

# **Actief Hartmanns A/S**

Lautrupvang 4A, 2750 Ballerup  
CVR no. 19 68 72 87

## **Annual report for 2022**

Årsrapporten er godkendt på den  
ordinære generalforsamling, d. 01.06.23

Alain Albert Van den Berghe  
Dirigent



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**The company**

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Actief Hartmanns A/S  
Lautrupvang 4A  
2750 Ballerup

Registered office: Ballerup  
CVR no.: 19 68 72 87  
Financial year: 01.01 - 31.12

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**Executive Board**

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Anne-Mette Buxbom Ravn

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**Board of Directors**

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Mark Jozef M. Maesen, chairman  
Alain Albert Van den Berghe  
Anne-Mette Buxbom Ravn

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**Auditors**

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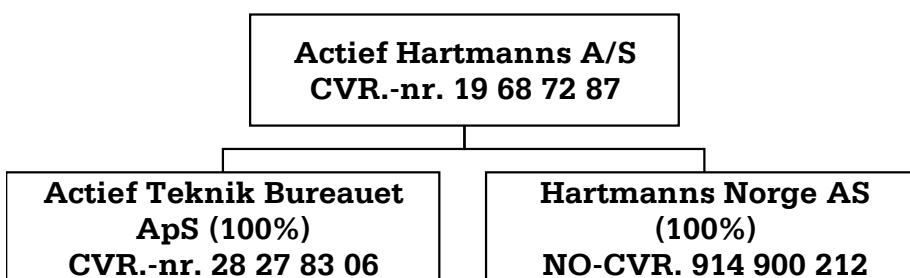
Beierholm  
Statsautoriseret Revisionspartnerselskab

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**Parent company**

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Actief Holding Denmark ApS, 2750 Ballerup



## **Statement by the Executive Board and Board of Directors on the annual report**

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We have on this day presented the annual report for the financial year 01.01.22 - 31.12.22 for Actief Hartmanns A/S.

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

In our opinion, the consolidated financial statements and financial statements give a true and fair view of the group's and the parent's assets, liabilities and financial position as at 31.12.22 and of the results of the group's and parent's activities and of the group's cash flows for the financial year 01.01.22 - 31.12.22.

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.

Ballerup, May 31, 2023

### **Executive Board**

Anne-Mette Buxbom Ravn

### **Board of Directors**

Mark Jozef M. Maesen  
Chairman

Alain Albert Van den Berghe

Anne-Mette Buxbom Ravn

**To the Shareholder of Actief Hartmanns A/S****Opinion**

We have audited the consolidated financial statements and parent company financial statements of Actief Hartmanns A/S for the financial year 01.01.22 - 31.12.22, 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 for the group as well as for the parent company as well as the consolidated cash flow statement. The consolidated financial statements and parent company financial statements are prepared in accordance with the Danish Financial Statements Act (Årsregnskabsloven).

In our opinion the consolidated financial statements and parent company financial statements give a true and fair view of the group's and the parent company's assets, liabilities and financial position at 31.12.22 and of the results of the group's and the parent company's operations and the consolidated cash flows for the financial year 01.01.22 - 31.12.22 in accordance with the the Danish Financial Statements Act (Årsregnskabsloven).

**Basis for Opinion**

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

**Management's responsibility for the consolidated financial statements and parent company financial statements**

The Management is responsible for the preparation of consolidated financial statements and parent company 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 consolidated financial statements and parent company financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the consolidated financial statements and parent company financial statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and parent company 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 consolidated financial statements and parent company 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 consolidated financial statements and parent company financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's and the parent company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparing the consolidated financial statements and parent company 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 group's and the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to

draw attention in our auditor's report to the related disclosures in the consolidated financial statements and parent company financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group and the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the consolidated financial statements and parent company financial statements, including the disclosures, and whether the consolidated financial statements and parent company financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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



**Statement regarding the management's review**

Management is responsible for management's review.

Our opinion on the consolidated financial statements and parent company 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 consolidated financial statements and parent company financial statements, our responsibility is to read management's review and, in doing so, consider whether management's review is materially inconsistent with the consolidated financial statements or parent company 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 consolidated financial statements and parent company 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.

Soeborg, Copenhagen, May 31, 2023

**Beierholm**

Statsautoriseret Revisionspartnerselskab  
CVR no. 32 89 54 68

Torben Skov  
State Authorized Public Accountant  
MNE-no. mne19689

Morten Staghøj  
State Authorized Public Accountant  
MNE-no. mne47303

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

Figures in DKK '000	2022	2021	2020	2019	2018
<i>Profit/loss</i>					
Revenue	340,694	338,840	322,875	317,577	367,001
Gross profit	326,815	327,694	310,042	312,609	344,807
Operating profit	17,903	13,297	4,313	8,106	1,584
Total net financials	-589	-178	-246	-137	-1,086
Profit for the year	13,595	9,907	1,787	6,016	48
<i>Balance</i>					
Total assets	77,292	75,881	75,500	52,802	74,562
Investments in property, plant and equipment	405	463	0	0	282
Equity	40,611	30,700	20,979	20,461	24,442
<b>Ratios</b>					
	2022	2021	2020	2019	2018
<i>Profitability</i>					
Return on equity	38.1%	38.2%	8.8%	26.8%	0.2%
<i>Equity ratio</i>					
Solvency ratio	52.5%	40.5%	17.6%	38.7%	32.8%
<i>Others</i>					
Number of employees (average)	695	741	739	746	829
Revenue per employee	490	457	437	426	443
EBITA-margin	5.3%	3.9%	1.3%	3.3%	0.9%

