

# **Tomex Foods ApS**

Hasserisvej 139, 9000 Aalborg  
CVR no. 16 01 38 97

## **Annual report for the financial year 01.07.19 - 30.06.20**

Årsrapporten er godkendt på den  
ordinære generalforsamling, d. 30.10.20

Bo Andersen  
Dirigent

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**The company**

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c/o TOMEX Danmark A/S  
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9000 Aalborg  
Tel.: 96 31 31 31  
Fax: 96 31 31 59  
Registered office: Aalborg  
CVR no.: 16 01 38 97  
Financial year: 01.07 - 30.06

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**Executive Board**

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Bo Andersen  
Tom Andersen

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**Auditors**

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Beierholm  
Statsautoriseret Revisionspartnerselskab

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**Banks**

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Spar Nord Bank A/S  
Nordea Bank A/S

## **Statement by the Executive Board on the annual report**

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We have on this day presented the annual report for the financial year 01.07.19 - 30.06.20 for Tomex Foods ApS.

The annual report is presented in accordance with Danish Financial Statements Act (Årsregnskabsloven).

In our opinion, the financial statements give a true and fair view of the company's assets, liabilities and financial position as at 30.06.20 and of the results of the company's activities for the financial year 01.07.19 - 30.06.20.

We believe that the management's review includes a fair review of the matters dealt with in the management's review.

The annual report is submitted for adoption by the general meeting.

Aalborg, October 30, 2020

### **Executive Board**

Bo Andersen

Tom Andersen

**To the capital owners of Tomex Foods ApS****Opinion**

We have audited the financial statements of Tomex Foods ApS for the financial year 01.07.19 - 30.06.20, which comprise the income statement, balance sheet, statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial statements are prepared in accordance with Danish Financial Statements Act (Årsregnskabsloven).

In our opinion the financial statements give a true and fair view of the company's assets, liabilities and financial position at 30.06.20 and of the results of the company's operations for the financial year 01.07.19 - 30.06.20 in accordance with the Danish Financial Statements Act (Årsregnskabsloven).

**Basis for conclusion**

We conducted our audit in accordance with International Standards on Auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the company 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 requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Statement regarding the management's review**

Management is responsible for management's review.

Our opinion on the financial statements does not cover 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 management's review and, in doing so, consider whether 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 management's review provides the information required under the Danish Financial Statements Act.

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

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

The Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act. Furthermore the Management is responsible for the internal control as the 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, disclosing, as applicable, matters related to going concern and 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 responsibilities for the audit of the financial statements**

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 International Standards on Auditing and the additional requirements applicable in 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 economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with International Standards on Auditing and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism 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 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.

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.

Aalborg, October 30, 2020

**Beierholm**

Statsautoriseret Revisionspartnerselskab  
CVR no. 32 89 54 68

Niels Jørgen Kristensen

State Authorized Public Accountant  
MNE-no. mne10873

**FINANCIAL HIGHLIGHTS****Key figures**

Figures in DKK '000	2019/20	2018/19	2017/18	2016/17	2015/16
<i>Profit/loss</i>					
Revenue	223,722	266,367	274,903	328,577	306,768
Index	73	87	90	107	100
Operating profit	3,817	5,221	2,423	7,337	8,540
Index	45	61	28	86	100
Total net financials	-1,337	-938	-3,190	-1,539	-82
Index	1,630	1,144	3,890	1,877	100
Profit for the year	1,936	3,336	-797	4,516	6,562
Index	30	51	-12	69	100
<i>Balance</i>					
Total assets	64,219	73,528	72,562	69,582	70,329
Index	91	105	103	99	100
Equity	27,837	25,917	22,606	25,103	22,289
Index	125	116	101	113	100



**Ratios**

	2019/20	2018/19	2017/18	2016/17	2015/16
<i>Profitability</i>					
Return on equity	7,2%	13,8%	-3,3%	19,1%	33,4%
Profit margin	1,7%	2,0%	0,9%	2,2%	2,8%
<i>Equity ratio</i>					
Equity interest	43,3%	35,2%	31,2%	36,1%	31,7%

*Ratios definitions*

Return on equity:	$\frac{\text{Profit/loss for the year} \times 100}{\text{Average equity}}$
Profit margin:	$\frac{\text{Operating profit/loss} \times 100}{\text{Revenue}}$
Equity interest:	$\frac{\text{Equity, end of year} \times 100}{\text{Total assets}}$

**Primary activities**

The object of the company is to engage in trade in foodstuffs.

