ANNUAL REPORT
2020/21

THE ANNUAL REPORT WAS APPROVED AT THE COMPANY'S ORDINARY GENERAL MEETING HELD ON 17 DECEMBER 2021.
CHAIRMAN OF THE MEETING:

Casper Moltke-Leth

Widex A/S, Nymøllevej 8, 3540 Lynge, CVR no.: 1577 1100

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COMPANY INFORMATION

Company:	WIDEX A/S Nymøllevej 6 DK-3540 Lynge Phone: 44 35 56 00 CVR no: 15 77 11 00 Financial year: 1 October 2020 – 30 September 2021 Municipial of residence: Lynge
Board of Directors:	Eric Alain Bernard Jan-Peter Rekling Seah Yee Hui Dawn
Executive Management:	Jan-Peter Rekling, CEO
Auditor:	Deloitte Statsautoriseret Revisionspartnerselskab
	The General meeting will be held on 17 December 2021 at the company's address.

FINANCIAL REVIEW

Key figures:

m.DKK	**2020/21** (IFRS) 12 months	**2019/20** (IFRS) 12 months	**2018/19*** (IFRS) 17 Months	**2017/18** (IFRS) 12 Months	**2016/17** (DK GAAP) 12 Months
Income statement					
Revenue	1,820	1,062	2,110	1,684	1,689
Gross Margin	929	277	984	960	878
R&D Cost**	-542	-390	-416	-220	-223
Amortizations, Depreciations etc.	-218	-194	-225	-77	-66
EBITDA	575	0	-173	458	414
Normalized EBITDA	606	170	422	458	414
Operating Profit (EBIT)	357	-194	-398	416	348
Net Financial Items	-127	-233	153	7	91
Profit / (Loss) before tax	230	-428	-245	430	439
Profit / (Loss) for the year	233	-279	-180	369	357
Balance sheet					
Assets	6,940	6,666	4,664	3,889	3,932
Equity	624	391	672	2,245	1,884
Financial ratios					
Gross margin	51%	26%	47%	57%	52%
EBITDA margin	32%	0%	-8%	27%	25%
Normalized EBITDA margin	33%	16%	20%	27%	25%
EBIT margin	20%	-19%	-19%	25%	21%
Return on equity	46%	-52%	-12%	18%	21%
Equity ratio	9%	6%	14%	58%	48%
Other key figures					
Investments in property, plants and equipment	69	43	69	62	34
Free cashflow to firm	-495	511	418	-35	-11
Average number of employees	899	889	906	829	794

* For the year of the merger, 2018/19, the financial statements covered 17 months. Financial statements for 2017/18 to 2020/21 are prepared in accordance with IFRS. Comparison figures from 2016/17 have been prepared in accordance with the Danish Financial Statements Act.

** Total R&D spend amount to DKK 878 million in 2020/21 (2019/20: DKK 715 million) and includes expensed cost refer to page 38 for breakdown.

Ratio	Calculation formula
Gross margin (%):	$\frac{\text{Gross margin x 100}}{\text{Revenue}}$
EBITDA margin (%):	$\frac{\text{EBITDA x 100}}{\text{Revenue}}$
EBIT margin (%):	$\frac{\text{EBIT x 100}}{\text{Revenue}}$
Return on equity (%):	$\frac{\text{Net result for the year x 100}}{\text{Average Shareholder Equity}}$
Equity ratio (%):	$\frac{\text{Equity x 100}}{\text{Assets}}$

Financial highlights are defined and calculated in accordance with “Recommendations and Ratios” issued by the Danish Sociecty of Financial Analysis.

MANAGEMENT COMMENTARY

Widex A/S' primary activity is developing, producing and selling of hearing aids to its subsidiaries and thereby also acting as parenting hub for Widex A/S held wholesale and retail subsidiaries.

Widex A/S is supporting its entities with a strong supply of leading technology hearing aids and is investing heavily in developing technology and in building capabilities, to continuously realize optimizations and drive a global sustainable growth.

The primary revenue is created from sales to subsidiaries, geographically located in proximity of end users. Equal to previous years the dominant part of sales is related to Hearing Aids, and to a lesser extend of accessories and spare parts.

On 28 February 2019, Widex A/S and Sivantos Pte. created a combined Group under the name WS Audiology A/S. Since the combining of the two sub-groups the company has continuously worked on harvesting synergies across the Group.

To better align the combined group, Widex A/S in 2018/19 changed its accounting period end from 30 April to 30 September 2019, such that the accounting period is from 1 October to 30 September. The Financial statements for 2020/21 and 2019/20 both covered 12 months.

FINANCIAL REVIEW
Revenue
In financial year 2020/21 the industry was still to some extend affected by Covid driven events and restrictions, mainly in first half of 2021. However, The Company has made a good recovery, and during the financial year recognized a total revenue of DKK 1,820 million (2019/20, DKK 1,062 million).

The company accelerated roll-out of Widex Moment products in the fall of 2020 into several key markets globally.

From a development perspective, we invested in Widex Magnify, a new affordable product family that is still offering the rich DNA of Widex Sound. We also invested in Consumer Apps, fitting software and Firmware upgrades to support our consumers and HCP's.

R&D
With a high focus on developing future innovative products, Widex A/S has invested DKK 878 million (2019/20: DKK 715 million) in R&D activities in the financial year out of which DKK 542 million have been expensed (2019/20: DKK 390 million). The Company continues to focus on creating new and better solutions for its customers.

EBITDA

The income statement shows an EBITDA of DKK 575 million (2019/20: DKK 0 million). Adjusting for one-time costs related to the merger and integration, the normalized EBITDA for the financial year 2020/21 ends at DKK 606 million (2019/20: DKK 170 million).

During 2021 The Company repaid Covid grants from the government in Denmark totaling DKK 26 million, affecting EBITDA by DKK -2 million.

FINANCIAL ITEMS

Financial items have an overall negative effect on the net result with a cost of DKK -127 million (2019/20: DKK -233 million). Included in the amount is received dividend from the subsidiaries of DKK 12 million (2019/20: DKK 12 million).

Net income

The result for the year ended above the original expectations for the year despite the continued Covid-19 impact in the beginning of the year.

This is mainly driven by stronger sales across major markets while also focusing on cost optimization in Selling and Administrative Costs.

ONE TIME COSTS

Synergy driving activities and further building on the position as leading global hearing aid company drove onetime costs of DKK 31 million – which is a significant drop compared to 2019/20 (DKK 170 million).

Excluding the one time costs, Widex A/S would have achieved an adjusted net profit of DKK 264 million (2019/20: -109 million).

FINANCIAL OUTLOOK

Solid financial improvements are expected also, in 2021/22, and outlook includes solid underlying sales growth compared to the financial year of 2020/21 as some markets are expected to rebound from COVID-19 effects combined with successful execution of commercial priorities as well as stronger earnings from the improved sales and realization of synergies and efficiencies. Management expects a result for 2021/22 at the same level as 2020/21.

Widex A/S will continue to support its entities with a strong supply of leading technology hearing aids, and is expected to invest heavily in building capabilities.

STATUTORY REPORT ON CORPORATE SOCIAL RESPONSIBILITY

In accordance with section 99a of the Danish Financial Statements Act, refer to page 52-60 of theannual report for the parent WS Audiology A/S, CVR no. 40 29 66 38 for information regarding CSR.

STATUTORY REPORT ON THE UNDER-REPRESENTED GENDER

Widex A/S wishes to promote diversity at all levels of the Company. Discrimination and harassment are not tolerated in any form. A series of new policies, including the updated code of conduct, has been introduces to support this commitment, including an updated working environment policy and an antiharassment policy. All employees will have the same opportunities regardless of gender, age, race, ethnicity, sex, religion, sexual orientation, etc. Personal privacy will be respected; discrimination and verbal or psychological harassment will not be tolerated.

The company is focused on ensuring that gender diversity is promoted. This is for example the case when hiring for leadership positions where at least one female candidate must be found and when organizing leadership courses where female representations is examined.

The board of directors currently consist of three members. At present there is one female board member which is according to the target for the financial year. The board composition will be reviewed on an ongoing basis to ensure the ambition is met.

For the Executive Management team, the gender balance for the financial year is one man and no women.

EVENTS AFTER THE BALANCE SHEET DATE

There have been no events that materially affect the assessment of this Annual Report 2020/21 after the balance sheet date and up to today.

RISK MANAGEMENT

FINANCIAL RISK MANAGEMENT

Widex A/S is exposed to financial risks arising from its operating, investing and financial activities, including market risk (foreign exchange risk and interest rate risk), liquidity risk and credit risk.

Financial risks are managed by Group Treasury in WS Audiology A/S (parent).