*Ratios definitions*

Return on equity:	$\frac{\text{Profit/loss for the year} \times 100}{\text{Average equity}}$
Solvency ratio:	$\frac{\text{Equity, end of year} \times 100}{\text{Total assets}}$
Revenue per employee	$\frac{\text{Revenue}}{\text{Number of employees (average)}}$
EBITA-margin	$\frac{\text{EBITA} \times 100}{\text{Revenue}}$

**Primary activities**

Actief Hartmanns A/S is a leading staffing and consulting agency in Denmark, with a nationwide network of branches, including the subsidiary of Actief Teknik Bureauet ApS

The primary activities of the Group is to provide and facilitate labour whether temporary or permanent for private and public sector organisations, Danish as well as international. In addition to this, the Group is a licensed adviser on working environment and offers newplacement services.

June 1st 2022 the Company including the subsidiary Actief Teknik Bureauet ApS was acquired by Actief Holding Denmark ApS, which is majority owned by Actief Interim NV.

The acquisition has strengthened the strategy of expansion in Denmark.

**Development in activities and financial affairs**

The income statement for the period 01.01.22 - 31.12.22 shows a profit/loss of DKK 13,595k against DKK 9,907k for the period 01.01.21 - 31.12.21. The balance sheet shows an equity of DKK 40,611k.

The earnings expectations for 2022 were a EBITDA above DKK 19.000k. The target was achieved.

This profit was realised based on a consolidated EBITDA of DKK 19,539k, which was the target of the business plan for 2022, and which was the earnings expectations listed in the 2021 annual report for 2022.

The profit of the Group was accomplished partly via succeeding with the tight strategic focus on selected industries and segments, which was planned in the 2025 strategy developed during 2021 and 2022. The tight focus has contributed significantly to more efficient work processes and more efficient marketing and sales within the specific segments.

Part of the result of the Group is realized via the revised strategic pricing strategy, which has been successfully implemented in 2022 going forward.

These two strategic initiatives are the main reasons for the Operating Profit to increase by 34,6% from 2021 to 2022 while the Revenue has only increased by 0,55%

In general the Staffing market was very positive during the first half year of 2022, while it was slowing down in growth during the second half year, being impacted by the insecurity of the markets driven by higher inflation, low consumer confidence and higher interest rates and energy prices.

Consolidated depreciation of operating assets and amortisation of goodwill for the year amounted to DKK 1,636k, primarily due to the acquisition of Teknik Bureauet ApS, with amortisation of goodwill amounting to DKK 1,322k. The Company has incurred non-recurring costs during the financial year related to due diligence and the completed acquisition, as well as related to the extra branding

activities involved in changing name and look according to the Actief brand, which impacted the reported profitability negatively

Management considers the Groups financial performance in the year satisfactory.

During the past year, work has continued on strict management of receivables. In 2022, bad debts in both Actief Teknik Bureauet ApS and Actief Hartmanns A/S amounted to DKK 0k.

### **Liquidity**

Management continues to strive to maintain positive cash resources with related cash flow optimisation. The Group's liquid ratio is 201,3% and the Group's solvency ratio is 52,5%

### **Uncertainty concerning recognition and measurement**

There are no significant uncertainties relating to recognition and measurement in group annual results.

### **Outlook**

The Group expects a profit before tax at the same level as 2022 for the coming year. The net profit is expected in the region of 19-22 mio DKK

Investments in the expansion of the nationwide network of branches are expected to impact the Revenue positively and the long term results positively, while impacting the short term results with extra costs. The opening of 6 more branches are planned in 2023.

The market for Staffing is still impacted by the economic conditions of inflation, and therefore less positive than in the beginning of 2022.

The 2023 business plan and budget have been reviewed and approved by the Board of Directors. The plan contains several key financial objectives and focus areas – of which be mentioned the following:

1. Develop the strategy of being a local and nationwide player – with more branches
2. Revenue growth
3. Growth in the customer base
4. Implementation of "Actief-aligned strategy 2025"
5. Go through the changes and growth with high employee satisfaction and stable employee turnover

In addition, Strategy-2025 is being implemented, including in particular the development of sales, marketing, customer and market cultivation. In this context, the market cultivation is undergoing

significant development based on digitalised and automated procedures and market initiatives. The sales strategy has also been changed significantly with a strong segment focus as well as the "local-to-locals" approach via more local branches and the strategic price and value creation focus.

### **Commercial risks**

The strategy of growth via a nationwide network of branches strengthens the sustainability of the business and offers less vulnerability towards market fluctuations. Thereby reducing the commercial risks.

The business model of offering services in three areas of competency: Temporary staffing services, Search & Selection, and Newplacement of employees continues to prove itself as a sustainable business as regards to risk diversification.

The group's activities have been well established for several years in both the public and private-sector markets.

Due to this risk diversification in terms of both the performance and customer mix, management assesses that the company is generally exposed to limited commercial risk in the medium term.

### **Human resources internally**

For Actief Hartmanns it is important to work along the 4 defined values of the Group: Mutual Respect, Creating Results, Innovation, and Collaboration. It is the philosophy of the group that satisfied employees is one of the important prerequisites for satisfied customers.

Annually a job satisfaction survey is conducted. In 2022 this was conducted in November.

The response rate was 100%, which is excellent.

The job satisfaction survey covers the following topics:

- Cooperation
- Management
- Work performance
- Commitment
- E-NPS (Employer Netpromoter Score)
- Stress level

In November the score showed 82 on the overall job satisfaction index, against a benchmark of 75 for all companies in 2022 and against 81 in the group in 2021.