**Development in activities and financial affairs**

The income statement for the period 01.07.19 - 30.06.20 shows a profit/loss of DKK 1,936,415 against DKK 3,336,358 for the period 01.07.18 - 30.06.19. The balance sheet shows equity of DKK 27,837,418.

The activities and the result for the year do not conform to the expectations in the latest annual accounts, which can be attributed to a number of external factors in the global food market, including the global spread of COVID-19.

The company's financial position and the results of the company's operations in the past year can also be seen from the subsequent income statement for 2019/20 and the balance sheet as at 30 June 2020.

**Outlook**

Further growth in revenue as well as increased group earnings are expected for FY 2020/21, however, due to a number of factors that may affect the market, including COVID-19, there will be uncertainty about this.

**Knowledge resources**

The management and other employees for the company are an important asset to Tomex Foods ApS. For many years, the company has engaged in the import and export of food products, which means that it has built up special competencies in this area.

**Special risks***Commercial, financial and other risks*

The company's operations involve a number of common risks of a commercial nature which the company's management deals with on a continuous basis. These risks relate to suppliers, products and markets, among other things.

Market risks in the food industry are mainly related to external factors in the form of political regulations, price regulations and diseases, etc.

The most important financial risks facing the company relate to changes in exchange rates. The company is exposed to currency risks by way of its business profile as a substantial part of its purchases and sales is made in foreign currency. In order to counter this risk, it is the company's general policy to hedge all major commercial transactions.

Other risks primarily relate to funds tied up in inventories and receivables.

Inventories are an important asset to the company, and risks associated with the transport and storage of the goods are therefore protected by insurance.

Receivables are also an important asset, making credit granting a natural and important part of the company's business. The company seeks to limit the associated risk by means of effective controls, both when credit is granted and during ongoing trade. The company's receivables are insured against losses to the extent deemed necessary and feasible. Alternatively, sales are made against documents or prepayment.