CREDIT RISK

Credit risk is defined as an unexpected loss in cash and earnings if the customer is unable to pay its obligations in due time. The Company may incur losses if the credit quality of its customers deteriorates or if they default on their payment obligations to the Company. The Company's exposure to credit risk arises primarily from trade and other receivables including loans to customers.

The Company's follows the Group credit policy and the exposure to credit risk is monitored on an ongoing basis. This includes the review of individual receivables and of individual customer credit worthiness on a case-by-case basis as well as the review of current economic trends, the analysis of historical bad debts on a portfolio basis, and the considered country's credit ratings. Credit evaluations are performed on all customers requiring credit over a certain amount. The Company does not require collateral in respect of financial assets. However, the Company has credit enhancements such as personal guarantees and share pledge related to customer loan. Assessment of the credit risk related to customers is further described in note 3.5 Other non-current financial assets and note 3.8 Trade receivables.

There were no significant concentrations of credit risk as of the 30 September 2021.

The maximum exposure to credit risk of financial assets is represented by their carrying amount. In terms of trade receivables and other receivables, as well as loans or receivables included in line item Other financial assets that are neither impaired nor past due, there were no indications as of 30 September 2021, that defaults in payment obligations will occur.

LIQUIDITY RISK

Liquidity risk results from the Company's potential inability to meet its financial liabilities, in particular paying its suppliers and servicing its interest-bearing debt. In addition to having implemented effective working capital and cash management, the Company has implemented short-term and medium term-liquidity forecasts. Treasury monitors the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables.

Cash from its related entities is pooled centrally for an efficient cash management and treasury purposes. The arrangement is governed by agreements signed by the Group and related entities, which limits joint and several liabilities to each party's net credit balance at any time with the Company.

The Company finances itself from its operating cash flow and utilizing the Group's cash pooling and cash management systems, in which excess liquid funds are deposited at Treasury by its affiliates.

The Company had cash and cash equivalents of DKK 456 million as of 30 September 2021 (30 September 2020: DKK 943 million). With its strong operating cash flow the Company expects to be able to meet all of its present and future obligations arising from operational cash needs.

The below table reflects all contractually fixed pay-offs for settlement, repayments and interest resulting from recognized financial liabilities. Such expected net cash outflows are undiscounted net cash outflows for the respective upcoming financial years, based on the earliest date on which the Company could be required to pay. Cash outflows for financial liabilities (including interest) without fixed amount or timing are based on the conditions existing at 30 September 2021.

The risk implied from the values in the table below reflects the one-sided scenario of cash outflows only. Obligations under trade payables originate from the financing of assets used in the Company's ongoing operations such as property, plant and equipment, and investments in working capital such as inventories and trade receivables. These assets are considered in the Company's overall liquidity risk management.

FOREIGN CURRENCY RISK

Widex A/S has exposure towards foreign currency exchange rate risk arising from fluctuations in exchange rates, in connection with international operations. The exposure is particularly regarding fluctuations of the USD, EUR, JPY, AUD and GBP in the ordinary course of business.

Foreign currency exchange rate fluctuations may create unwanted and unpredictable earnings and cash flow volatility. The Company manufactures most of its products at its headquarter in Denmark. The products are sold to its regional entities and invoiced mostly in EUR and USD. As most of the material cost are also EUR and USD denominated, the Company is able to significantly reduce the net currency exposure.

The foreign currency risk is centrally managed by

Contractually fixed payoffs from recognized financial liabilities	**30 September 2021**		
m.DKK	Less than 1 year	More than 1 years	Total
Interest-bearing debt	3	3,732	3,735
Trade payables	213	0	213
Lease liabilities	34	639	673
Intragroup payables	1,303	103	1,406
Total non-derivative financial liabilities	**1,553**	**4,474**	**6,027**

Group Treasury. It is the Group's policy not to undertake any financial transactions in foreign currencies of a speculative nature.

As part of its operations, Widex A/S provides its entities with loans to support the general business. The loans are subject to currency risk as given in the entity's local currency and repaid likewise. The primary loan currency is USD and falls under the same exposure risk as described above.

SENSITIVITY ANALYSIS FOR FOREIGN CURRENCY RISK

The below table demonstrates the approximate effect on the Company's Total comprehensive income Statement (financial items) in response to fluctuation of the currencies other than the respective Company's entities' functional currencies which the Company's entities have significant exposure at the balance sheet date. This analysis assumes that all other variables, in particular interest rates remain constant.

TRANSLATION RISK AND EFFECTS OF FOREIGN CURRENCY TRANSLATION

Most of the Company's entities are located outside the EUR zone. Since Widex A/S's presentation currency is the DKK, the financial statements of foreign operations are translated into DKK for the preparation of the financial statements.

Included in the non-current assets of the financial position is a loan to the Company's subsidiairies of DKK 1.003 million (2020: DKK 1.012 million), originating in USD.

Also included in the non-current financial liabilities of the financial position is the loan from the Parent company of DKK 3.000 million, which originates in EUR.

Sensitivity foreign currency risk

m.DKK	**30 September 2021** Financial income / (expenses)	Total comprehensive income and equity
AUD +5%	6.9	6.9
CAD +5%	6.7	6.7
USD +5%	5.1	5.1
GBP +5%	-3.5	-3.5
NOK +5%	-0.9	-0.9
PLN +5%	3.3	3.3

INTEREST RATE RISK

The Company's long-term debt consists of secured term loans of DKK 3,000 million with a fixed interest rate of 4-4.5%.

As all debt uses a fixed interest rate, no sensitivity analysis has been performed as all are measured to amortized cost.

Specification of interest-bearing debt

m.DKK	2021	2020
Cash and cash equivalents	456	943
Intragroup receivables	671	715
Non-current financial assets	1,378	1,464
Total net interest bearing assets	**2,505**	**3,122**
Intragroup debt	-103	-140
Intragroup payables	-1,303	-1,237
Bank loan	-735	-726
Loan from Parent company	-3,000	-3,003
Total net interest bearing debt	**-5,141**	**-5,106**

MANAGEMENT STATEMENT

The Board of Directors and the Executive Management have today considered and approved the annual report 2020/21 of Widex A/S for the financial year 1 October 2020 - 30 September 2021.

The annual report is presented in accordance with International Financial Reporting Standards as adopted by the EU, and disclosure requirements of the Danish Financial Statement Act.

In our opinion, the financial statements give a true and fair view of the Company's financial position at 30 September 2021 and of the results of its operations and cash flows for the financial year 1 October 2020 - 30 September 2021.
We believe that the management commentary contains a fair review of the affairs and conditions referred to herein.

We recommend the Annual Report 2020/21 for adoption at the annual general meeting.

Lynge, 17 December 2021.

Executive Management

Jan-Peter Rekling, CEO

Board of directors

Eric Alain Bernard

Jan-Peter Rekling

Seah Yee Hui Dawn

THE INDEPENDENT AUDITOR'S REPORT

To the shareholder of Widex A/S

OPINION

We have audited the financial statements of Widex A/S for the financial year 01.10.2020 - 30.09.2021, which comprise the income statement, statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policies. The financial statements are 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 financial statements give a true and fair view of the Company's financial position at 30.09.2021, and of the results of its operations and cash flows for the financial year 01.10.2020 - 30.09.2021 in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

BASIS OF 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 this auditor's report. We are independent of the company in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

STATEMENT ON THE MANAGEMENT COMMENTERY

Management is responsible for the management commentary.

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

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

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

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

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

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

AUDITOR' S RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENT

Our objectives are to obtain reasonable assurance about 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 applicablein Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if individually or in the aggregate, they could reasonably be expected to influence the econom- ic 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 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 in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 Company tocease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the company 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.