Within the areas of cooperation and trust in management as well as the areas related to work

performance and influence on own work, the group scored substantially above the benchmark. Employees experience high motivation and commitment, as well as responsiveness and trust from management. In addition, the e-NPS has gone up from 52 in 2020 to 56 in 2022, against a benchmark of 44 for all companies.

The employee satisfaction survey is used as a basis for continuing development of an attractive workplace with high job satisfaction, low sickness absence and high employee retention. Moreover the high employee job satisfaction levels reinforces attraction of new talents and future employees.

In between the yearly satisfaction surveys a "job satisfaction team" elected by the employees is facilitating action plans and continuous development of job satisfaction at both organisational and departmental level

By furthering the development of the organisation, the community and the pride, the group strives to create higher and daily job satisfaction.

### **Human resources externally**

The group works on several measures to ensure job satisfaction of the temporary workers including their rights. This is important in order to be able to attract candidates for temporary positions and retain them.

Being a member of two Trade Organisations; Dansk Erhverv and Dansk Industri, we are continuously securing the rights of the temporary workers, both in terms of being aligned and committed to a number of Collective Agreements, as well as being an authorized member of Vikar Bureauernes Brancheforening.

To be authorised, the temporary employment agency must meet a number of formal requirements, among which are:

- Completed relevant training in temporary employment law, which in some respects is markedly different from other employment law. All the internal employees of the group is being educated according to these provisions on a continuous basis.
- Membership of the employers' association Dansk Erhverv

In addition, everyone must apply through an admission check, so it ensures that VB's members live up to the conditions of the authorization. Existing members shall be checked by sampling.

To ensure independent control, admission and random checks are carried out by the association's auditor PwC. This is ensuring:

- That the temporary workers are treated properly and that no negative cases are arising – the agency complies with legislation and collective agreements and/or a number of terms with the customer. The agency is a member of a DA employers' association

- Training requirements that ensure the relevant knowledge in the agency about employment law for temporary workers
- Quality of temporary employment – all members must have at least 2 years of experience and are obliged to thoroughly identify competencies

In 2022 after the acquisition by Actief, the group was audited by PWC (on demand from VB), and reassured our existing authorization.

### **External environment**

The company operates in an industry where the environmental impact is limited. The group's activities primarily concern services rendered. The main environmental impacts in this context relate to transport and indoor climate, which are common factors for service-sector companies.

In 2022 the group implemented a series of energy saving initiatives in order to further reduce our environmental impact, among others the initiatives included:

- Saving of light in all locations and rooms
- Print on demand
- Energy saving equipment
- Events and posters on walls encouraging all employees to participate in reducing energy consumption

From 2022 the Group started measuring the CO2 consumption (including print, electricity, heating, waste, driving etc), which is now done continuous basis following how much the Group burdens in the sustainability accounts and giving input to the work of reducing CO2 consumption.

### **Corporate social responsibility**

The corporate social responsibility (CSR) policy is incorporated in the Group's strategy and visions as well as in the daily guidelines and stance on the work with candidates and customers.

Actief Hartmanns corporate social responsibility report 2022 under section 99 a of the Danish Financial Statements Act (Årsregnskabsloven) is available at the Company's website:

[https://hartmanns.dk/sites/default/files/2023-05/CSR%202022\\_UK.pdf](https://hartmanns.dk/sites/default/files/2023-05/CSR%202022_UK.pdf)

In 2022 the Group started investigating the possibility of working with EcoVadis, a provider of business sustainability ratings and best practices, in order to systematically measure and work on sustainability initiatives. And in 2023 Q1 the Group signed up with EcoVadis.

The latest assessment of the Group Actief Hartmanns is from March 2023, and can be accessed at EcoVadis.com. The rating shows that the Group is above average on the overall score, including



Environment, Labor and Human Rights, Ethics, and Sustainable Procurement

The system is based on the methodology "plan-do-check-adjust". This means that we first uncover our current efforts. In this context, we take decisions in areas where policies do not yet exist. These are unfolded in the organization, after which we measure what and how much we actually do. Based on this, new plans and objectives are made for needed actions in order to adjust og optimize efforts to be as sustainable as possible.

Through the use of the EcoVadis system, the Group is assessed and rated based on the sustainability work we do. This assessment is increasingly widespread and used by our customers when assessing us as a supplier in their value chain.

### **Gender diversity**

#### *Supreme management body*

The board members are appointed by the parent company. The Board of Directors aims to represent both genders. After becoming part of Actief, a new board has been appointed including 3 members, of which two are men (66,67%) and one is female (33,33%), and the gender representation is thus regarded as balanced. The gender balance is expected to be maintained in the future.

The day-to-day management currently consists of 40% women and 60% men, respectively, while middle management includes approximately 50% women and 50% men. Moreover, permanent employees are equally distributed between the genders.

#### *Policy to increase the share of the underrepresented gender at other management levels*

It is the Groups's policy to reflect the labour market in which we operates. This means that the group works to ensure diversity at all levels, including an equal distribution of gender, ethnicity and age.

It is a requirement in the group that both female and male candidates are considered when vacancies arise, just as non-biased recruiting training has been conducted internally.

Flexibility in working hours and work place is implemented and contributing to ensuring equal possibilities of career enhancement for both genders.

Work-teams and project groups are deliberately constituted by both genders and diversity in age, in order to obtain qualified decisions and efficiency from several perspectives.

During 2022 employment of new colleagues was distributed evenly between genders, just as career promotions were done irrespectively of gender, and both genders were represented evenly in the promotions.

