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CVR no. 20 22 26 70

**VYSUS DENMARK A/S**  
**INDUSTRI-PARKEN 44B ST., 2750 BALLERUP**  
**ANNUAL REPORT**  
**1 JANUARY - 31 DECEMBER 2023**

**The Annual Report has been presented and  
adopted at the Company's Annual General  
Meeting on 30 June 2024**

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**Thomas Aas Sæthre**

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**COMPANY DETAILS**

|                           |   |
|---------------------------|---|
| <b>Company</b>            | VYSUS DENMARK A/S<br>Industriparken 44B st.<br>2750 Ballerup<br><br>CVR No.: 17 37 14 87<br>Established: 27 October 1993<br>Municipality: Ballerup<br>Financial Year: 1 January - 31 December |
| <b>Board of Directors</b> | Thomas Aas Sæthre, chairman<br>Andrew Young Allen, board member<br>Mario Luigi Miglionico, temporary board member   |
| <b>Executive Board</b>    | Mario Luigi Miglionico  |
| <b>Auditor</b>            | BDO Statsautoriseret revisionsaktieselskab<br>Havneholmen 29<br>1561 Copenhagen V   |
| <b>Law Firm</b>           | Horten Advokatpartnerselskab<br>Philip Heymans Allé 7<br>2900 Hellerup  |

## MANAGEMENT'S STATEMENT

Today the Board of Directors and Executive Board have discussed and approved the Annual Report of VYSUS DENMARK A/S for the financial year 1 January - 31 December 2023.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023.

The Management Commentary includes in our opinion a fair presentation of the matters dealt with in the Commentary.

We recommend the Annual Report be approved at the Annual General Meeting.

Hellerup, 30 June 2024

Executive Board

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Mario Luigi Miglionico  
Managing director

Board of Directors

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Thomas Aas Sæthre  
Chairman

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Andrew Young Allen  
Board member

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Mario Luigi Miglionico  
Temporary board member

## INDEPENDENT AUDITOR'S REPORT

To the Shareholder of VYSUS DENMARK A/S

### Opinion

We have audited the Financial Statements of VYSUS DENMARK A/S for the financial year 1 January - 31 December 2023, which comprise income statement, Balance Sheet, statement of changes in equity, notes and a summary of significant accounting policies. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

### Management's Responsibilities for the Financial Statements

Management is responsible for the preparation of Financial Statements that give a true and fair view in accordance with 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, 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 ISAs 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 ISAs 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.

## INDEPENDENT AUDITOR'S REPORT

- 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.

### Statement on Management Commentary

Management is responsible for Management Commentary.

Our opinion on the Financial Statements does not cover Management Commentary, 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 Commentary and, in doing so, consider whether Management Commentary 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 Commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that 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 Management Commentary.

Copenhagen, 30 June 2024

BDO Statsautoriseret revisionsaktieselskab  
CVR no. 20 22 26 70

Iben Larsen  
State Authorised Public Accountant  
MNE no. mne34474

## MANAGEMENT COMMENTARY

### Principal activities

The Company has activities within engineering dynamics as consulting engineers.

### Going concern

The Company has per 31 December 2023 lost more than 50% of the contributed capital. The Company's management is aware that the provisions of Section 119 of the Danish Companies Act on capital losses must be observed. The Management expects to re-establish the company's equity with a plan of converting debt to equity, and the accounts have therefore been prepared under the assumption of going concern.

The Company has received a statement of support from the Company's legal and ultimate beneficial owner, Vysus Group Holdings Limited, stating that they will provide the financial support needed to meet its obligations towards both external and internal creditors. It is also confirmed that none of the loans already provided to Vysus Denmark A/S will be recalled as long as the Company cannot meet its other obligations. The letter of support has no expiration date.

Based on the above the Management of the Company has assessed the Company to be going concern. Reference is made to note 6 "Prerequisites for continued operations".