Copenhagen, 17 December 2021

Deloitte
Statsautoriseret Revisionspartnerselskab
Business Registration No 33 96 35 56

Nikolaj Thomsen	Yassir Iqbal
State-Authorised Public Accountant MNE no 33276	State-Authorised Public Accountant MNE no 45103

FINANCIAL STATEMENTS

INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME

m.DKK	Note	**2020/21** (12 months)	**2019/20** (12 months)
Revenue	2.1	1,820	1,062
Cost of goods sold	3.7	-891	-785
Gross Margin		**929**	**277**
Research and development costs	3.1	-542	-390
Selling and general administration costs		-494	-511
Other operating income and costs, net		474	439
Share of profit loss in associates	5.4	-10	-9
Operating profit/(loss)		**357**	**-194**
Interest income	4.3	55	66
Interest expenses	4.3	-201	-168
Other financials, net	4.3	19	-131
Profit/(loss) before tax		**230**	**-428**
Tax on profit/(loss)	2.3	3	148
Profit/(loss) for the year		**233**	**-279**
Statement of comprehensive income:			
Profit/(loss) for the year		233	-279
Items that may be reclassified subsequently to profit or loss:			
Foreign exchange rate adjustment		0	-2
Other comprehensive income for the year, net of tax		0	-2
Total comprehensive income for the year		**233**	**-281**

STATEMENT OF FINANCIAL POSITION

m.DKK	Note	2021	2020
ASSETS			
Intangible assets	3.1	954	600
Tangible assets	3.2	165	145
Right of use assets	3.3	613	655
Associates	5.4	16	20
Investments in subsidiaries	5.1	1,941	1,453
Deferred tax assets	2.3	0	176
Other financial assets	3.5	1,378	1,463
Non-Current Assets		**5,067**	**4,512**
Inventories	3.7	381	341
Trade receivables	3.8	59	76
Intragroup receivables		671	715
Income tax receivable	2.3	221	0
Prepayments		20	0
Other assets	3.6	65	79
Cash and cash equivalents		456	943
Current assets		**1,873**	**2,154**
Total assets		**6,940**	**6,666**

STATEMENT OF FINANCIAL POSITION

m.DKK	Note	2021	2020
EQUITY AND LIABILITIES			
Share capital	4.1	30	30
Reserve for development cost		729	426
Foreign exchange adjustments		-2	-2
Retained earnings		-133	-63
Total Equity		**624**	**391**
Bank loan	4.2	732	723
Intragroup debt		103	140
Lease liabilities	3.3	639	669
Provisions		35	27
Deferred tax liabilities	2.3	41	0
Loan from Parent company	4.2	3,000	3,003
Other liabilities		4	7
Non-Current liabilities		**4,554**	**4,569**
Debt	4.2	3	3
Trade payables		213	144
Intragroup payables		1,303	1 ,237
Lease liabilities	3.3	34	32
Other liabilities	3.9	209	290
Current liabilities		**1,762**	**1,706**
Total liabilities		**6,316**	**6,275**
Total Equity and liabilities		**6,940**	**6,666**

STATEMENT OF CHANGES IN EQUITY

m.DKK	Share Capital	Reserve for development cost	Foreign exchange adjustments	Retained earnings	Total Equity
Equity at 30 September 2019	**30**	**159**	**0**	**483**	**672**
Profit/(loss) for the period	0	267	0	-546	**-279**
Foreign exchange rate adjustments etc.	0	0	-2	0	**-2**
Total comprehensive income	**0**	**267**	**-2**	**-546**	**-281**
Equity at 30 September 2020	**30**	**426**	**-2**	**-63**	**391**
Profit/(loss) for the period	0	303	0	-70	**233**
Foreign exchange rate adjustments etc.	0	0	0	0	0
Total comprehensive income	**0**	**303**	**0**	**-70**	**233**
Equity at 30 September 2021	**30**	**729**	**-2**	**-133**	**624**

CASH FLOW STATEMENT

m.DKK	Note	2020/21 (12 months)	2019/20 (12 months)
Profit/(loss) for the year		233	-279
Depreciations, amortizations and impairment	3.4	218	194
Income tax expense, net	2.3	-3	-148
Interest expense, net	4.3	115	233
Share of profit/(loss) in associates	5.4	10	12
Other non-cash adjustments		-5	-4
Cash flow from operating activities before changes in working capital		**568**	**8**
Change in inventories		-40	-61
Change in trade- and other receivables		61	-603
Change in other current assets		-227	69
Change in trade- and other payables		135	712
Change in other current liabilities		-79	122
Change in provisions		5	25
Cash flow from operating activities before financial items and tax		**423**	**272**
Financial income received		0	3
Cash flow from operating activities		**423**	**275**
Investments in other financial assets		82	0
Acquisition/Disposal of companies/operations, net of cash		-497	21
Investments in tangible and intangible assets		-552	-465
Loan to affiliated companies, net		3	3
Received dividend from subsidiaries	4.3	12	12
Disposals of tangible and intangible assets		2	0
Cash flow from investing activities		**-950**	**-429**
Intragroup debt and liabilities		-40	0
Transaction costs paid for issuance of long-term debt		0	-12
External loan facility		9	746
Lease payments		-53	-52
Financial expenses paid		-104	-17
Change in other financing activities		220	0
Cash flow from financing activities		**32**	**665**
Net cash flow		**-495**	**511**
Cash and cash equivalents, beginning of period		943	426
Foreign exchange rate, adjustment		8	6
Cash and cash equivalents, end of period		**456**	**943**

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SECTION 1

1.1 BASIS OF PREPARATION

The financial statements for the Company have been prepared in accordance with IFRS as adopted by the European Union (EU) and further requirements in the Danish Financial Statements Act.

The financial statements are presented in Danish kroner (DKK) which is the functional currency of Widex A/S. All values are rounded to the nearest million (DKK), except where indicated otherwise.

The Company's general accounting policies are described in 1.3 Significant general accounting policies below. In addition to this, specific accounting policies are described in each of the individual notes to the financial statement. The accounting policies, set out below, in each note have been used consistently in respect of the financial year and the comparative figures.

CONSOLIDATION

Widex A/S is included in the consolidated financials statements of WS Audiology A/S, why Widex A/S does not prepare separate consolidated financial statements in accordance with section 112(1) of the Danish Financial Statements Act. The consolidated financial statements of WS Audiology A/S can be acquired from the company's website at www.wsa.com.

1.2 GENERAL ACCOUNTING POLICIES

TRANSLATION OF FOREIGN CURRENCY

Transactions denominated in other than the functional currency are translated into the functional currency at the exchange rates at the transaction date. Foreign exchange differences between the exchange rate at the transaction date and at the date of payment are recognized in other financials, net.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the transaction date.

Foreign exchange differences are generally recognised in other financials, net in the income statement.

STATEMENT OF CASH FLOWS

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

Cash flows from operating activities are presented using the indirect method and calculated as the profit/(loss) for the period adjusted for non-cash operating items, changes in working capital and income taxes paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments as well as purchase, development, improvement and sale, etc. of intangible assets and property, plant and equipment. Cash flow from acquired enterprises is recognized in the cash flow statement from the acquisition date. Cash flow from disposed of enterprises is recognised up until the disposal date.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs as well as the raising of loans, repayment of interest-bearing debt (principal and interest), acquisition and disposal of treasury shares and payment of dividends to shareholders.

Cash and cash equivalents comprise cash and short-term securities with an insignificant price risk less short-term bank loans repayable on demand.

Cash flows cannot be derived directly from the statement of financial position and income statement.

APPLYING MATERIALITY

The financial statements are a result of processing large numbers of transactions and aggregating those transactions into classes according to their nature or function. The transactions are presented in classes of similar items in the financial statements. If a line item is not individually material, it is aggregated with other items of a similar nature in the financial statement or in the sections.

There are substantial disclosure requirements throughout IFRS. Management provides specific disclosures required by IFRS unless the information is not applicable or considered immaterial to the economic decision-making of the users of these financial statements.

1.3 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparation of the financial statements, Management makes various accounting estimates and judgements that form the basis of presentation, recognition and measurement of the Company's assets, liabilities, income and expenses. The key accounting estimates identified are those that have a significant risk of resulting in a material adjustment to the carrying amounts of assets or liabilities within the next financial year.

The application of the Company's accounting policies may require Management to make judgements that can have a significant effect on the amounts recognized in the financial statement. Management judgement is required in particular when assessing the substance of transactions that have a complicatedstructure or legal form.

The accounting estimates and judgements made are based on historical experience and other factors that Management assesses to be reliable, but that, by nature, are associated with uncertainty and unpredictability and may therefore prove incomplete or incorrect.

Specific accounting estimates and judgements are described in each of the below individual sections to the financial statement:

SIGNIFICANT ESTIMATES	SECTION
Measurement of deferred tax assets and uncertain tax positions	2.3 Tax
Recognition and measurement of development projects	3.1 Intangible assets
Recognition of APA agreement with Sivantos Pte Ltd	3.1 Intangible assets
Impairment testing, useful lives and residual values	3.4 Depreciation, amortization and impairment

1.4 ADOPTION OF NEW AND AMENDED IFRS

In the current year, the Company has applied the below amendments to IFRS Standards and Interpretations issued by the Board that are effective for an annual period that begins on or after 1 October 2020. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Amendments to References to the Conceptual Framework in IFRS Standards

The Company has adopted the amendments included in Amendments to References to the Conceptual Framework in IFRS Standards for the first time in the current year. The amendments include consequential amendments to affected Standards so that they refer to the new Framework. Not all amendments, however, update those pronouncements with regard to references to and quotes from the Framework so that they refer to the revised Conceptual Framework. Some pronouncements are only updated to indicate which version of the Framework they are referencing to (the IASC Framework adopted by the IASB in 2001, the IASB Framework of 2010, or the new revised Framework of 2018) or to indicate that definitions in the Standard have not been updated with the new definitions developed in the revised Conceptual Framework.