It is the aim of the Group to continue the even balance of genders on all levels in 2023, both when

recruiting and promoting.

### **Data ethics**

The group has implemented comprehensive GDPR policies, processes, training and guidelines. Everything is described in internal documents and the DPO of the Company is on a regular basis during the year doing audits on all locations and teams making sure that everybody and all processes adhere to the legislation and policies.

The company has not adopted a data ethics policy at this point in time. The company has initiated work to formalise a data ethics policy, and the current work involves identifying and formulating the data ethics principles relevant to the company's business activities. The company's data ethics policy is expected to be finalised in the coming financial year and will be implemented subsequently.

### **Subsequent events**

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

## Income statement

Note	Group		Parent		
	2022 DKK '000	2021 DKK '000	2022 DKK '000	2021 DKK '000	
1	<b>Revenue</b>	<b>340,694</b>	<b>338,840</b>	<b>312,085</b>	<b>315,146</b>
	Other operating income	105	2,336	2,324	4,010
	Other external expenses	-13,984	-13,482	-14,440	-13,667
	<b>Gross profit</b>	<b>326,815</b>	<b>327,694</b>	<b>299,969</b>	<b>305,489</b>
2	Staff costs	-307,276	-312,518	-286,739	-292,886
	<b>Profit before depreciation, amortisation, write-downs and impairment losses</b>	<b>19,539</b>	<b>15,176</b>	<b>13,230</b>	<b>12,603</b>
	Depreciation, amortisation and impairments losses of intangible assets and property, plant and equipment	-1,636	-1,879	-217	-463
	<b>Operating profit</b>	<b>17,903</b>	<b>13,297</b>	<b>13,013</b>	<b>12,140</b>
4	Income from equity investments in group enterprises	0	0	3,294	518
5	Financial income	2	121	104	192
6	Financial expenses	-591	-299	-425	-266
	<b>Profit before tax</b>	<b>17,314</b>	<b>13,119</b>	<b>15,986</b>	<b>12,584</b>
	Tax on profit for the year	-3,719	-3,212	-2,391	-2,677
	<b>Profit for the year</b>	<b>13,595</b>	<b>9,907</b>	<b>13,595</b>	<b>9,907</b>
7	Proposed appropriation account				

ASSETS		Group		Parent	
		31.12.22 DKK '000	31.12.21 DKK '000	31.12.22 DKK '000	31.12.21 DKK '000
Note					
	Goodwill	9,251	10,573	0	0
8	<b>Total intangible assets</b>	<b>9,251</b>	<b>10,573</b>	<b>0</b>	<b>0</b>
	Other fixtures and fittings, tools and equipment	719	629	703	515
9	<b>Total property, plant and equipment</b>	<b>719</b>	<b>629</b>	<b>703</b>	<b>515</b>
10	Equity investments in group enterprises	0	0	16,229	12,945
11	Deposits	1,324	1,299	1,324	1,299
	<b>Total investments</b>	<b>1,324</b>	<b>1,299</b>	<b>17,553</b>	<b>14,244</b>
	<b>Total non-current assets</b>	<b>11,294</b>	<b>12,501</b>	<b>18,256</b>	<b>14,759</b>
12	Work in progress for third parties	1,456	3,432	1,456	3,432
	Trade receivables	47,479	57,972	43,519	53,634
	Receivables from group enterprises	0	0	11,273	6,078
	Deferred tax asset	11	21	0	14
	Other receivables	0	1,476	0	0
13	Prepayments	534	284	534	284
	<b>Total receivables</b>	<b>49,480</b>	<b>63,185</b>	<b>56,782</b>	<b>63,442</b>
	Other investments	0	195	0	195
	<b>Total securities and equity investments</b>	<b>0</b>	<b>195</b>	<b>0</b>	<b>195</b>
	<b>Cash</b>	<b>16,518</b>	<b>0</b>	<b>75</b>	<b>1,106</b>
	<b>Total current assets</b>	<b>65,998</b>	<b>63,380</b>	<b>56,857</b>	<b>64,743</b>
	<b>Total assets</b>	<b>77,292</b>	<b>75,881</b>	<b>75,113</b>	<b>79,502</b>

EQUITY AND LIABILITIES		Group		Parent	
		31.12.22 DKK '000	31.12.21 DKK '000	31.12.22 DKK '000	31.12.21 DKK '000
Note					
14	Share capital	2,500	3,000	2,500	3,000
	Foreign currency translation reserve	0	0	1	11
	Retained earnings	38,111	22,700	38,110	22,689
	Proposed dividend for the financial year	0	5,000	0	5,000
	<b>Total equity</b>	<b>40,611</b>	<b>30,700</b>	<b>40,611</b>	<b>30,700</b>
15	Provisions for deferred tax	0	0	10	0
16	Other provisions	961	961	961	961
	<b>Total provisions</b>	<b>961</b>	<b>961</b>	<b>971</b>	<b>961</b>
17	Other payables	2,945	5,181	2,945	5,078
	<b>Total long-term payables</b>	<b>2,945</b>	<b>5,181</b>	<b>2,945</b>	<b>5,078</b>
17	Short-term part of long-term payables	539	1,667	539	1,667
	Payables to other credit institutions	5,607	9,356	5,607	15,654
	Prepayments received from customers	75	175	75	175
	Trade payables	1,772	1,764	1,594	1,503
	Payables to group enterprises	4,778	0	4,947	181
	Income taxes	2,397	3,262	1,796	2,717
	Other payables	17,607	22,815	16,028	20,866
	<b>Total short-term payables</b>	<b>32,775</b>	<b>39,039</b>	<b>30,586</b>	<b>42,763</b>
	<b>Total payables</b>	<b>35,720</b>	<b>44,220</b>	<b>33,531</b>	<b>47,841</b>
	<b>Total equity and liabilities</b>	<b>77,292</b>	<b>75,881</b>	<b>75,113</b>	<b>79,502</b>
18	Contingent liabilities				
19	Charges and security				
20	Related parties				

