



## Maki A/S

Hårupvej 22  
8600 Silkeborg  
CVR No. 18722399

## Annual report 2020

The Annual General Meeting adopted the  
annual report on 30.06.2021

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**Henrik Rennison Hansen**  
Conductor

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# Entity details

## Entity

Maki A/S

Hårupvej 22

8600 Silkeborg

CVR No.: 18722399

Registered office: Silkeborg

Financial year: 01.01.2020 - 31.12.2020

## Board of Directors

Henrik Broksø Thulesen, formand

Ronnie Møller-Thorsøe

Niels Backman Dahl-Nielsen

Carsten Nielsen

## Executive Board

Michael Jensen

## Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

City Tower, Værkmestergade 2

8000 Aarhus C

# Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Maki A/S for the financial year 01.01.2020 - 31.12.2020.

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 Entity's financial position at 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Silkeborg, 12.03.2021

## Executive Board

**Michael Jensen**

## Board of Directors

**Henrik Broksø Thulesen**  
formand

**Ronnie Møller-Thorsøe**

**Niels Backman Dahl-Nielsen**

**Carsten Nielsen**

# Independent auditor's report

## To the shareholders of Maki A/S

### Opinion

We have audited the financial statements of Maki A/S for the financial year 01.01.2020 - 31.12.2020, which comprise the income statement, balance sheet, statement of changes in equity and notes, including 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 Entity's financial position at 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020 in accordance with the Danish Financial Statements Act.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 Entity 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.

### 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 Entity'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 Entity 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 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 Entity'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 Entity'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 Entity to cease 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.

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 the management commentary**

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 the 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.

Aarhus, 12.03.2021

**Deloitte**

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

**Jacob Nørmark**

State Authorised Public Accountant

Identification No (MNE) mne30176

# Management commentary

## Financial highlights

	2020	2019	2018	2017	2016
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
<b>Key figures</b>					
Gross profit/loss	99,112	70,554	61,253	58,289	24.531
Operating profit/loss	69,246	46,844	38,629	36,339	9.515
Net financials	(2,110)	(2,952)	(633)	(4,518)	-721
Profit/loss for the year	52,930	35,247	33,899	25,454	6.721
Total assets	139,813	139,690	131,347	114,879	53.983
Investments in property, plant and equipment	1,191	2,808	1,600	870	1.523
Equity	45,976	25,189	70,114	43,600	16.579
<b>Ratios</b>					
Return on equity (%)	148.75	73.97	59.62	116.72	50
Equity ratio (%)	32.88	18.03	53.38	37.95	30.72

### Ratios reflect

#### Return on equity

The entity's return on capital invested in the entity by the owners.

#### Solvency ratio

The financial strength of the entity.

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

#### Return on equity (%):

$\frac{\text{Profit/loss for the year} * 100}{\text{Average equity}}$

#### Equity ratio (%):

$\frac{\text{Equity} * 100}{\text{Total assets}}$



**Primary activities**

The Company's primary activities consist of trade in toys.

**Development in activities and finances**

Activities in 2020 increased significantly and above Management's expectations. The increasing growth also resulted in an increasing profit which Management considers satisfactory.

The outbreak and spread of COVID-19 possibly had a positive effect on the Company's revenue and financial position in 2020.

**Outlook**

For the coming year, Management expects a moderately higher activity level and a profit after tax of DKK 40-50m.

**Events after the balance sheet date**

An extraordinary dividend was distributed cf. note 5. Except for that no events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

# Income statement for 2020

	Notes	2020 DKK	2019 DKK
<b>Gross profit/loss</b>		<b>99,111,964</b>	<b>70,554,100</b>
Staff costs	1	(28,750,394)	(23,321,171)
Depreciation, amortisation and impairment losses		(1,115,260)	(389,323)
<b>Operating profit/loss</b>		<b>69,246,310</b>	<b>46,843,606</b>
Income from investments in group enterprises		581,686	884,939
Other financial income	2	782,877	338,458
Other financial expenses	3	(2,893,206)	(3,290,480)
<b>Profit/loss before tax</b>		<b>67,717,667</b>	<b>44,776,523</b>
Tax on profit/loss for the year	4	(14,788,006)	(9,529,703)
<b>Profit/loss for the year</b>	5	<b>52,929,661</b>	<b>35,246,820</b>