The Standard which are amended are IFRS 2, IFRS 3, IFRS 6, IFRS 14, IAS 1, IAS 8, IAS 34, IAS 37, IAS 38, IFRIC 12, IFRIC 19, IFRIC 20, IFRIC 22, and SIC-32.

Amendments to IFRS 3 Definition of a business

The Company has adopted the amendments to IFRS 3 for the first time in the current year. The amendments clarify that while businesses usually have outputs, outputs are not required for an integrated set of activities and assets to qualify as a business. To be considered a business an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs.

The amendments remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs. The amendments also introduce additional guidance that helps to determine whether a substantive process has been acquired.

The amendments introduce an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business. Under the optional concentration test, the acquired set of activities and assets is not a business if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar assets. The amendments are applied prospectively to all business combinations and asset acquisitions for which the acquisition date is on or after 1 October 2020.

Amendments to IAS 1 and IAS 8 Definition of material

The Company has adopted the amendments to IAS 1 And IAS 8 for the first time in the current year. The amendments make the definition of material in IAS 1 easier to understand and are not intended to alter the underlying concept of materiality in IFRS Standards. The concept of 'obscuring' material information with immaterial information has been included as part of the new definition.

The threshold for materiality influencing users has been changed from 'could influence' to 'could reasonably be expected to influence'.
The definition of material in IAS 8 has been replaced by a reference to the definition of material in IAS 1.
In addition, the IASB amended other Standards and the Conceptual Framework that contain a definition of 'material' or refer to the term 'material' to ensure consistency.

New and revised IFRS Standards in issue but not yet effective
At the date of authorization of these financial statements, the Company has not applied the following new and revised IFRS Standards that have been issued but are not yet:

- **IFRS 10 and IAS 28 (amendments)**
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

- **Amendments to IAS 1**
Classification of Liabilities as Current or Non-current

- **Amendments to IFRS 3**
Reference to the Conceptual Framework

- **Amendments to IAS 16**
Property, Plant and Equipment—Proceeds before Intended Use

- **Amendments to IAS 37**
Onerous Contracts—Cost of Fulfilling a Contract

- **Annual Improvements to IFRS Standards 2018-2020 Cycle**
Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IFRS 16 Leases, and IAS 41 Agriculture

The directors do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Company in future periods.

SECTION 2

21 REVENUE

m.DKK	**2020/21** (12 months)	**2019/20** (12 months)
Revenue by geographical region:		
EMEA-LA	892	702
North America	445	0
Asia Pacific	483	360
Total	**1,820**	**1,062**
Hereof:		
United States	364	64
Germany	139	181
Japan	154	159
Other	1,163	658
Total	**1,820**	**1,062**

Revenue is predominantly recognized at a point in time, and revenue recognized over time is not significant. Revenues are attributed to countries on the basis of the customer's location. The Region "EMEA-LA"consists of Europe, the Middle East, Africa and Latin-America. The Region "North-America" includes the United States and Canada. The Region "Asia-Pacific" consists of Asia, Australia and the Pacific region.

Revenue mainly derives from sale of goods and is broken down by the selling entity. No individual customer accounts for 10% or more of the total revenue. The Company considers its operations to constitute a single operating segment.

ACCOUNTING POLICIES

Revenue from sale of products is recognized when the Company has transferred control of products sold to the buyer and it is probable that the Company will collect the consideration to which it is entitled for transferring the products. Control of the products is transferred at a point in time, typically on delivery.

Revenue is measured at the fair value of the consideration received or receivable net of discounts, VAT and other duties.

Contracts with customers sometimes include multiple promises that constitute separate performance obligations, and to which a portion of the transaction price needs to be allocated. The total transaction price in the contract is allocated to separate performance obligation based on the relative stand-alone selling prices of each such performance obligation. Each separate performance obligation is recognized when control is transferred to the customer.

22 STAFF COSTS

m.DKK	2020/2021 (12 months)	2019/2020 (12 months)
Wages, salaries and remuneration	653	577
Statutory social welfare contributions and expenses for optional support payments	7	6
Expenses relating to pension plans and employee benefits	55	53
Total	**715**	**636**
Average number of full-time employees	899	889

For information regarding remuneration of the Board of Directors, Executive Board and other Key Management Personnel, please refer to note 5.2 Remuneration of Key Management personnel.

ACCOUNTING POLICIES

Wages, salaries, social security contributions, annual leave and sick leave, bonuses and non-monetary benefits are recognized in the year in which the associated services are rendered by employees of the Company.

Where the Company provides long-term employee benefits, the costs are accrued to match the rendering of the services by the employees concerned.

23 TAX

Income tax(expense)/benefit consists of the following:

m.DKK	2020/2021 (12 months)	2019/2020 (12 months)
Tax on profit/(loss)		
Current tax for the year	171	0
Deferred tax for the year	-143	148
Adjustment to current tax with respect to prior years	49	0
Adjustment to deferred tax with respect to prior years	-74	0
Total	**3**	**148**

Income tax expense differs from the amounts computed by applying the statutory Denmark income tax rate of 22% (2020: 22%) as follows:

m.DKK	2020/2021 (12 months)	2019/2020 (12 months)
Expected income tax (expense)/benefit	-50	94
Non-deductible expenses	80	41
Non-taxable income	-2	0
Adjustment of tax with respect to prior years	-25	13
Total	**3**	**148**

m.DKK	2020/2021 (12 months)	2019/2020 (12 months)
Deferred tax, net 1 October	176	28
Changes related to the transition to IFRS	0	4
Changes in deferred tax assets/liabilities	-143	144
Adjustment of deferred tax, prior years	-74	0
Deferred tax, net	**-41**	**176**

Breakdown of the Company's temporary differences and Changes

m.DKK	Temporary differences at 1 October 2020	Adjustment to prior year	Recognized in profit for the year	Temporary differences at 30 September 2021
Financial assets	0	1	1	2
Intangible assets	65	0	-132	-67
Tangible assets	8	12	-4	16
Inventories	-7	7	-8	-8
Receivables	-2	2	-2	-2
Right of use assets/lease liabilities	4	6	3	13
Liabilities	1	0	-1	0
Tax loss carried forward	107	-102	0	5
Other	0	0	0	0
Total	**176**	**-74**	**-143**	**-41**

m.DKK	Temporary differences at 1 October 2019	Recognized in profit for the year	Temporary differences at 30 September 2020
Financial assets	1	-1	0
Intangible assets	-57	122	65
Tangible assets	0	8	8
Inventories	-5	-2	-7
Receivables	-7	5	-2
Right of use assets/lease liabilities	0	4	4
Liabilities	12	-11	1
Tax loss carried forward	90	17	107
Other	-6	6	0
Total	**28**	**148**	**176**

Unrecognized tax assets are based on the Managements expectation about the future taxable profits during the periods in which those temporary differences and tax loss carry forwards become deductible. Management considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. Based upon the level of historical taxable income and projections for future taxable income over the periods in which the deferred tax assets are deductible, it is probable the Company will realize the benefits of these deductible differences.

Unrecognized deferred tax assets

Deferred tax assets have not been recognized with respect to the following items (gross amounts):

m.DKK	2020/2021 (12 months)	2019/2020 (12 months)
Tax losses carry forward	0	486
Total unrecognized tax carry forward	**0**	**486**

The jointly taxed companies made use of the tax asset of DKK 49 million in the income year 19/20 which will be settled November 2021. The management assess that the jointly taxed companies can make use of the current year tax asset with DKK 172 million in the income year 20/21, to be settled November 2022.

ACCOUNTING POLICIES

Income tax comprises current tax and changes in deferred tax for the year, including changes as a result of changes in tax rates. The tax expense for the year is recognized in profit or loss except to the extent that it relates to items recognized directly in other comprehensive income or directly in equity.

Widex A/S is jointly taxed with it 's Parent Company WS Audiology A/S, Danish parent entities exercising control over WS Audiology A/S (T&W Medical A/S) and any Danish subsidiaries of such parent entities. The current Danish corporation tax is allocated between the jointly taxed companies in proportion to their taxable income. The jointly taxed companies are taxed under the on-account tax scheme.

Current tax liabilities or assets are measured using the tax rates and tax laws that have been enacted or substantively enacted in each jurisdiction by the end of the reporting period.

Deferred tax is measured using the balance sheet liability method and comprises all temporary differences between the carrying amount and tax base of assets and liabilities. Deferred tax is not recognized for taxable or deductible temporary differences:

- arising from the initial recognition of goodwill
- associated with investments in subsidiaries, branches, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

If amortization of goodwill is deductible for tax purposes, a deferred tax liability is recognized on temporary differences arising after initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates entacted or substantially enacted at the reporting date.

Deferred tax assets and tax liabilities are offset if the entity has a legally enforceable right to offset current tax liabilities and tax assets or intends either to settle current tax liabilities and tax assets or to realize the assets and settle the liabilities simultaneously.