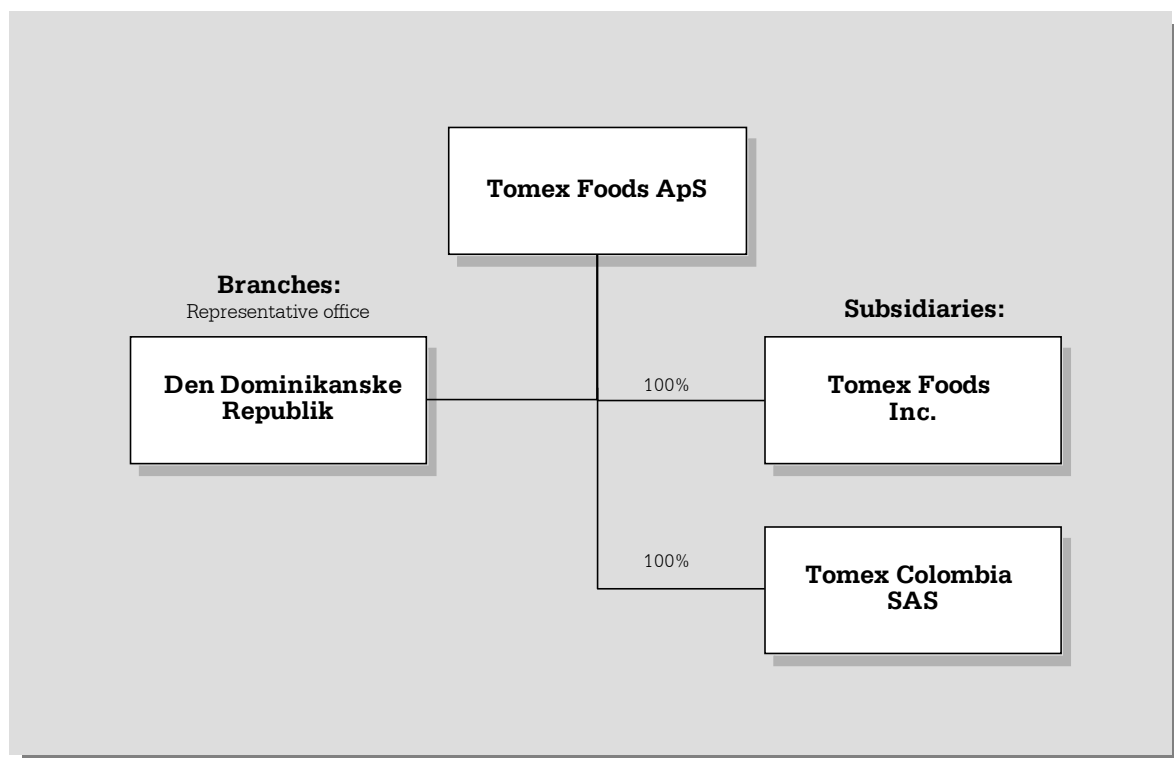
### Other matters

The company carries out market and product development on an ongoing basis, including product customisation. No research is carried out. No special environmental matters exist in respect of Tomex Foods ApS. The company has not established any corporate social responsibility policies.

### Subsequent events

No important events have occurred after the end of the financial year.

### Branches abroad



## Income statement

Note		2019/20 DKK	2018/19 DKK
	<b>Revenue</b>	<b>223,722,137</b>	<b>266,366,808</b>
	Cost of sales	-210,371,591	-251,311,281
	Other external expenses	-9,533,132	-9,834,684
	<b>Gross profit</b>	<b>3,817,414</b>	<b>5,220,843</b>
1	Staff costs	0	0
	<b>Profit before depreciation, amortisation, write-downs and impairment losses</b>	<b>3,817,414</b>	<b>5,220,843</b>
	Income from equity investments in group enterprises	8,131	-21,146
	Financial income	0	650,034
2	Financial expenses	-1,345,206	-1,566,400
	<b>Profit before tax</b>	<b>2,480,339</b>	<b>4,283,331</b>
	Tax on profit or loss for the year	-543,924	-946,973
	<b>Profit for the year</b>	<b>1,936,415</b>	<b>3,336,358</b>
<b>Proposed appropriation account</b>			
	Retained earnings	1,936,415	3,336,358
	<b>Total</b>	<b>1,936,415</b>	<b>3,336,358</b>

## Balance sheet

ASSETS		30.06.20	30.06.19
Note		DKK	DKK
4	Equity investments in group enterprises	5,512	9,496
<b>Total investments</b>		<b>5,512</b>	<b>9,496</b>
<b>Total non-current assets</b>		<b>5,512</b>	<b>9,496</b>
Manufactured goods and goods for resale		2,818,084	2,800,175
<b>Total inventories</b>		<b>2,818,084</b>	<b>2,800,175</b>
Trade receivables		58,884,502	69,786,769
Receivables from group enterprises		2,450,278	236,692
Other receivables		0	63,968
5	Prepayments	57,980	117,181
<b>Total receivables</b>		<b>61,392,760</b>	<b>70,204,610</b>
<b>Cash</b>		<b>2,332</b>	<b>513,618</b>
<b>Total current assets</b>		<b>64,213,176</b>	<b>73,518,403</b>
<b>Total assets</b>		<b>64,218,688</b>	<b>73,527,899</b>

## Balance sheet

## EQUITY AND LIABILITIES

Note		30.06.20 DKK	30.06.19 DKK
	Share capital	755,000	755,000
	Retained earnings	27,082,418	25,162,041
	<b>Total equity</b>	<b>27,837,418</b>	<b>25,917,041</b>
6	Provisions for deferred tax	92,000	14,600
7	Other provisions	994,511	990,588
	<b>Total provisions</b>	<b>1,086,511</b>	<b>1,005,188</b>
	Payables to other credit institutions	27,221,494	26,437,043
	Trade payables	5,813,856	9,417,632
	Payables to group enterprises	42,381	8,326,271
	Income taxes	466,524	1,012,273
	Other payables	1,750,504	1,412,451
	<b>Total short-term payables</b>	<b>35,294,759</b>	<b>46,605,670</b>
	<b>Total payables</b>	<b>35,294,759</b>	<b>46,605,670</b>
	<b>Total equity and liabilities</b>	<b>64,218,688</b>	<b>73,527,899</b>