### Development in activities and financial and economic position

Loss from ordinary activities after tax totals to DKK('000) 6,623. The management considers the result for 2023 as unsatisfactory.

### Significant events after the end of the financial year

Subsequent to financial year end 31 December 2023, a decision has been taken by Management to cease trading the EDC business in Denmark. Whilst Management do not intend to take on anymore EDC contracts, only to fulfil the businesses existing contractual obligations, no decision has yet been made to liquidate the Denmark entities, why the financial statements are still prepared based on the assessment that the entity is going concern.

We refer to note 7 "Subsequent events after the end of the financial year".

## INCOME STATEMENT 1 JANUARY - 31 DECEMBER

|  | Note | 2023<br>DKK       | 2022<br>DKK       |
|--|------|-------------------|-------------------|
| <b>GROSS PROFIT</b> .....                      |      | <b>4.594.081</b>  | <b>7.084.393</b>  |
| Staff costs.....                               | 1    | -7.850.482        | -8.367.776        |
| Depreciation, amortisation and impairment..... |      | -42.268           | -40.493           |
| Other operating expenses.....                  |      | 113.335           | -164.569          |
| <b>OPERATING LOSS</b> .....                    |      | <b>-3.185.334</b> | <b>-1.488.445</b> |
| Other financial income.....                    | 2    | 65.606            | 2.008.858         |
| Other financial expenses.....                  | 3    | -3.503.473        | 0                 |
| <b>LOSS BEFORE TAX</b> .....                   |      | <b>-6.623.201</b> | <b>520.413</b>    |
| Tax on profit/loss for the year.....           |      | 0                 | 0                 |
| <b>LOSS FOR THE YEAR</b> .....                 |      | <b>-6.623.201</b> | <b>520.413</b>    |
| <b>PROPOSED DISTRIBUTION OF PROFIT</b>         |      |                   |                   |
| Retained earnings.....                         |      | -6.623.201        | 520.413           |
| <b>TOTAL</b> .....                             |      | <b>-6.623.201</b> | <b>520.413</b>    |



**BALANCE SHEET AT 31 DECEMBER**

| <b>ASSETS</b>                                     | <b>Note</b> | <b>2023</b><br>DKK | <b>2022</b><br>DKK |
|---|-------------|--------------------|--------------------|
| Production plants and machinery.....              |             | 57.447             | 97.598             |
| Other plants, machinery, tools and equipment..... |             | 795                | 2.912              |
| <b>Property, plant and equipment.....</b>         |             | <b>58.242</b>      | <b>100.510</b>     |
| Rent deposit and other receivables.....           |             | 260.325            | 0                  |
| <b>Financial non-current assets.....</b>          |             | <b>260.325</b>     | <b>0</b>           |
| <b>NON-CURRENT ASSETS.....</b>                    |             | <b>318.567</b>     | <b>100.510</b>     |
| Trade receivables.....                            |             | 2.991.905          | 3.046.282          |
| Contract work in progress.....                    |             | 1.233.264          | 2.524.396          |
| Receivables from group enterprises.....           |             | 141.118            | 3.171.153          |
| Other receivables.....                            |             | 1.933              | 0                  |
| Prepayments and accrued income.....               |             | 180.864            | 49.514             |
| <b>Receivables.....</b>                           |             | <b>4.549.084</b>   | <b>8.791.345</b>   |
| <b>Cash and cash equivalents.....</b>             |             | <b>1.030.088</b>   | <b>491.262</b>     |
| <b>CURRENT ASSETS.....</b>                        |             | <b>5.579.172</b>   | <b>9.282.607</b>   |
| <b>ASSETS.....</b>                                |             | <b>5.897.739</b>   | <b>9.383.117</b>   |