SIGNIFICANTS ACCOUNTING ESTIMATES AND JUDGEMENTS

Via intragroup sales, transfer pricing and APA agreement, Widex A/S "operates" in a large number of tax jurisdictions where tax legislation can be highly complex and subject to interpretation. Significant judgement and estimates are required in determining the accrual for income taxes, deferred tax assets and liabilities and uncertain tax positions.

Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilized. This estimate is made annually and based on budgets and business plans, including planned commercial initiatives, for the coming five years unless a longer period in certain situations (e.g. for start-up businesses) is warranted. Currently, a longer period than five years has not been applied in any of the jurisdictions in which Widex A/S operates.

In the course of conducting business globally, tax and transfer pricing disputes with tax authorities may occur. Management judgement is applied to assess the possible outcome of such disputes. The "most probable outcome" method is used when determining whether to recognize any amounts related to such uncertain tax position. If it is probable that a tax adjustment will be required, the amount of such adjustment is measured at the most likely amount or the expected value, whichever method better predict the resolution of the uncertain tax position.

SECTION 3

31 INTANGIBLE ASSETS

m.DKK	Development projects	Software	Trademarks, patents and rights	Total
Cost at 1 October 2020	740	52	100	892
Additions	470	8	2	480
Cost at 30 September 2021	**1,210**	**60**	**102**	**1,372**
Amortization and impairment at 1 October 2020	-165	-44	-83	-292
Amortization	-111	-6	-9	-126
Amortization and impairment at 30 September 2021	**-276**	**-50**	**-92**	**-418**
Carrying amount at 30 September 2021	**934**	**10**	**10**	**954**

m.DKK	Development projects	Software	Trademarks, patents and rights	Total
Cost at 1 October 2019	319	52	100	471
Additions	421	0	0	421
Cost at 30 September 2020	**740**	**52**	**102**	**892**
Amortization and impairment at 1 October 2019	-95	-34	-59	-188
Amortization	-70	-10	-24	-104
Amortization and impairment at 30 September 2020	**-165**	**-44**	**-83**	**-292**
Carrying amount at 30 September 2020	**575**	**8**	**17**	**600**

ACCOUNTING POLICIES

INTANGIBLE ASSETS

Intangible assets include development projects, acquired intellectual property, trademarks, patents and licenses, acquired customer contracts and relationships, software and other internally generated intangible assets.

Development projects that are clearly defined and identifiable, where the technical feasibility of completion, availability of adequate resources to complete, existence of potential future market can be demonstrated, and where Management has the intent to manufacture, market or apply the product or process in question are recognized as intangible assets. Other development costs are recognized as costs in the income statementas incurred. The costs of development projects comprise all directly attributable costs including wages, salaries, costs to external consultants, rent, materials and services and other costs.

Intangible assets are measured at cost less accumulated amortization and impairment losses. Amortization is provided on a straight-line basis over the expected useful lives of the assets to their estimated residual value if any.

The estimated useful lives are as shown in below table.

The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

SIGNIFICANTS ACCOUNTING ESTIMATES AND JUDGEMENTS

RECOGNITION OF APA ARRANGEMENT WITH SIVANTOS Pte Ltd.

During FY2019/20 Widex A/S entered into a Research and Development Cost Contribution Arrangement ("R&D CCA") and an Advance Pricing Arrangement ("APA") with the group company Sivantos Pte Ltd. The R&D CCA and APA entail a number of judgements in terms of the accounting treatment of these. The most significant judgement in this regard is to whether the agreements entail a transfer of licenses comprising the intellectual property ("IP") rights owned by the respective parties. It is Management's assessment that the R&D CCA and APA grants a mutual, unlimited but non- exclusive rights to all IP rights developed by Widex A/S and Sivantos Pte Ltd., respectively, in the past as well as in the future. At the same time, it is Management's assessment that the agreements thereby provide each party with right to access to the IP rights in accordance IFRS 15, and hence there are no exchange of intangible assets at the time of entering into the agreement.

DETERMINATION OF USEFUL LIFETIME

Management applies an estimate in determination of the useful lives of intangible assets.

For patents, licenses, acquired intellectual property and other intangible assets arising from contractual or other legal rights, the useful life is theshorter of the period of the contractual or legalrights and the economic useful life.

INTANGIBLE ASSETS	USEFUL LIFETIME
Completed development projects	3 years
Patents, licenses and other similar rights	3-10 years
Trademarks	10 years
Acquired intellectual property	8-12 years
Software and other internally generated intangible asset	3-10 years

Development costs:

m.DKK	2020/2021 (12 months)	2019/2020 (12 months)
Research and development cost incurred	878	715
Development costs capitalized as development projects	-470	-421
Depreciation of operating assets etc., used for development purposes	18	9
Amortization and impairment of capitalized development projects	116	87
Total expensed development costs	**542**	**390**

32 TANGIBLE ASSETS

m.DKK	Plant and Machinery	Other plant, fixtures and operating equipment	Leasehold improvements	Assets under construction	Total
Cost at 1 October 2020	252	10	3	16	281
Additions	24	8	0	37	69
Disposals	0	0	0	-1	-1
Transfers	12	0	0	-12	0
Cost at 30 September 2021	**288**	**18**	**3**	**40**	**349**
Depreciations and impairment at 1 October 2020	-131	-5	0	0	-136
Depreciations	-45	-2	-1	0	-48
Disposals	0	0	0	0	0
Depreciations and impairment at 30 September 2021	**-176**	**-7**	**-1**	**0**	**-184**
Carrying amount at 30 September 2021	**112**	**11**	**2**	**40**	**165**

m.DKK	Plant and Machinery	Other plant, fixtures and operating equipment	Leasehold im-provements	Assets under construction	Total
Cost at 1 October 2019	219	10	1	9	239
Additions	33	0	2	8	43
Disposals	0	0	0	0	0
Transfers	0	0	0	-1	-1
Cost at 30 September 2020	**252**	**10**	**3**	**16**	**281**
Depreciations and impairment at 1 October 2019	-88	-3	0	0	-91
Depreciations	-43	-2	0	0	-45
Disposals	0	0	0	0	0
Depreciations and impairment at 30 September 2020	**-88**	**-3**	**0**	**0**	**-136**
Carrying amount at 30 September 2020	**121**	**5**	**3**	**16**	**145**

ACCOUNTING POLICIES

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost comprises the purchase price and costs directly attributable to bringing the asset to its location and condition necessary for its intended use. In addition, the initial estimateof the costs related to dismantling and removing the asset and restoring the site on which the asset is located are added to the cost, if relevant. Where individual components of an item of property, plant and equipment, that is material, have different useful lives, they are accounted for as separate items and depreciated separately. Borrowing costs are included in the cost for assets that necessarily take a substantial period of time to get ready for the intended use.

Depreciation is recognized on a straight-line basis over the expected useful lives of property, plant and equipment, taking into account the expected residual value after the end of the useful life. The expected useful lives are shown in below table.

Estimated useful lives and residual values are reassessed annually. If the residual valueexceeds the carrying amount, depreciation is discontinued. When changing the expected usefullives or the expected residual value, the effect on the depreciation is recognized prospectively as a change in accounting estimates.

Depreciation is recognized in the income statement as production costs, development costs, distribution costs and administrative expenses.

TANGIBLE ASSETS	USEFUL LIFETIME
Leasehold improvements	5-20 years
Technical machinery & equipment	4-10 years
Other fixtures and fittings, tools and equipment, furniture etc.	3-5 years

33 Right of use assets and liabilities

Right of use assets

m.DKK	Buildings	Vehicle fleet	Total
At 1 October 2020	648	7	655
Additions during the year	0	2	2
Disposals during the year	0	-1	-1
Depreciations for the year	-41	-3	-44
Disposals during the year	0	1	1
At 30 September 2021	**607**	**6**	**613**

m.DKK	Buildings	Vehicle fleet	Total
At 1 October 2019	720	11	731
IAS 17 Straightlining	-30	0	-30
Disposals during the year	0	-2	-2
Depreciations for the year	-42	-3	-45
Disposals during the year	0	1	1
At 30 September 2020	**648**	**7**	**655**

Leasing liabilities

m.DKK	Buildings	Vehicle fleet	Total
At 1 October 2020	693	8	701
Additions for the year	0	2	2
Lease payments	-50	-3	-53
Interests	23	0	23
At 30 September 2021	**666**	**7**	**673**

m.DKK	Buildings	Vehicle fleet	Total
At 1 October 2019	720	11	731
Lease payments	-49	-3	-52
Interests	22	0	21
At 30 September 2020	**693**	**8**	**701**

Maturity analysis

m.DKK	0-1 year	1-5 years	+5 years	Total
Buildings	51	213	403	667
Vehicle fleet	3	3	0	6
At 30 September 2021	**54**	**216**	**403**	**673**

m.DKK	0-1 year	1-5 years	+5 years	Total
Buildings	53	213	427	693
Vehicle fleet	3	5	0	8
At 30 September 2020	**56**	**218**	**427**	**701**

ACCOUNTNG POLICIES

The accounting policy for leases from 1 October 2019 are as follows:

(i) When the Company is the lessee:
At the inception of the contract, the Company assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

Right-of-use assets

The Group recognized a right-of-use asset and lease liability at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any leasepayments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

These right- of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Lease liabilities

The initial measurement of lease liability is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily deter-mined, the incremental borrowing rate is used.