8 Derivative financial instruments

9 Contingent liabilities

10 Related parties

## Statement of changes in equity

Figures in DKK	Share capital	Retained earnings
Statement of changes in equity for 01.07.18 - 30.06.19		
Balance as at 01.07.18	755,000	21,850,613
Foreign currency translation adjustment of foreign enterprises	0	-24,930
Net profit/loss for the year	0	3,336,358
Balance as at 30.06.19	755,000	25,162,041
Statement of changes in equity for 01.07.19 - 30.06.20		
Balance as at 01.07.19	755,000	25,162,041
Foreign currency translation adjustment of foreign enterprises	0	-16,038
Net profit/loss for the year	0	1,936,415
Balance as at 30.06.20	755,000	27,082,418

	2019/20 DKK	2018/19 DKK
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### 1. Staff costs

Average number of employees during the year	0	0
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The Company and Tomex Foods Inc., Chicago, USA (subsidiary) and Tomex Foods SAS, Colombia (subsidiary) have concluded a management agreement, including an agreement on the delivery of personnel services/manpower.

### 2. Other financial expenses

Interest, group enterprises	199,626	284,512
Other interest expenses	536,384	993,146
Other financial expenses	609,196	288,742
Total	1,345,206	1,566,400

### 3. Distribution of net profit

Retained earnings	1,936,415	3,336,358
Total	1,936,415	3,336,358



#### 4. Equity investments in group enterprises

Figures in DKK	Equity investments in group enterprises
Cost as at 01.07.19	16,519
Foreign currency translation adjustment of foreign enterprises	-1,403
Cost as at 30.06.20	15,116
Revaluations as at 01.07.19	-997,611
Foreign currency translation adjustment of foreign enterprises	-14,635
Net profit/loss from equity investments	8,131
Revaluations as at 30.06.20	-1,004,115
Negative equity value transferred to provisions	994,511
Depreciation and impairment losses as at 30.06.20	994,511
Carrying amount as at 30.06.20	5,512

Name and registered office:	Ownership interest	Equity DKK	Net profit/loss for the year DKK
Subsidiaries:			
Tomex Foods Inc., USA	100%	-994,511	10,758
Tomex Colombia SAS, Colombia	100%	5,512	-2,627

	30.06.20 DKK	30.06.19 DKK
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**5. Prepayments**

Other prepayments	57,980	117,181
Total	57,980	117,181

**6. Deferred tax**

Deferred tax as at 01.07.19	14,600	79,900
Deferred tax recognised in the income statement	77,400	-65,300
Deferred tax as at 30.06.20	92,000	14,600

**7. Other provisions**

Figures in DKK	Provisions for subsidiaries	
Provisions as at 01.07.19		990,588
Provisions during the year		3,923
Provisions as at 30.06.20		994,511
	30.06.20 DKK	30.06.19 DKK

Other provisions are expected to be distributed as follows:

Current liabilities	994,511	990,588
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## 8. Derivative financial instruments

The Board of Directors lays down the framework for the conclusion of contracts for derivative financial instruments. The enterprise concludes contracts for the sole purpose of hedging the currency risk on manufactures goods and goods for resale and trade payables and the future sale of goods in foreign currency. The fair value of the forward exchange contracts amounts to t.DKK -1.014 as at 30.06.20, and the unrealised net gain before tax recognised in the indcome statement. The board of directors has waived the accounting rules regarding future hedging. Forward exchange contracts are only concluded with counterparties (Danish banks) with a good credit score from a reputable credit rating agency.

## 9. Contingent liabilities

### *Recourse guarantee commitments*

The company has provided an unlimited guarantee for the parent's and the parent's other subsidiaries' payables to credit institutions. Credits and limits may not exceed DKK 118 million. Associated companies- liabilities to credit institutions are on balance sheet data DKK 30,3 million.