## Statement of changes in equity

Figures in DKK '000	Share capital	Foreign currency translation reserve	Retained earnings	Proposed dividend for the financial year	Total equity
Group:					
Statement of changes in equity for 01.01.21 - 31.12.21					
Balance as at 01.01.21	3,000	0	17,793	0	20,793
Net profit/loss for the year	0	0	4,907	5,000	9,907
Balance as at 31.12.21	3,000	0	22,700	5,000	30,700
Statement of changes in equity for 01.01.22 - 31.12.22					
Balance as at 01.01.22	3,000	0	22,700	5,000	30,700
Capital increase	296	0	-296	0	0
Capital reduction	-796	0	796	0	0
Dividend from treasury shares	0	0	1,326	0	1,326
Dividend paid	0	0	0	-5,000	-5,000
Other changes in equity	0	0	-10	0	-10
Net profit/loss for the year	0	0	13,595	0	13,595
Balance as at 31.12.22	2,500	0	38,111	0	40,611

## Statement of changes in equity

Figures in DKK '000	Share capital	Foreign currency translation reserve	Retained earnings	Proposed dividend for the financial year	Total equity
Parent:					
Statement of changes in equity for 01.01.21 - 31.12.21					
Balance as at 01.01.21	3,000	0	17,782	0	20,782
Foreign currency translation adjustment of foreign enterprises	0	11	0	0	11
Net profit/loss for the year	0	0	4,907	5,000	9,907
Balance as at 31.12.21	3,000	11	22,689	5,000	30,700
Statement of changes in equity for 01.01.22 - 31.12.22					
Balance as at 01.01.22	3,000	11	22,689	5,000	30,700
Foreign currency translation adjustment of foreign enterprises	0	-10	0	0	-10
Capital increase	296	0	-296	0	0
Capital reduction	-796	0	796	0	0
Dividend from treasury shares	0	0	1,326	0	1,326
Dividend paid	0	0	0	-5,000	-5,000
Net profit/loss for the year	0	0	13,595	0	13,595
Balance as at 31.12.22	2,500	1	38,110	0	40,611

## Consolidated cash flow statement

Note	Group	
	2022 DKK '000	2021 DKK '000
	<b>13,595</b>	<b>9,907</b>
<b>Profit for the year</b>		
21 Adjustments	6,440	2,877
Change in working capital:		
Receivables	13,681	12,230
Trade payables	8	-42
Other payables relating to operating activities	-530	-290
<b>Cash flows from operating activities before net financials</b>	<b>33,194</b>	<b>24,682</b>
Interest income and similar income received	0	121
Interest expenses and similar expenses paid	-524	300
Income tax paid	-5,069	-979
<b>Cash flows from operating activities</b>	<b>27,601</b>	<b>24,124</b>
Sale of intangible assets	105	0
Purchase of property, plant and equipment	-405	-463
Purchase of securities and equity investments	0	-13
Sale of securities and equity investments	0	14
Dividend received	2	0
<b>Cash flows from investing activities</b>	<b>-298</b>	<b>-462</b>
Dividend paid	-3,674	0
Repayment of payables to credit institutions	-10,045	-3,749
Repayment of other long-term payables	-3,364	-3,920
<b>Cash flows from financing activities</b>	<b>-17,083</b>	<b>-7,669</b>
<b>Total cash flows for the year</b>	<b>10,220</b>	<b>15,993</b>
Cash, beginning of year	6,298	0
<b>Cash, end of year</b>	<b>16,518</b>	<b>15,993</b>
Cash, end of year, comprises:		
Cash	16,518	15,993
<b>Total</b>	<b>16,518</b>	<b>15,993</b>



## 1. Revenue

With reference to the exemption-on-prejudice provision in section 96(1) of the Danish Financial Statements Act, the company has omitted to provide segment information. It is the management assessment, that a publication of the segment information, will give the groups rivals a misleading insight in the companies activities and earnings and cause damage to the company.

	Group		Parent	
	2022	2021	2022	2021
	DKK '000	DKK '000	DKK '000	DKK '000

## 2. Staff costs

Wages and salaries	280,330	286,581	260,162	267,594
Pensions	16,990	16,121	16,905	16,037
Other social security costs	7,094	7,345	6,721	6,917
Other staff costs	2,862	2,471	2,951	2,338
<b>Total</b>	<b>307,276</b>	<b>312,518</b>	<b>286,739</b>	<b>292,886</b>

Average number of employees during the year	695	741	666	712
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Remuneration for the management:

Remuneration for the Executive Board and Board of Directors	3,765	1,914	3,765	1,914
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## 3. Fees to auditors appointed by the general meeting

Statutory audit of the financial statements	302	165	250	116
Other services	328	148	328	69
<b>Total</b>	<b>630</b>	<b>313</b>	<b>578</b>	<b>185</b>

	Group		Parent	
	2022 DKK '000	2021 DKK '000	2022 DKK '000	2021 DKK '000

#### 4. Income from equity investments in group enterprises

Share of profit or loss of group enterprises	0	0	4,616	1,840
Amortisation of goodwill	0	0	-1,322	-1,322
<b>Total</b>	<b>0</b>	<b>0</b>	<b>3,294</b>	<b>518</b>