## BALANCE SHEET AT 31 DECEMBER

| EQUITY AND LIABILITIES                                 | Note     | 2023<br>DKK        | 2022<br>DKK        |
|--|----------|--------------------|--------------------|
| Share Capital.....                                     |          | 500.000            | 500.000            |
| Retained profit.....                                   |          | -47.614.063        | -40.990.862        |
| <b>EQUITY.....</b>                                     |          | <b>-47.114.063</b> | <b>-40.490.862</b> |
| Payables to group enterprises.....                     |          | 42.597.613         | 38.694.294         |
| <b>Non-current liabilities.....</b>                    | <b>4</b> | <b>42.597.613</b>  | <b>38.694.294</b>  |
| Prepayments received from customers.....               |          | 584.408            | 472.748            |
| Trade payables.....                                    |          | 591.905            | 192.412            |
| Payables to group enterprises.....                     |          | 6.864.718          | 8.193.462          |
| Other liabilities.....                                 |          | 2.302.928          | 2.248.468          |
| Accruals and deferred income.....                      |          | 70.230             | 72.595             |
| <b>Current liabilities.....</b>                        |          | <b>10.414.189</b>  | <b>11.179.685</b>  |
| <b>LIABILITIES.....</b>                                |          | <b>53.011.802</b>  | <b>49.873.979</b>  |
| <b>EQUITY AND LIABILITIES.....</b>                     |          | <b>5.897.739</b>   | <b>9.383.117</b>   |
| <br>Contingencies etc.                                 | <br>5    |                    |                    |
| Prerequisites for continued operations                 | 6        |                    |                    |
| Significant events after the end of the financial year | 7        |                    |                    |

## EQUITY

| DKK                                     | Share Capital  | Retained profit    | Total              |
|---|----------------|--------------------|--------------------|
| Equity at 1 January 2023.....           | 500.000        | -40.990.862        | -40.490.862        |
| Proposed profit allocation.....         |                | -6.623.201         | -6.623.201         |
| <b>Equity at 31 December 2023 .....</b> | <b>500.000</b> | <b>-47.614.063</b> | <b>-47.114.063</b> |

**NOTES**

|                                       | 2023<br>DKK       | 2022<br>DKK                  | Note                         |
|---------------------------------------|-------------------|------------------------------|------------------------------|
| <b>Staff costs</b>                    |                   |                              | <b>1</b>                     |
| Average number of full time employees | 10                | 11                           |                              |
| Wages and salaries.....               | 7.311.374         | 7.759.156                    |                              |
| Pensions.....                         | 346.502           | 339.415                      |                              |
| Social security costs.....            | 76.966            | 76.007                       |                              |
| Other staff costs.....                | 115.640           | 193.198                      |                              |
|                                       | <b>7.850.482</b>  | <b>8.367.776</b>             |                              |
| <br><b>Other financial income</b>     |                   |                              | <br><b>2</b>                 |
| Group enterprises.....                | 17.868            | 0                            |                              |
| Other interest income.....            | 47.738            | 2.008.858                    |                              |
|                                       | <b>65.606</b>     | <b>2.008.858</b>             |                              |
| <br><b>Other financial expenses</b>   |                   |                              | <br><b>3</b>                 |
| Group enterprises.....                | 2.520.791         | 0                            |                              |
| Other financial expenses.....         | 982.682           | 0                            |                              |
|                                       | <b>3.503.473</b>  | <b>0</b>                     |                              |
| <br><b>Long-term liabilities</b>      |                   |                              | <br><b>4</b>                 |
|                                       | 31/12 2023        | Debt                         | 31/12 2022                   |
| DKK                                   | total liabilities | Repayment<br>next year       | total liabilities            |
|                                       |                   | outstanding<br>after 5 years |                              |
| Payables to group enterprises.....    | 42.597.613        | 0                            | 42.597.613 38.694.294        |
|                                       | <b>42.597.613</b> | <b>0</b>                     | <b>42.597.613 38.694.294</b> |

**Contingencies etc.**
**5**
**Contingent liabilities**

The company has moved to new premises during the financial year and has committed to a long-term lease agreement until september 2028.

The company has a total rental liability of DKK ('000) 2,967 equal to DKK ('000) 52 per month.