### *Other contingent liabilities*

The company is taxed jointly with the other Danish companies in the group and is liable for income taxes on a pro rata basis and must comply with any obligations to withhold tax at source on interest, royalties and dividends for the jointly taxed companies. The total tax liability for the jointly taxed comapnies at the balance sheet date has not yet been calculated. For further information, please see the administration company Tomex Holding ApS's financial statements. The liability also includes any subsequent corrections to the calculated tax liability as a consequence of changes made to the jointly taxable income etc.

## 10. Related parties

Controlling influence	Basis of influence
Tomex Danmark A/S, Aalborg	Ownership
Tomex Holding ApS, Aalborg	Ownership

Related party transactions are not disclosed, as all transactions are entered into in the ordinary course of business at arms' length.

**10. Related parties** - continued -

The enterprise/company is included in the consolidated financial statements of the parents Tomex Danmark A/S, Aalborg og Tomex Holding ApS, Aalborg.

**11. Accounting policies****GENERAL**

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act (*Årsregnskabsloven*) for medium-sized enterprises in reporting class C.

The accounting policies have been applied consistently with previous years.

In accordance with section 112 of the Danish Financial Statements Act, the company has not prepared consolidated financial statements. The company is a subsidiary of Tomex Danmark A/S, Aalborg, CVR no. 15 80 02 40, which prepares consolidated financial statements.

**Basis of recognition and measurement**

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including depreciation, amortisation, impairment losses and write-downs, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company, and the value of such assets can be measured reliably. Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company, and the value of such liabilities can be measured reliably. On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

On recognition and measurement, account is taken of foreseeable losses and risks arising before the date at which the annual report is presented and proving or disproving matters arising on or before the balance sheet date.

**CURRENCY**

The annual report is presented in Danish kroner (DKK).

On initial recognition, transactions denominated in foreign currencies are translated using the exchange rates applicable at the transaction date. Exchange rate differences between the exchange rate applicable at the transaction date and the exchange rate at the date of

**11. Accounting policies - continued -**

payment are recognised in the income statement as a financial item. Receivables, payables and other monetary items denominated in foreign currencies are translated using the exchange rates applicable at the balance sheet date. The difference between the exchange rate applicable at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest annual report is recognised under financial income or expenses in the income statement. Fixed assets, inventories and other non-monetary assets acquired in foreign currencies are translated using historical exchange rates.

On recognition of foreign subsidiaries which are independent entities, the income statements are translated at the exchange rates applicable at the transaction date or approximate average exchange rates. The balance sheet items are translated using the exchange rates applicable at the balance sheet date. Foreign currency translation adjustments arising from the translation of equity at the beginning of the year using the exchange rates applicable at the balance sheet date and from the translation of income statements from average exchange rates to the exchange rates applicable at the balance sheet date are recognised directly in equity.

Translation adjustments of intercompany balances with independent foreign subsidiaries, measured using the equity method and where the balance is considered to be part of the overall investment, are recognised directly in equity. On the divestment of foreign entities, accumulated exchange differences are recognised in the income statement.

**DERIVATIVE FINANCIAL INSTRUMENTS**

On initial recognition, derivative financial instruments are measured at cost. Subsequently, they are measured at fair value and recognised under other receivables and other payables, respectively.

The company does not apply the hedge accounting rules under which changes in the fair value of derivative financial instruments are recognised under other net financials in the income statement.

**INCOME STATEMENT****Revenue**

Income from the sale of goods is recognised in the income statement if delivery has taken place and the risk has passed to the buyer before the end of the financial year and where the selling price can be determined reliably and is expected to be paid. Revenue is measured at fair value and is determined exclusive of VAT and other taxes collected on behalf of third parties and less discounts.

**11. Accounting policies - continued -****Cost of sales**

Cost of sales comprises cost of sales for the year measured at cost plus any changes in inventories, including write-downs to the extent that these do not exceed normal write-downs.

**Other external expenses**

Other external expenses comprise costs relating to distribution, sales and advertising and administration, premises and bad debts to the extent that these do not exceed normal write-downs.

**Income from equity investments in group enterprises**

For equity investments in subsidiaries, measured using the equity method, the share of the enterprises' profit or loss is recognised in the income statement after elimination of unrealised intercompany profits and losses and less any goodwill amortisation and impairment losses.