#### 5. Financial income

Interest, group enterprises	0	0	102	77
Other financial income	2	121	2	115
<b>Total</b>	<b>2</b>	<b>121</b>	<b>104</b>	<b>192</b>

#### 6. Financial expenses

Interest, group enterprises	74	0	0	0
Other interest expenses	0	0	286	228
Other financial expenses	517	299	139	38
<b>Total</b>	<b>591</b>	<b>299</b>	<b>425</b>	<b>266</b>

#### 7. Proposed appropriation account

Proposed dividend for the financial year	0	5,000	0	5,000
Retained earnings	13,595	4,907	13,595	4,907
<b>Total</b>	<b>13,595</b>	<b>9,907</b>	<b>13,595</b>	<b>9,907</b>

**8. Intangible assets**

Figures in DKK '000

Acquired rights

Goodwill

Group:

Cost as at 01.01.22	5,426	17,089
Cost as at 31.12.22	5,426	17,089
Amortisation and impairment losses as at 01.01.22	-5,426	-6,516
Amortisation during the year	0	-1,322
Amortisation and impairment losses as at 31.12.22	-5,426	-7,838
Carrying amount as at 31.12.22	0	9,251

Parent:

Cost as at 01.01.22	5,426	3,873
Cost as at 31.12.22	5,426	3,873
Amortisation and impairment losses as at 01.01.22	-5,426	-3,873
Amortisation and impairment losses as at 31.12.22	-5,426	-3,873
Carrying amount as at 31.12.22	0	0

## 9. Property, plant and equipment

Figures in DKK '000	Leasehold and fittings, tools improvements	Other fixtures and equipment
Group:		
Cost as at 01.01.22	600	1,827
Additions during the year	0	405
Disposals during the year	0	-300
Cost as at 31.12.22	600	1,932
Depreciation and impairment losses as at 01.01.22	-600	-1,198
Depreciation during the year	0	-315
Reversal of depreciation of and impairment losses on disposed assets	0	300
Depreciation and impairment losses as at 31.12.22	-600	-1,213
Carrying amount as at 31.12.22	0	719
Parent:		
Cost as at 01.01.22	600	1,354
Additions during the year	0	405
Disposals during the year	0	-300
Cost as at 31.12.22	600	1,459
Depreciation and impairment losses as at 01.01.22	-600	-839
Depreciation during the year	0	-217
Reversal of depreciation of and impairment losses on disposed assets	0	300
Depreciation and impairment losses as at 31.12.22	-600	-756
Carrying amount as at 31.12.22	0	703

**10. Equity investments in group enterprises**

Figures in DKK '000	Equity invest- ments in group enterprises
Parent:	
Cost as at 01.01.22	19,233
Cost as at 31.12.22	19,233
Revaluations as at 01.01.22	-6,288
Foreign currency translation adjustment of foreign enterprises	-10
Amortisation of goodwill	-1,322
Net profit/loss from equity investments	4,616
Revaluations as at 31.12.22	-3,004
Carrying amount as at 31.12.22	16,229
The item comprises goodwill as at 31.12.22 of	9,251
Positive balances ascertainable on initial recognition of equity investments measured at equity value	13,216
Ownership interest	
Name and registered office:	
Subsidiaries:	
Actief Teknik Bureauet ApS, Ballerup	100%
Hartmanns Norge, Norge	100%

**11. Other non-current financial assets**

Figures in DKK '000	Deposits
Group:	
Cost as at 01.01.22	1,299
Additions during the year	25
Cost as at 31.12.22	1,324
Carrying amount as at 31.12.22	1,324
Parent:	
Cost as at 01.01.22	1,299
Additions during the year	25
Cost as at 31.12.22	1,324
Carrying amount as at 31.12.22	1,324

	Group		Parent	
	31.12.22	31.12.21	31.12.22	31.12.21
	DKK '000	DKK '000	DKK '000	DKK '000

**12. Work in progress for third parties**

Work in progress for third parties	1,456	3,432	1,456	3,432
Total work in progress for third parties	1,456	3,432	1,456	3,432

**13. Prepayments**

Other prepayments	534	284	534	284
Total	534	284	534	284

**14. Share capital**

The share capital consists of:

	Quantity	Total nominal value DKK'000
Share capital	2,500	2,500
Capital increase during the financial year	295,520	296

	Group		Parent	
	31.12.22 DKK '000	31.12.21 DKK '000	31.12.22 DKK '000	31.12.21 DKK '000

**15. Deferred tax**

Provisions for deferred tax as at 01.01.22	21	-29	14	-26
Deferred tax recognised in the income statement	-10	50	-24	40
Provisions for deferred tax as at 31.12.22	11	21	-10	14

**16. Other provisions**

Figures in DKK '000	Other provisions
Group:	
Provisions as at 01.01.22	961
Provisions as at 31.12.22	961

**16. Other provisions** - continued -

Figures in DKK '000 Other provisions

Parent:

Provisions as at 01.01.22	961
Provisions as at 31.12.22	961

	31.12.22 DKK '000	31.12.21 DKK '000	31.12.22 DKK '000	31.12.21 DKK '000
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Other provisions are expected to be distributed as follows:

Non-current liabilities	0	961	0	961
Current liabilities	961	0	961	0
Total	961	961	961	961

**17. Long-term payables**

Figures in DKK '000	Repayment first year	Outstanding debt after 5 years	Total payables at 31.12.22	Total payables at 31.12.21
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Group:

Other payables	539	3,322	3,484	6,848
Total	539	3,322	3,484	6,848

Parent:

Other payables	539	3,322	3,484	6,745
Total	539	3,322	3,484	6,745



## 18. Contingent liabilities

Group:

### *Lease commitments*

The group has concluded rent- and lease agreements with terms to maturity of 2-26 months and total lease payments of DKK 1.725k.