Lease payments include the following:
- Fixed payment (including in-substance fixed payments), less any lease incentives receivables;
- Variable lease payment that are based on an in- dex or rate, initially measured using the index or rate as at the commencement date;
- Amount expected to be payable under residual value guarantees
- The exercise price of a purchase option if is reasonably certain to exercise the option; and
- Payment of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

For contract that contain both lease and non-lease components, the Company allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease component. The Company has elected to not separate lease and non-lease component for property leases and account for these as one single lease component.

Lease liability is measured at amortised cost using the effective interest method. Lease liability is remeasured when:

- There is a change in future lease payments arising from changes in an index or rate;
- There is a change in the Group's assessment of whether it will exercise an extension option; or
- There is a modification in the scope or the consideration of the lease that was not part of the original term.

Lease liability is remeasured with a corresponding adjustment to the right- of-use asset or is recorded in prof-it or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short term and low value leases
The Company has elected to not recognize right- of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and low value leases, except for leased asset subject to sublease arrangements. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

Variable lease payments
Variable lease payments that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The Company recognise those lease payments in profit or loss in the periods in which the event or condition that triggers those lease payments occurs.

34 DEPRECIATION, AMORTISATION AND IMPAIRMENT

m.DKK	Section	2020/2021 (12 months)	2019/2020 (12 months)
Amortization of intangible assets	3.1	126	104
Depreciation of property, plant and equipment	3.2	48	45
Depreciation of right-of-use assets	3.3	44	45
Amortization, depreciation and impairment losses		**218**	**194**
Amortization and depreciation by function			
Cost of goods sold		59	31
R&D costs		134	86
Selling and general administration costs		25	77
Net amortization and depreciation		**218**	**194**

Depreciation, amortization and impairment of property, plant and equipment and intangible assets are contained in line items Cost of Sales, Research and development expenses or selling and general administrative expenses, depending on the use of the asset.

ACCOUNTING POLICIES

IMPAIRMENT

Intangible assets not yet available for use, e.g. development projects in progress, are not subject to amortization, but are tested for impairment at least annually, irrespective of whether there is any indication that they may be impaired.

Other intangible assets, which are subject to amortization, and property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If assets do not generate cash flows that are largely independent of those from other assets or groups of assets.

Recoverability of assets is measured by comparing the carrying amount of the asset with the recoverable amount, which is the higher of the asset's value in use and its fair value less costs to sell.

If the carrying amount of an asset, to which the asset belong, is higher than its recoverable amount, the carrying amount is reduced to the recoverable amount, and an impairment loss is recognized in the income statement.

Impairment of intangible assets and impairment of property, plant and equipment is reversed only to the extent of changes in the assumptions and estimates underlying the impairment calculation. Impairment is only reversed to the extent that the asset's new carrying amount does not exceed the carrying amount of the asset after amortization had the asset not been impaired.

SIGNIFICANT ACCOUNTING ESTIMATES

The Company uses discounted cash flows when determining the value in use and thereby recoverable amount of assets. The estimation of future cash flows is inherently associated with significant uncertainty.

The discounted cash flow calculation uses a four-year projection that represent managements best estimate of future cash flows generated by an asset. When testing for impairment on development projects, management bases expectation on a market growth rate of 5-10%, applied to revenue and EBITDA, and an average sales price from experience with launch of similar products. In addition, a sensitivity analysis is prepared to show the available headroom, using the projected revenue and applying a weighted average cost of capital of 8%.

35 OTHER NON-CURRENT FINANCIAL ASSETS

m.DKK	2021	2020
Loans to subsidiaries	1,221	1,278
Customers loans	157	185
Total	**1,378**	**1,463**

Loans to subsidiaries have been evaluated individually for impairment and provisions for write-down, and for2020/21 amount to DKK 0 million and 2019/20: DKK 0 million.

Customer loans have been evaluated individually for impairment and provisions for write-down, and for 2020/21 amount to DKK 0 million and 2019/20: DKK 10 million.

Management has put a special focus on situations where the COVID-19 situation has rendered additional financial pressure on already low performing customers which is reflected in the evaluation of credit risks and the basis of expected credit losses applied. As such, adjustments to the loan allowances were made where deemed necessary, including instances where enforcement activities are still undergoing, which is evaluated on a case-by-case basis.

ACCOUNTING POLICIES

CUSTOMER LOANS

Customer loans are initially recognized at fair value less transaction costs and subsequently measured at amortized cost less loss allowance or impairment losses.

The fair value of customer loans at initial recognition is measured at the present value of future repayments of the loan discounted at a market interest rate corresponding to the money market rate based on the expected maturity of the loan with
the addition of a risk premium. The effective interest on customer loans is recognized as interest income in the income statement over the term of the loans.

A loss allowance is recognized at initial recognition and subsequently based on 12-months expected credit losses, unless a significant increase in credit risk has arisen since the initial recognition of the loan, in which case the loss allowance is based on lifetime expected credit losses.

Customer loans are written off when all possible options of enforcement activities have been exhausted and there is no reasonable expectation of recovery.

OTHER LOANS AND RECEIVABLES, INCLUDING LOANS TO ASSOCIATES AND SUBSIDIARIES

Other loans and receivables, including loans to associates are recognized initially at fair value less directly attributable transactions costs. Subsequently, they are measured at amortized cost using the effective interest method less impairment. A loss allowance is recognized at initial recognition and subsequently based on 12-months expected credit losses, unless a significant increase in credit risk has arisen since the initial recognition of the loans and receivables, in which case the loss allowance is based on lifetime expected credit losses.

36 OTHER CURRENT ASSETS

m.DKK	2021	2020
Receivables from affiliated companies	19	22
Other receivables	46	57
Total	**65**	**79**

37 INVENTORIES

m.DKK	2021	2020
Raw materials and purchased components	262	279
Work in progress	45	28
Finished goods and goods for resale	74	34
Inventories	**381**	**341**
Write-downs, provisions for obsolescenceetc. included in the above	-79	-82

Included in the income statement under production costs:

m.DKK	2020/21 (12 months)	2019/20 (12 months)
Write-downs of inventories for the year	-3	39
Cost of goods sold during the year	894	746
Total	**891**	**785**

ACCOUNTING POLICIES

Inventories are measured at the lower of cost and net realizable value, cost being generally determined on the basis of the FIFO method. Cost comprise raw materials, consumables, direct labour and indirect production overheads. Indirect production overheads comprise indirect supplies, wages, and salaries, amortization of brands and software, as well as maintenance and depreciation of machinery, plant and equipment used for production.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

38 TRADE RECEIVABLES

m.DKK	Not due	1-30 days	Past due at 30 September 2021 31-60 days	61-90 days	91-180 days	More than 181 days	Total
Gross carrying amount	24	4	8	8	10	54	108
Loss allowance	4	0	-1	0	-2	-50	-49
Total	**28**	**4**	**7**	**8**	**8**	**4**	**59**

m.DKK	2021	2020
Gross carrying amount	108	138
Opening loss allowance	**-62**	**-39**
Provisions recovered	9	0
General allowance	2	-3
Individually impaired	2	-20
Total	**59**	**76**

ACCOUNTING POLICIES

Trade receivables are measured at amortized cost less allowance for lifetime expected credit losses.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. For trade receivables that are considered credit impaired,

the expected credit loss is determined individually.

Trade receivables and contract assets are written off when all possible options of enforcement activities have been exhausted and there is no reasonable expectation of recovery.

SIGNIFICANT ACCOUNTING ESTIMATES

Widex A/S has historically suffered insignificant credit losses on trade receivables and contract assets.

Loss allowance is calculated using a provision matrix that incorporates an ageing factor, geographical risk and specific customer knowledge. The provision matrix is based on historical credit losses incurred within relevant time bands of days past due adjusted for a forward looking element.

39 OTHER CURRENT LIABILITIES

m.DKK	2021	2020
Employee costs payable	86	109
Payroll and social security taxes	38	50
Bonus obligations	55	30
Other	30	101
Total	**209**	**290**

ACCOUNTING POLICIES

Other liabilities are measured at amortized cost.