# Balance sheet at 31.12.2020

## Assets

	Notes	2020 DKK	2019 DKK
Other fixtures and fittings, tools and equipment		4,230,723	4,154,959
<b>Property, plant and equipment</b>	6	<b>4,230,723</b>	<b>4,154,959</b>
Investments in group enterprises		2,173,993	6,200,629
Deposits		475,073	505,069
<b>Financial assets</b>	7	<b>2,649,066</b>	<b>6,705,698</b>
<b>Fixed assets</b>		<b>6,879,789</b>	<b>10,860,657</b>
Manufactured goods and goods for resale		48,380,839	73,821,583
Prepayments for goods		14,676,949	3,338,934
<b>Inventories</b>		<b>63,057,788</b>	<b>77,160,517</b>
Trade receivables		37,742,152	37,993,938
Receivables from group enterprises		9,635,330	7,250,387
Deferred tax	8	2,252,000	0
Other receivables		12,161,822	3,521,583
Prepayments	9	1,758,959	1,016,641
<b>Receivables</b>		<b>63,550,263</b>	<b>49,782,549</b>
<b>Cash</b>		<b>6,325,278</b>	<b>1,886,594</b>
<b>Current assets</b>		<b>132,933,329</b>	<b>128,829,660</b>
<b>Assets</b>		<b>139,813,118</b>	<b>139,690,317</b>

**Equity and liabilities**

	<b>Notes</b>	<b>2020 DKK</b>	<b>2019 DKK</b>
Contributed capital		1,000,000	1,000,000
Reserve for net revaluation according to the equity method		2,094,040	1,947,425
Retained earnings		42,882,450	41,226
Proposed dividend		0	22,200,000
<b>Equity</b>		<b>45,976,490</b>	<b>25,188,651</b>
Deferred tax	8	0	634,000
<b>Provisions</b>		<b>0</b>	<b>634,000</b>
Other payables	10	2,182,201	928,200
<b>Non-current liabilities other than provisions</b>		<b>2,182,201</b>	<b>928,200</b>
Bank loans		15,424,896	39,543,982
Trade payables		36,745,072	47,831,782
Payables to group enterprises		4,008,024	7,628,187
Tax payable		14,929,042	10,442,384
Other payables		20,547,393	7,493,131
<b>Current liabilities other than provisions</b>		<b>91,654,427</b>	<b>112,939,466</b>
<b>Liabilities other than provisions</b>		<b>93,836,628</b>	<b>113,867,666</b>
<b>Equity and liabilities</b>		<b>139,813,118</b>	<b>139,690,317</b>
Unrecognised rental and lease commitments	11		
Contingent liabilities	12		
Assets charged and collateral	13		
Related parties with controlling interest	14		
Non-arm's length related party transactions	15		
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# Statement of changes in equity for 2020

	Contributed capital DKK	Reserve for net revaluation according to the equity method DKK	Retained earnings DKK	Proposed dividend DKK	Total DKK
Equity beginning of year	1,000,000	1,947,425	41,226	22,200,000	25,188,651
Ordinary dividend paid	0	0	0	(22,200,000)	(22,200,000)
Exchange rate adjustments	0	(435,071)	227,147	0	(207,924)
Value adjustments	0	0	(12,478,898)	0	(12,478,898)
Tax of entries on equity	0	0	2,745,000	0	2,745,000
Profit/loss for the year	0	581,686	52,347,975	0	52,929,661
<b>Equity end of year</b>	<b>1,000,000</b>	<b>2,094,040</b>	<b>42,882,450</b>	<b>0</b>	<b>45,976,490</b>

# Notes

## 1 Staff costs

	<b>2020</b>	<b>2019</b>
	<b>DKK</b>	<b>DKK</b>
Wages and salaries	26,582,814	21,533,209
Pension costs	1,749,509	1,412,952
Other social security costs	357,270	323,964
Other staff costs	60,801	51,046
	<b>28,750,394</b>	<b>23,321,171</b>
Average number of full-time employees	54	45