Income from equity investments in subsidiaries also comprises gains and losses on the sale of equity investments.

**Other net financials**

Interest income and interest expenses, foreign exchange gains and losses on transactions denominated in foreign currencies etc. are recognised in other net financials.

**Tax on profit/loss for the year**

The current and deferred tax for the year is recognised in the income statement as tax on the profit/loss for the year with the portion attributable to the profit/loss for the year, and directly in equity with the portion attributable to amounts recognised directly in equity.

The company is jointly taxed with Danish consolidated enterprises.

In connection with the settlement of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed enterprises in proportion to their taxable incomes. This means that enterprises with a tax loss receive joint taxation contributions from enterprises which have been able to use this loss to reduce their own taxable profit.

**11. Accounting policies** - continued -**BALANCE SHEET****Equity investments in group enterprises**

Equity investments in subsidiaries are recognised and measured according to the equity method, meaning that these equity investments are measured at the proportionate share of the enterprises' equity value, determined according to the accounting policies of the parent, adjusted for the remaining value of positive or negative goodwill and gains and losses on transactions with the enterprises in question.

Equity investments in subsidiaries with a negative carrying amount are measured at DKK 0. Receivables that are considered part of the combined investment in the enterprises in question are impaired by any remaining negative equity value. Other receivables from such enterprises are impaired to the extent that such receivables are considered uncollectible. Provisions to cover the remaining negative equity value are recognised only to the extent that the company has a legal or constructive obligation to cover the liabilities of the enterprise in question.

Gains or losses on the divestment of subsidiaries are determined as the difference between the divestment consideration and the carrying amount of net assets at the time of sale, including non-amortised goodwill, as well as the expected costs of divestment or discontinuation. Gains and losses are recognised in the income statement under income from equity investments.

**Impairment losses on fixed assets**

The carrying amount of fixed assets which are not measured at fair value is assessed annually for indications of impairment over and above what is reflected in depreciation and amortisation.

If there are indications of impairment, an impairment test is conducted of individual assets or groups of assets.

The assets or groups of assets are impaired to the lower of recoverable amount and carrying amount.

Impairment losses are reversed when the reasons for the impairment no longer exist.

**11. Accounting policies - continued -****Inventories**

Inventories are measured at cost calculated according to the FIFO principle. Inventories are written down to the lower of cost and net realisable value.

The cost of raw materials and consumables as well as goods for resale is determined as purchase prices plus expenses resulting directly from the purchase.

The net realisable value of inventories is determined as the selling price less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and the expected development in the selling price.

**Receivables**

Receivables are measured at amortised cost, which usually corresponds to the nominal value, less write-downs for bad debts.

Write-downs for bad debts are determined based on an individual assessment of each receivable if there is no objective evidence of individual impairment of a receivable.

**Prepayments**

Prepayments recognised under assets comprise costs incurred in respect of subsequent financial years.

**Cash**

Cash includes deposits in bank accounts as well as operating cash.

**Equity**

The net revaluation of equity investments in subsidiaries is recognised in the net revaluation reserve in equity according to the equity method to the extent that the carrying amount exceeds the cost.

**Current and deferred tax**

Current tax payable and receivable is recognised in the balance sheet as tax computed on the basis of the taxable income for the year, adjusted for tax paid on account.



**11. Accounting policies** - continued -

Joint taxation contributions payable and receivable are recognised as income tax under receivables or payables in the balance sheet.

Deferred tax liabilities and tax assets are recognised on the basis of all temporary differences between the carrying amounts and tax bases of assets and liabilities.

Deferred tax assets are recognised, following an assessment, at the expected realisable value through offsetting against deferred tax liabilities or elimination in tax on future earnings.

Deferred tax is measured on the basis of the tax rules and at the tax rates which, according to the legislation in force at the balance sheet date, will be applicable when the deferred tax is expected to crystallise as current tax.

**Payables**

Short-term payables are measured at amortised cost, normally corresponding to the nominal value of such payables.

**CASH FLOW STATEMENT**

Referring to section 86(4) of the Danish Financial Statements Act a cash flow statement has not been prepared as the enterprise is included in the consolidated cash flow statement.