Parent:

### *Lease commitments*

The company has concluded rent- and lease agreements with terms to maturity of 2-26 months and total lease payments of DKK 1.725k.

### *Other contingent liabilities*

The company is taxed jointly with the other Danish companies in the group and has as off 28 June 2022 joint, several and unlimited liability for income taxes and any obligations to withhold tax at source on interest, royalties and dividends for the jointly taxed companies. The total known tax liability for the jointly taxed companies is DKK 0k at the balance sheet date.

Until 27 June 2022 the company was taxed jointly with the other Danish companies in the Saul Holding ApS-group and has as off 2011 until 27 June 2022 joint, several and unlimited liability for income taxes and any obligations to withhold tax at source on interest, royalties and dividends for the jointly taxed companies. The total known tax liability for the jointly taxed companies is DKK 0k at the balance sheet date.

The liability also includes any subsequent corrections to the calculated tax liability as a consequence of changes made to the jointly taxable income etc.

## 19. Charges and security

Group:

The group's current credit facilities are secured by way of a receivables charge in trade receivables of nominal DKK 10,000k. The carrying amount of the assets charged amounts to DKK 43,517k at 31.12.22.

**19. Charges and security** - continued -

Parent:

The Company's current credit facilities are secured by way of a receivables charge in trade receivables of nominal DKK 10,000k. The carrying amount of the assets charged amounts to DKK 43,517k at 31.12.22.

**20. Related parties**

Controlling influence	Basis of influence
Actief Holding Denmark ApS, 2750 Ballerup	Majority shareholder

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

Remuneration for the management is specified in note 2. Staff costs.

The company is included in the consolidated financial statements of the parent Actief Holding Denmark ApS, 2750 Ballerup.

	Group	
	2022	2021
	DKK '000	DKK '000
Other operating income	-105	-2,336
Depreciation, amortisation and impairments losses of intangible assets and property, plant and equipment	1,636	1,879
Financial income	-3	-121
Financial expenses	591	-299
Tax on profit or loss for the year	3,719	3,894
Other adjustments	602	-140
<b>Total</b>	<b>6,440</b>	<b>2,877</b>

**21. Adjustments for the cash flow statement**

## 22. Accounting policies

### GENERAL

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act for large groups and enterprises in reporting class C.

The accounting policies have been applied consistently with previous years.

### 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.

### CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements comprise the parent and its subsidiaries in which the parent directly or indirectly holds more than 50% of the voting rights or by way of agreements exercises control.

All financial statements used for consolidation are prepared in accordance with the accounting policies of the group.

The consolidated financial statements consolidate the financial statements of the parent and its subsidiaries by adding together items of a uniform nature, eliminating intercompany income and expenditure, equity investments, intercompany balances and dividends as well as gains and losses resulting from transactions between the consolidated enterprises to the extent that the underlying assets and liabilities are not realised.

**22. Accounting policies** - continued -**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 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 and other non-monetary assets acquired in foreign currencies are translated using historical exchange rates.

**LEASES**

Lease payments relating to operating leases are recognised in the income statement on a straight-line basis over the lease term.

**INCOME STATEMENT****Revenue**

Income from the sale of services is recognised in the income statement in line with completion of services, which means that revenue corresponds to the selling price of the work performed for the year stated on the basis of the stage of completion at the balance sheet date (percentage of completion method).

**Other operating income**

Other operating income comprises income of a secondary nature in relation to the enterprise's activities, including rental income, negative goodwill and gains on the sale of intangible assets and property, plant and equipment.

**Other external expenses**

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

**22. Accounting policies** - continued -**Staff costs**

Staff costs comprise wages and salaries as well as other staff-related costs.

**Depreciation, amortisation and impairment losses**

The depreciation and amortisation of intangible assets and property, plant and equipment aim at systematic depreciation and amortisation over the expected useful lives of the assets. Assets are depreciated and amortised according to the straight-line method based on the following expected useful lives and residual values:

	Useful lives, years	Residual value DKK '000
Acquired rights	3	0
Goodwill	10	0
Leasehold improvements	5	0
Other plant, fixtures and fittings, tools and equipment	5	0

Goodwill is amortised over 10 years. The useful life has been determined in consideration of the expected future net earnings of the enterprise or activity to which the goodwill relates.

The basis of depreciation and amortisation is the cost of the asset less the expected residual value at the end of the useful life. Moreover, the basis of depreciation and amortisation is reduced by any impairment losses. The useful life and residual value are determined when the asset is ready for use and reassessed annually.

Intangible assets and property, plant and equipment are impaired in accordance with the accounting policies referred to in the 'Impairment losses on fixed assets' section.

**Income from equity investments in group enterprises**

For equity investments in subsidiaries that in the parent are 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 equity investments in subsidiaries also comprises gains and losses on the sale of equity investments.

## 22. Accounting policies - continued -

### Other net financials

Interest income and interest expenses, foreign exchange gains and losses on transactions denominated in foreign currencies, gains and losses on other securities and equity investments 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.

## BALANCE SHEET

### Intangible assets

#### *Acquired rights*

Acquired rights are measured in the balance sheet at cost less accumulated amortisation and impairment losses.