	<b>Remuneration of management 2020 DKK</b>	<b>Remuneration of management 2019 DKK</b>
Total amount for management categories	1,876,974	1,668,291
	<b>1,876,974</b>	<b>1,668,291</b>

### Special incentive programmes

The company has in 2019 introduced an incentive program aimed to retain certain key employees. The total number of share options issued to key employees under the program is 101. The share options were issued at an exercise price of DKK 15.626 equivalent to a total exercise value of DKK 1.6m. According to the program the share options may be exercised in 01.07.2025 – 30.09.2025 but accelerated vesting and exercising may occur in certain cases.

## 2 Other financial income

	<b>2020</b>	<b>2019</b>
	<b>DKK</b>	<b>DKK</b>
Financial income from group enterprises	2,713	252,765
Other interest income	103,531	85,693
Exchange rate adjustments	676,633	0
	<b>782,877</b>	<b>338,458</b>

### 3 Other financial expenses

	2020 DKK	2019 DKK
Financial expenses from group enterprises	58,837	121,081
Other interest expenses	2,793,446	1,730,030
Exchange rate adjustments	40,923	1,439,369
	<b>2,893,206</b>	<b>3,290,480</b>

### 4 Tax on profit/loss for the year

	2020 DKK	2019 DKK
Current tax	14,929,042	9,189,123
Change in deferred tax	(141,000)	571,000
Adjustment concerning previous years	(36)	(230,420)
	<b>14,788,006</b>	<b>9,529,703</b>

### 5 Proposed distribution of profit and loss

	2020 DKK	2019 DKK
Ordinary dividend for the financial year	0	22,200,000
Retained earnings	52,929,661	13,046,820
	<b>52,929,661</b>	<b>35,246,820</b>

### Dividend distributed after the balance sheet date

Extraordinary dividend	20,000,000	0
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### 6 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK
Cost beginning of year	6,048,135
Additions	1,191,024
Disposals	(1,425,213)
<b>Cost end of year</b>	<b>5,813,946</b>
Depreciation and impairment losses beginning of year	(1,893,176)
Depreciation for the year	(1,115,260)
Reversal regarding disposals	1,425,213
<b>Depreciation and impairment losses end of year</b>	<b>(1,583,223)</b>
<b>Carrying amount end of year</b>	<b>4,230,723</b>

## 7 Financial assets

	Investments in group enterprises DKK	Deposits DKK
Cost beginning of year	79,953	505,069
Disposals	0	(29,996)
<b>Cost end of year</b>	<b>79,953</b>	<b>475,073</b>
Revaluations beginning of year	6,120,676	0
Exchange rate adjustments	(207,922)	0
Share of profit/loss for the year	581,686	0
Dividend	(4,400,400)	0
<b>Revaluations end of year</b>	<b>2,094,040</b>	<b>0</b>
<b>Carrying amount end of year</b>	<b>2,173,993</b>	<b>475,073</b>

Investments in subsidiaries	Registered in	Corporate form	Equity interest %
Maki Norge AS	Norge	AS	100
Making Kidplay AB	Sverige	AB	100
Maki Finland OY	Finland	OY	100

## 8 Deferred tax

Changes during the year	2020 DKK
Beginning of year	(634,000)
Recognised in the income statement	141,000
Recognised directly in equity	2,745,000
<b>End of year</b>	<b>2,252,000</b>

Deferred tax assets consist primarily of a forward exchange contract, which are expected to use the losses within 1-5 years as a result of future positive operations.

## 9 Prepayments

Prepayments cover substantially prepaid insurance, prepaid product development costs, etc.

## 10 Other payables

	2020 DKK	2019 DKK
Holiday pay obligation	2,182,201	928,200
	<b>2,182,201</b>	<b>928,200</b>



### 11 Unrecognised rental and lease commitments

	2020 DKK	2019 DKK
Liabilities under rental or lease agreements until maturity in total	4,302,159	8,628,755

### 12 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where Maki Investment ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

### 13 Assets charged and collateral

Bank loans are secured by way of a deposited floating charge of DKK 10,000k nominal on unsecured claims/trade receivables, intellectual property rights and operating equipment. The carrying amount of assets charged is:

Unsecured claims/trade receivables	DKK 37,742k
Inventories	DKK 63,758k
Intellectual property rights	DKK 0k
Operating equipment	DKK 4,231k

### 14 Related parties with controlling interest

Maki Investment ApS, Hårupvej 22D, 8600 Silkeborg, CVR No 38745409 wholly owns the shares of the Entity and thus has control over the Entity.