SECTION 4

4.1 OUTSTANDING SHARES

m.DKK	Outstand-ing shares	Total number of shares	Nominal value of outstanding shares	Nominal value of total shares
Shares at October 1, 2020	30	**30**	30	**30**
Shares at 30 September 2021	**30**	**30**	**30**	**30**

All shares are fully issued and paid up. The share capital was nominally DKK 30 million divided into a corresponding number of shares of 30 million. There are no restrictions on the negotiability or voting rights of the shares.

CAPITAL MANAGEMENT

Widex A/S' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company has retained its earnings that have been accumulated to strengthen its equity.

The capital structure of the Company consists of net debt (short-term and long-term borrowings disclosed in notes 4.3 after deducting cash and cash equivlents) and equity of the Company (comprising issued capital, reserves, retained earnings and non-controlling interests).

ACCOUNTING POLICIES

Proposed dividend is recognized as a liability at the date when it is adopted at the Annual General Meeting (declaration date). The dividend recommended by the Board of Directors, and therefore expected to be paid for the year, is disclosed in the notes.

4.2 LIABILITIES FROM FINANCING ACTIVITIES

m.DKK	Lease liabilities	Bank loan	Payables to related parties	Total
Liabilities at 1 October 2020	701	726	3,003	4,430
Amortized loan costs	0	7	0	7
Changes from financing cash flows	-53	0	0	-53
Foreign exchange adjustments	0	-1	-4	-5
Non-cash transactions	23	3	1	27
Liabilities at 30 September 2021	**671**	**735**	**3,000**	**4,406**

Liabilities at 1 October 2019	0	0	2,979	2,979
Recognized on adoption of IFRS 16 leases	731	0	0	731
Changes from financing cash flows	-52	734	17	699
Foreign exchange adjustments	0	1	-7	-6
Non-cash transactions	22	-9	14	27
Liabilities at 30 September 2020	**701**	**726**	**3,003**	**4,430**

ACCOUNTING POLICIES

Financial liabilities, other than derivatives, are initially recognized at fair value less transaction costs, and subsequently measured at amortized cost using the effective interest method. Accordingly, the difference between the proceeds and the nominal value is recognized in the income statement over the term of the liability.

4.3 FINANCIAL INCOME AND EXPENSES

m.DKK	2020/2021 (12 months)	2019/2020 (12 months)
Interest Income	55	66
Total interest income	**55**	**66**
Interest expenses	**-201**	-168
Total interest expenses	**-201**	**-168**
Other financials, net		
Foreign currency translation gains/(losses)	7	-143
Dividends and other income from subsidiaries	12	12
Total other financial expenses, net	**19**	**-131**
Total financial expenses, net	**-127**	**-233**

Interest income/(expense) includes the interest/(expense) from financial assets/(financial liabilities) not measured at fair value through profit or loss.

ACCOUNTING POLICIES

Financial income and expenses comprise interest income and expenses, gains and losses on securities, receivables, payables and transactions denominated in foreign currencies, credit card fees, amortization and impairment of financial assets other than trade receivables and contract assets and liabilities.

Interest income and expenses on financial assets and liabilities measured at amortized cost is recognized using the effective interest method.

Other financial income and expenses are recognized on an accrual basis in the period to which they relate.

4.4 FINANCIAL RISK AND INSTRUMENTS

CATEGORIES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AND FAIR VALUE HIERARCHY

The below table shows the categories of financial assets and financial liabilities, their carrying amounts and their levels in the fair value hierarchy.

Please refer to Management commentary for description of risks and risk management.

	Fair Value				
m.DKK	Level 1	Level 2	Level 3	Carrying amount	Total 2021
Trade receivables	0	0	0	59	59
Intragroup receivables	0	0	0	671	671
Intragroup loans & customer loans	0	0	0	1,378	1,378
Other receivables	0	0	0	46	46
Receivables from associates	0	0	0	19	19
Cash and cash equivalents	0	0	0	456	456
Tax receivables	0	0	0	221	221
Financial assets measured at amortized cost	**0**	**0**	**0**	**2,850**	**2,850**
Loan from Parent company	0	0	0	-3,000	-3,000
Bank loan	0	-735	0	-735	-735
Intragroup payables	0	0	0	-1,406	-1,406
Lease liabilities	0	0	0	-673	-673
Trade payables	0	0	0	-213	-213
Other liabilities	0	0	0	-213	-212
Financial liabilities measured at amortized cost	**0**	**-735**	**0**	**-6,240**	**-6,240**

The fair values of cash and cash equivalents, trade and other receivables and trade payables with a remaining term of up to twelve months, other current financial liabilities, loan from Parent company and borrowings under revolving credit facilities are approximately equal to their carrying amount, mainly due to the short-term maturities of these instruments.

SECTION 5

5.1 INVESTMENT IN SUBSIDIARIES

m.DKK	2021	2020
Cost at 1 October	1,455	1,476
Additions for the year	570	0
Disposals for the year	-78	-21
Transfer to associates	-6	0
Cost end of period	**1,941**	**1,455**
Impairment at 1 October	-2	-2
Revaluation for the year	2	0
Impairment for the year	0	0
Impairment end of period	**0**	**-2**
Carrying amount	**1,941**	**1,453**

ACCOUNTING POLICIES

The Company measures its investments in subsidiaries at cost price. If the cost exceeds the recoverable amount the value impairs to the lower amount.

Should the Company choose to sell its shares in one of its subsidiaries the earnings are calculated as the difference between the sales price and the carrying amount.

List of Widex A/S active investments included in the financial statements:

Company	Country	Equity interest in %
Subsidiaries:		
EMEA-LA		
Bloomhearing ApS	Denmark	100
WSAUD A/S	Denmark	100
WS Audiology Benelux B.V.	Netherlands	100
Widex UK Ltd.	UK	100
Widex DK A/S	Denmark	100
Coselgi DK ApS	Denmark	100
Clermont Distribution	France	98
SAS Pavillion de l'audition	France	98
Widex S.A.S	France	100
Bloom Hearing Specialists Ltd.	UK	100
Aberdeen Hearing Services Ltd.	UK	100
Bonavox Limited	Ireland	100
WS Audiology Chile SpA	Chile	100
Widex Uruguay S.A.	Uruguay	51
COW-Audición en Alta Definición S.A. de C.V	Mexico	99
Widex Argentina S.A	Argentina	51
Centro Auditivo Widex Brasitom Ltda	Brazil	100
Communicare Aparelhos Auditivos Ltda	Brazil	100
WS Audiology Solucuoes Auditiva Ltd.	Brazil	100
Bloom Hörakustik AG	Switzerland	100

Company	Country	Equity interest in %
EMEA-LA		
WS Audiology Switzerland AG	Switzerland	100
Widex Hörgeräte GmbH	Germany	100
Widex AB	Sweden	100
Hörselhuset Aktiebolag	Sweden	100
Widex Biocord AB	Sweden	100
Widex OOO LLC	Russia	100
Widex Norge AS	Norway	100
Widex-Reabilitacão Auditiva Lda.	Portugal	100
WSA Portugal S.A.	Portugal	100
Widex Russia LLC	Russia	100
Widex Akustik OY	Finland	100
Widex Lines s.r.o	Czech Republic	100
Widex Poland Sp. Z.o.o	Poland	60
Widex South Africa Pty. Ltd.	South Africa	100
Widex Regional Operation Center EMEA	Poland	100
Widex Italia S.r.l	Italy	100
ReOton LLC	Ukraine	100
Widex Slušni Aparati d.o.o	Bosnia	60
Widex-Slovton Slovakia s.r.o	Slovakia	100
Widex Tibbi ve Teknik Chihazlar San.ve Tic. AŞ	Turkey	100
Widex Trading d.o.o Ljubljana	Slovenia	60
Slušni Aparati d.o.o. Widex Ljubljana	Slovenia	84
Koalys Technologies Ltd.	Israel	100
Shoebox France Sarl	France	100
Koalys Poland Sp. Z.o.o.	Poland	100
Widex-H Kft	Hungary	100
Audiofon Kft	Hungary	100
Myproject Kft	Hungary	100

Company	Country	Equity interest in %
Asia Pacific		
Widex Hearing Aid Sdn Bhd	Malaysia	100
Widex Singapore Pte Ltd	Singapore	100
Bloom Hearing Co. Ltd.	Japan	100
Widex Co. Ltd.	Japan	100
Widex Hearing Aid (Shanghai) Co. Ltd.	China	100
Widex India Private Ltd.	India	100
Widex New Zealand Ltd.	New Zealand	100
Widex Australia Pty. Ltd.	Australia	100
Active Hearing Pty. Ltd.	Australia	100
Hearclear Audiology Pty. Ltd.	Australia	100
Bloom Hearing Ltd.	New Zealand	100
Widex Hong Kong Hearing & Speech Centre Ltd.	Hong Kong	100
Starry Hearing & Speech Centre Ltd.	Hong Kong	65
North America		
TW Group Canada Inc.	Canada	100
Lifestyle Hearing Corporation Inc.	Canada	100
Lifestyle Hearing Corporation USA Inc.	USA	100
Widex USA Inc.	USA	100