**Joint liabilities**

The Company is jointly and severally liable together with the Parent Company and the other group companies in the joint taxable group for tax on the group's joint taxable income and for certain possible withholding taxes, such as dividend tax, etc.

Tax payable on the Group's joint taxable income is stated in the annual report of Vysus Denmark Holdings ApS, which serves as management Company for the joint taxation.

## NOTES

## Note

**Prerequisites for continued operations**

6

The Company has per 31 December 2023 lost more than 50% of the contributed capital. The Company's management is aware that the provisions of Section 119 of the Danish Companies Act on capital losses must be observed. The Management expects to re-establish the company's equity with a plan of converting debt to equity, and the accounts have therefore been prepared under the assumption of going concern.

The Company has received a statement of support from the Company's legal and ultimate beneficial owner, Vysus Group Holdings Limited, stating that they will provide the financial support needed to meet its obligations towards both external and internal creditors. It is also confirmed that none of the loans already provided to Vysus Denmark A/S will be recalled as long as the Company cannot meet its other obligations. The letter of support has no expiration date.

Based on the above the Management of the Company has assessed the Company to be going concern.

**Significant events after the end of the financial year**

7

Subsequent to financial year end 31 December 2023, a decision has been taken by Management to cease trading the EDC business in Denmark. Whilst Management do not intend to take on anymore EDC contracts, only to fulfil the businesses existing contractual obligations, no decision has yet been made to liquidate the Denmark entities, why the financial statements are still prepared based on the assessment that the entity is going concern.

Should commercially attractive opportunities outside of EDC present themselves in Denmark, Management would consider trading these through the Denmark companies. According, at present Management's view is that both Denmark entities should be considered on a going concern basis until such time as a formal decision is made to solvently liquidate them. Management do not currently envisage exploring liquidating the Denmark companies before 2025. Management intends to explore restructuring options available to the Denmark entities during FY24 to resolve the intercompany debt positions.

**Consolidated financial statements**

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The smallest and the largest group of which the Company is a member for which consolidated financial statements are prepared is that headed by Vysus Group Holdings Limited, a copy of which may be obtained from the Company Secretary at its registered office, at Suite C, 105 Piccadilly, London, United Kingdom, W1J 7NJ.

## ACCOUNTING POLICIES

The Annual Report of VYSUS DENMARK A/S for 2023 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class B and certain provisions applying to reporting class C.

The Annual Report is prepared consistently with the accounting principles applied last year.

### Foreign currency translation

Transactions in foreign currencies are translated at the rate of exchange on the transaction date. Exchange differences arising between the rate on the transaction date and the rate on the payment date are recognised in the Income Statement as a financial income or expense.

Receivables, payables and other monetary items in foreign currencies that are not settled on the Balance Sheet date are translated at the exchange rate on the Balance Sheet date. The difference between the exchange rate on the Balance Sheet date and the exchange rate at the date when the receivables or payables come into existence recognised in the Income Statement as financial income or expenses.

Fixed assets acquired in foreign currencies are translated at the rate of exchange on the transaction date.

## INCOME STATEMENT

### Net revenue

Sale of services is generally recognised on the basis of a measurable degree of completion, using straight-line recognition of services delivered over time in a regular pattern. Where the degree of completion is not measurable or the sales value or the total costs of completion are uncertain, revenue is recognised by the amount that the enterprise as a maximum believes to have a right to claim and is expected to be received for services delivered at the Balance Sheet date.

Net revenue is recognised exclusive of VAT and less duties and discounts related to the sale.

### Cost of sales

Cost of sales comprise costs incurred to achieve the net revenue for the year, including direct and indirect costs of raw materials and consumables.

### Other external expenses

Other external expenses include other production, sales, delivery and administrative costs, including costs of energy, marketing, premises, loss on bad debts, lease expenses, etc

### Staff costs

Staff costs comprise wages and salaries, including holiday pay and pensions, and other costs of social security etc., for the Company's employees. Repayments from public authorities are deducted from staff costs.