Acquired rights are amortised using the straight-line method based on useful lives, which are stated in the 'Depreciation, amortisation and impairment losses' section.

#### *Goodwill*

Goodwill is measured in the balance sheet at cost less accumulated amortisation and impairment losses.

Goodwill is amortised using the straight-line method based on useful lives, which are stated in the 'Depreciation, amortisation and impairment losses' section.

#### *Gains or losses on the disposal of intangible assets*

Gains or losses on the disposal of intangible assets are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal.

**22. Accounting policies** - continued -**Property, plant and equipment**

Property, plant and equipment comprise leasehold improvements as well as other fixtures and fittings, tools and equipment.

Property, plant and equipment are measured in the balance sheet at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and expenses resulting directly from the purchase until the asset is ready for use. Interest on loans arranged to finance production is not included in the cost.

Property, plant and equipment are depreciated using the straight-line method based on useful lives and residual values, which are stated in the 'Depreciation, amortisation and impairment losses' section.

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal less any costs of disposal.

**Equity investments in group enterprises**

Equity investments in subsidiaries are recognised and measured according to the equity method in the balance sheet of the parent. For equity investments in subsidiaries, the equity method is considered a measurement method.

On initial recognition, equity investments measured according to the equity method are measured at cost. Transaction costs directly attributable to the acquisition are recognised in the cost of equity investments. However, transaction costs on the acquisition of subsidiaries are recognised in the income statement in the consolidated financial statements at the date incurred.

On subsequent recognition and measurement of equity investments according to the equity method, 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 goodwill and gains and losses on transactions with the enterprises in question. Equity investments, where information for recognition according to the equity method is not known, are measured at cost.

Gains or losses on disposal of equity investments are determined as the difference between the disposal 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.

**22. Accounting policies** - continued -**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 the company's realised return on an asset or a group of assets is lower than expected, this is considered an indication of impairment.

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.

The higher of net selling price and value in use is used as the recoverable amount. The value in use is determined as the present value of expected net cash flows from the use of the asset or group of assets as well as expected net cash flows from the sale of the asset or group of assets after the expiry of their useful lives.

Impairment losses are reversed when the reasons for the impairment no longer exist. Impairment losses on goodwill are not reversed, unless goodwill is included in the carrying amount of equity investments.

**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.

Deposits recognised under assets comprise deposits paid to the lessor under leases entered into by the company.

**Work in progress for third parties**

Work in progress for third parties is measured at the selling price of the work performed less on-account invoicing made for each piece of work in progress.



**22. Accounting policies** - continued -

The selling price is measured according to the stage of completion at the balance sheet date and total expected income from each piece of work in progress. The degree of completion for each piece of work in progress is normally calculated as the ratio between the resources spent and the total budgeted resource consumption. For some work in progress where the resource consumption cannot be used as a basis, the ratio between completed subactivities and the combined subactivities for the individual piece of work in progress is used instead.

When the selling price of a piece of work in progress cannot be determined reliably, the selling price is measured at the lower of costs incurred and net realisable value.

The individual piece of work in progress is recognised under receivables or payables in the balance sheet depending on whether the net value of the selling price less prepayments received is positive or negative.

When it is likely that the total costs of the individual piece of work in progress will exceed total sales income, the total expected loss is recognised as a provision.

**Prepayments**

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

**Other investments**

Other securities are measured at fair value, equivalent to the market value at the balance sheet date.

**Cash**

Cash includes operating cash.

**Equity**

The proposed dividend for the financial year is recognised as a separate item in equity.

The net revaluation of equity investments measured according to the equity method is recognized in the financial statements of the parent in the net revaluation reserve in equity according to the equity method to the extent that the carrying amount exceeds the cost.

## 22. Accounting policies - continued -

### Provisions

Other provisions comprise expected expenses incidental to loss on work in progress, restructuring etc. and are recognised when the company has a legal or constructive obligation at the balance sheet date and it is probable that such obligation will draw on the financial resources of the company. Provisions are measured at net realisable value or fair value if the provision is expected to be settled over the longer term.

### 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.

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. However, deferred tax is not recognised on temporary differences relating to goodwill which is non-amortisable for tax purposes and other items where temporary differences, except for acquisitions, have arisen at the date of acquisition without affecting the net profit or loss for the year or the taxable income. In cases where the tax value can be determined according to different taxation rules, deferred tax is measured on the basis of management's intended use of the asset or settlement of the liability.

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

Long-term payables are measured at cost at the time of contracting such liabilities (raising of the loan). The payables are subsequently measured at amortised cost where capital losses and loan expenses are recognised in the income statement as a financial expense over the term of the payable on the basis of the calculated effective interest rate in force at the time of contracting the liability.

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

**22. Accounting policies** - continued -**Prepayments received from customers**

Prepayments received from customers comprise amounts received from customers prior to the time and date of delivery of the agreed product or completion of the agreed service.

**CASH FLOW STATEMENT**

The cash flow statement is prepared using the indirect method, showing cash flows from operating, investing and financing activities as well as cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities comprise the net profit or loss for the year, adjusted for non-cash operating items, income tax paid and changes in working capital.

Cash flows from investing activities comprise payments in connection with the acquisition and divestment of companies and financial assets as well as the purchase, development, improvement and sale of intangible assets and property, plant and equipment.

Cash flows from financing activities comprise changes in the parent's share capital and associated costs and financing from and dividends paid to shareholders as well as the arrangement and repayment of long-term payables.

Cash and cash equivalents at the beginning and end of the year comprise cash, short-term securities with no significant price risk and short-term payables to credit institutions.

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