Company	Country	Equity interest in %
Subsidiaries of Lifestyle Hearing Corporation Inc.		
Lifestyle Hearing Network Inc.	Canada	100
Helix Hearing Inc.	Canada	100
Hearcanada Inc.	Canada	100
Helix Service Corporation Inc.	Canada	100
Manji Nicholaou Audiology Inc.	Canada	100
Subsidiaries of Lifestyle Hearing Corporation USA Inc.		
Audiology Management Group Inc.	USA	100
Helix Hearing Care (California) Inc.	USA	100
Lifestyle Hearing Professionals LLC	USA	100
My Hearing Centers LLC	USA	100
New Asheville Audiology Services PLLC	USA	100
Helix Hearing Care (Texas) LLC	USA	100
Helix Hearing Care (Florida) LLC	USA	100
Hear Again Hearing Auds LLC.	USA	60
Helix Hearing Care Naples LLC	USA	60
The Hearing Center of ENTA LLC	USA	60
Medical Hearing Systems LLC	USA	70
PAS Development LLC	USA	82

5.2 REMUNERATION OF KEY MANAGEMENT PERSONNEL

	2020/21 (12 Months)		
m.DKK	Short-term benefits	Termination benefits	Total
Executive Management	25	0	25
Board of Directors	0	0	0
Total remuneration	**25**	**0**	**25**

	2019/20 (12 Months)		
m.DKK	Short-term benefits	Termination benefits	Total
Executive Management	28	0	28
Board of Directors	0	0	0
Total remuneration	**28**	**0**	**28**

5.3 CONTINGENT LIABILITIES

GUARANTEES

For activities in Portugal the Company has provided a guarantee to Danske Bank of DKK 1.1 million.

An additional guarantee has been provided to Danske Bank concerning payment liability for Widex UK Limited of DKK 2.8 million and for Widex Norway of DKK 0.8 million.

Furthermore, Widex A/S guaranteed to HSBC concerning payment liabilities for Widex Australia Pty. Ltd of DKK 3.7 million, WS Audiology Mexico of DKK 1.9 million and for activities in Poland of DKK 0.6 million.

OUTSTANDING LAWSUITS AND DISPUTES

The Company is, from time to time, subject to legal disputes in connection with its business activities. In the light of the number of legal disputes and proceedings in which the Company is involved, it cannot be ruled out that some of these proceedings could result in rulings against the Company.

Although the Company maintains liability insurance in its non-amounts the Company considers consistent with industry practice, it may not be fully insured against all potential damages that may arise out of any claims to which the Company may be party in the ordinary course of the Company's business.

At this time, however the Company does not expect any significant negative effects on the Company's financial position or finance and earnings situation resulting from legal disputes.

The Company seeks to make adequate provisions for any legal disputes and proceedings, and assesses the likely outcome in which the Company is involved.

JOINT TAXATION

The Company is subject to a Danish joint taxation scheme and unlimited jointly and severally liable with the other jointly taxed companies for the total income tax.

The Company is unlimited jointly and severally liable with the other jointly taxed companies for any obligation to withholding tax on interest, royalties and dividends.

Any subsequent adjustments of corporate taxesor withheld taxes, etc. may cause changes to the Company's liabilities.

5.4 ASSOCIATES

m.DKK	Investments in associates and joint ventures	Receivables from associates
Cost at 1 October 2020	20	22
Movement in receivables	0	-3
Share of post-acquisition of retained earnings	-10	0
Transfer from subsidiaries	6	0
Carrying amount at 30 September 2021	**16**	**19**

m.DKK	Investments in associates and joint ventures	Receivables from associates
Cost at 1 October 2019	29	16
Movement in receivables	0	6
Share of post-acquisition of retained earnings	-9	0
Carrying amount at 30 September 2019	**20**	**22**

The Company's share of associates' income and financial position

m.DKK	**2020/2021** (12 months)	**2019/2020** (12 months)
Non-current assets	19	15
Current assets	34	23
Non-current liabilities	-14	0
Current liabilities	-26	-16
Net assets	**13**	**22**
Revenue	102	61
Net loss from continuing operation	0	0
Comprehensive income	0	0

Company	Country	Equity interest in %
Other equity investments		
HIMSA A/S	Denmark	25
HIMSA II a/s	Denmark	20
HIMSA II K/S	Denmark	15
HIMP A/S	Denmark	13
K/S HIMPP	Denmark	9
D Med Hearing Company	Thailand	38
Widex Columbia SAS	Columbia	20
Widex Servicios Technico S.A.	Spain	30
Widex Audifonos S.A.	Spain	30
Instituto Auditivo Widex C.A.	Venezuela	24

ACCOUNTING POLICIES

Associates are those entities in which the Company has significant influence but not control or joint control over the financial and operating policies. A joint venture is an arrangement in which the Company has joint control over the financial and operating policies, and where the Company has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Investments in associates and joint ventures are accounted for using the equity method. This entails that the investments are initially recognized at cost and adjusted thereafter to recognize the Company's share of the profit or loss and other comprehensive income of the associate or joint venture calculated in accordance with the Company's accounting policies. When the Company's shareof losses of an associate or joint venture exceedsthe Company's interest in such associate or joint venture, the Company discontinues recognizing its share of future losses. Additional losses are recognized only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

5.5 FEES TO AUDITORS APPOINTED AT THE ANNUAL GENERAL MEETING

m.DKK	Deloitte **2020/2021** (12 months)	**2019/2020** (12 months)
Audit fees	1	1
Tax services	0	0
Other services	2	0
Total	**3**	**1**

5.6 RELATED PARTIES

T& W Medical A/S is the parent entity and ultimate parent controlling Widex A/S.

Other related parties include those entities controlled by, or with significant influence in T&W Medical A/S.

Transactions with related parties

m.DKK	**2020/2021** (12 months)	**2019/2020** (12 months)
Transactions with Parent company		
- Loans from related parties	0	0
- Interest on loans	-124	-124
- Repayments on loans	0	92
Transactions with associated		
- Sales of goods and services	62	54
Other related parties		
- Sales of goods and services	435	4
- Purchase of goods and services	-56	-69
- Interest received, net	-5	0
- Transaction with related individual	0	0

Transactions with subsidiaries

m.DKK	2020/202 (12 months)	2019/2020 (12 months)
- Sale of goods and services	1,311	1,417
- Purchase of goods and services	-489	-203
- Interest received, net	46	48
- Receivables, non-current	1,221	1,259
- Receivables, current	604	802
- Payables, non-current	-103	-140
- Payables, current	-1,303	-1,312

Outstanding balances

m.DKK	2020 (12 months)	2019 (12 months)
Parent Company	3,000	3,003
Associates	19	23
Other related parties	255	-4

TRANSACTIONS WITH RELATED INDIVIDUALS

The Company's Executive management is defined as those persons, who are responsible for the Company's worldwide operating business, based on their function within the Company or the interests of Widex A/S. For information about remuneration to Executive management and Board of Directors refer to note 5.2.

The following individuals belong or belonged to the Company's Executive management:

Executive Management	Director	Period
Year 2020/21		
Eric Alain Bernard	CEO Widex A/S	October 2020 - May 2021
Jan-Peter Rekling	CEO Widex A/S	May 2021 - September 2021
Søren Westh Lonning	CFO Widex A/S	November 2020 - May 2021
Year 2019/20		
Eric Alain Bernard	CEO Widex A/S	October 2019 - September 2020
Henrik Skak Bender	CFO Widex A/S	October 2019 - May 2020

Board of directors	Director	Period
Year 2020/21		
Jan Tøpholm	Chairman Widex A/S	October 2020 - Maj 2021
Peter Henrik Balslev	Member	October 2020 - Maj 2021
Julian Tøpholm	Member	October 2020 - Maj 2021
Kasper Grundtvig Knokgaard	Member	October 2020 - Maj 2021
Eric Alain Bernard	Member	May 2021 - September 2021
Søren Westh Lonning	Member	May 2021 - September 2021
Seah Yee Hui Dawn	Member	May 2021 - September 2021
Year 2019/20		
Jan Tøpholm	Chairman Widex A/S	October 2019 - September 2020
Peter Henrik Balslev	Member	October 2019 - September 2020
Julian Tøpholm	Member	October 2019 - September 2020
Kasper Grundtvig Knokgaard	Member	October 2019 - September 2020

5.8 GROUP CONDITIONS

Name and residents of the parent company, who prepares the consolidated financial statements for the smallest group:

Company	Address	Country	CVR no.
WS Audiology A/S	Nymøllevej 6, 3540 Lynge	Denmark	40296638