### 15 Non-arm's length related party transactions

Only related party transactions not conducted on an arm's length basis are disclosed in the annual report. No such transactions have been conducted in the financial year.

### 16 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group:  
Maki Investment ApS, Hårupvej 22D, 8600 Silkeborg, CVR-nr. 38745409

# Accounting policies

## Reporting class

This annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

The accounting policies applied to these financial statements are consistent with those applied last year.

## Consolidated financial statements

Referring to section 112(2) of the Danish Financial Statements Act, no consolidated financial statements have been prepared. The financial statements of Maki A/S are included in the consolidated financial statements of Maki Investment ApS.

## Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

## Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. Inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

When recognising foreign subsidiaries and associates that are independent entities, the income statements are translated at average exchange rates for the months that do not significantly deviate from the rates at the transaction date. Balance sheet items are translated using the exchange rates at the balance sheet date. Goodwill is considered belonging to the independent foreign entity and is translated using the exchange rate at the balance sheet date. Exchange differences arising out of the translation of foreign subsidiaries' equity at the beginning of the year at the balance sheet date exchange rates and out of the translation of income statements

from average rates to the exchange rates at the balance sheet date are classified directly as equity.

Exchange adjustments of outstanding accounts with independent foreign subsidiaries, which are considered part of the total investment in the subsidiary in question, are classified directly as equity.

When recognising foreign subsidiaries that are integral entities, monetary assets and liabilities are translated using the exchange rates at the balance sheet date. Non-monetary assets and liabilities are translated at the exchange rate at the time of acquisition or the time of any subsequent revaluation or writedown. The items of the income statement are translated at the average rates of the months; however, items deriving from non-monetary assets and liabilities are translated using the historical rates applicable to the relevant non-monetary items.

## **Income statement**

### **Gross profit or loss**

Gross profit or loss comprises revenue, changes in inventories of finished goods and external expenses.

### **Revenue**

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

### **Cost of sales**

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

### **Costs of raw materials and consumables**

Costs of raw materials and consumables comprise the consumption of raw materials and consumables for the financial year after adjustment for changes in inventories of these goods from the beginning to the end of the year. This item includes shrinkage, if any, and ordinary writedowns of the relevant inventories.

### **Other external expenses**

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

### **Staff costs**

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for entity staff.

### **Depreciation, amortisation and impairment losses**

Depreciation, amortisation and impairment losses relating to property, plant and equipment comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of property, plant and equipment.

### **Income from investments in group enterprises**

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.

**Other financial income**

Other financial income comprises interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies and tax relief under the Danish Tax Prepayment Scheme etc.

**Other financial expenses**

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies and tax surcharge under the Danish Tax Prepayment Scheme etc.

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

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

**Balance sheet****Property, plant and equipment**

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

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

Straight line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	3-5 years
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For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

**Investments in group enterprises**

Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value.

Group enterprises with negative equity value are measured at DKK 0. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation will involve a loss, a provision is recognised that is measured at present value of the costs necessary to settle the obligations at the balance sheet date.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to reserve for net revaluation according to the equity method in equity.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

**Inventories**

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

**Receivables**

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

**Deferred tax**

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

**Prepayments**

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

**Cash**

Cash comprises cash in hand and bank deposits.

**Dividend**

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity. Extraordinary dividend adopted in the financial year is recognised directly in equity when distributed and disclosed as a separate item in Management's proposal for distribution of profit/loss.

**Other financial liabilities**

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

**Tax receivable or payable**

Current tax receivable or payable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

**Cash flow statement**

The Company has omitted to prepare a cash flow statement as this is included in the consolidated cash flow statement of Maki Investment ApS.