, and has not been recognised as an asset in the balance sheet.

Legal proceedings pending and disputes, etc.
EAC Invest has three pending transfer pricing tax cases relating to the divested Plumrose business in Venezuela for the period 2008-14. All three cases have previously been won in the National Tax Tribunal (Landsskatteretten). The Danish Tax Authorities have, however, appealed all three cases to the Danish Courts. The Legal Adviser to the Danish Government (Kammeradvokaten) has requested that all three tax cases are processed collectively in the Danish Eastern High Court (Landsretten) and it is expected that the cases will be processed during 2020. The outcome is subject to considerable uncertainty, however the Company disagrees with the position of the tax authorities and believes that the outcome of the dispute will be in favour of the Company or will not have a material effect on the financial position of the EAC Invest Parent.

If all cases are ultimately won, this is estimated to have a positive cash impact of around DKK 13m and the company will subsequently have total tax losses carried forward estimated of around DKK 86m. If certain cases, contrary to expectations, are lost, it will eliminate the carried forward losses and result in a substantial negative cash flow impact, which will cause material uncertainty around the company's ability to continue as a going concern.

19 Related Party Transactions

Please refer to note 5.8 in the consolidated financial statements. Dividends and other income (management fee) received from subsidiaries are disclosed separately in the income statement. Receivables from and payables to subsidiaries are disclosed separately in the balance sheet. Interest income and expense is disclosed separately in note 4 and 5. Accumulated impairments of receivables from the subsidiary The East Asiatic Company (China) Ltd., Beijing amounts to DKK 31m (DKK 26m)

20 Subsequent Events

After year-end, EAC Invest A/S has received notification from Olav W. Hansen stating that Olav W. Hansen directly and indirectly holds shares and voting rights in excess of 10% of the total number of shares and voting rights in EAC Invest A/S.

According to the announcement, as of 17 March 2020, Olav W. Hansen owns 1,236,627 shares in EAC Invest A/S, representing 10% of the company's share capital and voting rights (Company announcement No 7/10).

EAC Invest did on 27 February 2020 receive notice that the Tax Authorities (Skattestyrelsen) has referred two previously won tax cases to the court. The tax cases were previously won in the main case in the national tax court (Landsskatteretten) in November 2019. The cases are awaiting further processing.

The Corona Virus, Covid-19, has since the beginning of 2020 had material effect on global markets and almost all industries. While the businesses that EAC Invest hold minority shares in, are not directly or highly exposed to impacts from Covid-19, it must be expected that businesses will be impacted, and there is a potential downside risk to the outlook presented. This is not reflected in the outlook, due to uncertainty prevailing at the time the annual report is approved.

On 3 March 2020 an extraordinary general meeting was held in EAC Invest A/S (company announcement 05/20).

At the extraordinary general meeting the following resolutions were adopted:

- Proposals submitted by the Board of Directors regarding execution of a reverse share split at a consolidation ratio of 1,000:1 by:
    - Reduction of the Company's share capital by transfer to distributable reserves.
    - Revaluation of the denomination of the Company's shares by a consolidation of shares at a ratio of 1,000:1.
- Deletion of existing Board authorisations to increase the share capital by a maximum of 10%, ref. note 4.1.
- The redemption to take place in connection with the reverse share split is further described in a separate redemption announcement (company announcement 6/2020). The expected cash flow impact associated with the share buy back in connection with share consolidation is expected to be EUR 0.7m (DKK 3.5m).

No other material events have taken place after 31 December 2019.

DEFINITIONS

Equity per share	EAC Invest's share of equity divided by the number of shares of DKK 70 nominal value each adjusted for portfolio of own shares and dilution effect of share options.
P/BV	Year-end stock exchange quotation divided by equity per share.
Market value	Year-end stock exchange quotation multiplied by the number of shares excluding treasury shares.
EPS	Earnings per share equals net profit in EUR per share of DKK 70 nominal value each adjusted for portfolio of treasury shares and dilution effect of share options.
P/E ratio	Year-end stock exchange quotation divided by earnings per share.
EBITIDA margin	EBITDA in per cent of revenue.
Operating margin	Operating profit (EBIT) in per cent of revenue.
Return on average invested capital (ROIC)	EBIT in per cent of average invested capital.
Return on equity parent	EAC Invest's share of net profit in per cent of EAC Invest's share of equity (average opening/closing balances).
Equity ratio	EAC Invest's share of equity in per cent of total assets.
Cash and cash equivalents	Bank and cash balances included in current and non-current assets.
Working capital employed	Inventories plus trade receivable less trade payable and prepayments from customers.
Invested capital	Intangible assets plus property, plant and equipment plus current assets (excl. receivables from associates and bank and cash balances) less: non-interest bearing liabilities and provisions.
Interest bearing debt	Non-current debt plus current bank debt and accounts payable to associates.
Net interest bearing debt	Interest bearing debt less cash and cash equivalents.
EBITDA	Earnings before interest, taxes, depreciation and amortisation (operating profit before depreciation and amortisation).
Payout ratio	Paid dividends to EAC Invest's shareholders during the year in per cent of EAC Invest's share of net profit/loss for the year.

SUBSIDIARIES AND ASSOCIATES

Share Capital		Other entities per country	Direct	EAC
		ASIA		
		China		
USD	10,000,000	The East Asiatic Company (China) Ltd., Beijing	100.00	100.00
CNY	2,605,000	Beijing Zhongbao Drinking Water Co. Ltd., Beijing	34.89	34.89 *
		Thailand		
THB	150,000,000	Asiatic Acrylics Company Ltd., Bangkok	51.00	51.00 *
THB	36,250,000	East Asiatic (Thailand) Company Ltd., Bangkok	100.00	100.00
		EUROPE		
		Denmark		
DKK	200,000	Ejendomsanpartsselskabet af 31. Maj 1996, Copenhagen	100.00	100.00
DKK	200,000	Scandinavian Joint Shipping Service ApS, Copenhagen	100.00	100.00

* Associated company
** EAC Invest A/S is in control of company through agreements, etc.

EAC Invest

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