### Other operating expenses

Other operating expenses include items of a secondary nature in relation to the Group's and the Company's activities. Losses from sale of intangible and tangible fixed assets are also included.

### Financial income and expenses

Financial income and expenses include interest income and expenses, financial expenses of finance leases, realised and unrealised gains and losses arising from securities, debt and transactions in foreign currencies, as well as charges and allowances under the tax-on-account scheme, etc. Financial income and expenses are recognised by the amounts that relate to the financial year. Interest income and expenses are calculated on amortised cost prices.

### Tax

The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the Income Statement by the share that may be attributed to the profit for the year, and is recognised directly in equity by the share that may be attributed to entries directly to equity.

**ACCOUNTING POLICIES**

**BALANCE SHEET**

**Tangible fixed assets**

Land and buildings, production plant and machinery, other plant, fixtures and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciation base is cost less estimated residual value after end of useful life.

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used.

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value:

|  | Useful life | Residual value |
|--|-------------|----------------|
| Production plant and machinery.....      | 3-5 years   | 0 %            |
| Other plant, fixtures and equipment..... | 5-8 years   | 0 %            |

Profit or loss on sale of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the date of sale. Profit or loss is recognised in the Income Statement as other operating income or other operating expenses.

**Financial non-current assets**

**Impairment of fixed assets**

The carrying amount of tangible assets together with fixed assets, which are not measured at fair value, are assessed annually for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets respectively. If the recoverable amount is lower than the carrying amount, the asset is written down to the recoverable amount.

The recoverable amount is calculated at the higher of the capital value and the sales value less expected costs of a sale. The capital value is determined as the Company's share in the current value of the net cash flows which the subsidiary is expected to generate through its activities and from sale of assets after the end of their useful lives. A discount rate is used which reflects the risk-free market rate and the owners' minimum return on interest requirements for similar assets. The growth rate in the terminal period is determined in accordance with the standards within the industry.

**Receivables**

Receivables are measured at amortised cost which usually corresponds to nominal value. The value is written down to meet expected losses.

Write-off is performed to provide for losses when an objective indication has been assessed to have incurred that a receivable or a portfolio of receivables are impaired. If there is an objective indication that an individual receivable is impaired, the write-off is performed at individual level.

Receivables for which there are no objective indication of impairment at individual level are assessed at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' registered office and credit rating in accordance with the Company's policy for credit risk management. The objective indicators, which are applied for portfolios, are determined based on the historical loss experiences.

Write-off is determined as the difference between the carrying amount of receivables and the present value of the expected cash flows, including realisable value of any received collaterals. The effective interest rate is used as discount rate for the single receivable or portfolio.

## ACCOUNTING POLICIES

### **Contract work in progress**

Work in progress on contract is measured at the sales value of the work performed. The sales value is measured on the basis of the degree of completion on the Balance Sheet date and the total anticipated revenue related to the specific piece of work in progress.

### **Accruals, assets**

Accruals recognised as assets include costs incurred relating to the subsequent financial year.

### **Tax payable and deferred tax**

Current tax liabilities and receivable current tax are recognised in the Balance Sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

The Company is subject to joint taxation with Danish Group companies. The current corporation tax is distributed among the joint taxable companies in proportion to their taxable income and with full allocation and refund related to tax losses. The joint taxable companies are included in the tax-on-account scheme. Joint taxation contributions receivable and payable are recognised in the Balance Sheet under current assets and liabilities, respectively.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carryforwards, are measured at the amount at which the asset is expected to be used within a reasonable number of years, either by setoff against tax on future earnings or by setoff against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the Balance Sheet date will be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

### **Liabilities**

Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less transaction costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the Income Statement over the loan period.

The amortised cost of current liabilities corresponds usually to the nominal value.

### **Accruals, liabilities**

Accruals recognised as liabilities include payments received regarding income in subsequent years.