

RelyOn Nutec Holding A/S

Kalvebod Brygge 45, 3.

1560 København V

CVR no. 19 95 13 83

Annual report for 01.01.2023 - 31.12.2023

This annual report has been adopted at the annual general meeting on 4th July, 2024

Birgitte Poulsen

Chairman of the general meeting

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Company information

The company

RelyOn Nutec Holding A/S
Kalvebod Brygge 45,3
DK – 1560 København V

Tel.: 76 12 13 14

Registered office: Copenhagen

CVR no.: 19 95 13 83

Financial year: 01.01.2023-31.12.2023

Executive Board

Torben Harring

Board of Directors

Jakob Bo Thomasen

Henrik Bonnerup

Jan Damsgaard

Jesper Teddy Lok

Merete Søby

Auditors

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

Strandvejen 44

DK – 2900 Hellerup

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

We have on this day presented the annual report for the financial year 01.01.2023 - 31.12.2023 for RelyOn Nutec Holding A/S.

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

In our opinion, the financial statements give a true and fair view of the company's assets, liabilities and financial position as at 31.12.2023 and of the results of the company's activities for the financial year 01.01.2023 - 31.12.2023.

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

Copenhagen, 4th July, 2024

Executive Board

Torben Harring
CEO

Board of Directors

Jakob Bo Thomasen
Chairman

Henrik Bonnerup

Jesper Teddy Lok

Jan Damsgaard

Merete Søby

Independent auditor's report

To the shareholder of RelyOn Nutec Holding A/S

Opinion

In our opinion, the financial statements give a true and fair view of the 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.

We have audited the Financial statements of RelyOn Nutec Holding A/S for the financial year 1 January – 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("financial statements").

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 (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.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the financial statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

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

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review 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 in Management's Review.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with 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.
- 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.

Hellerup, 4th July, 2024

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR no. 33 77 12 31

Allan Knudsen

State Authorised Public Accountant

mne29465

Frederik Tvedeskov Jantzen

State Authorised Public Accountant

mne47815

Management review

Primarily activities

The purpose of RelyOn Nutec Holding A/S is directly - or indirectly by holding shares or other forms of equity investments in domestic and foreign companies - to engage in theoretical training and practical training in fire, rescue, security, offshore and related areas, as well as directly and / or indirectly through partners in Denmark and abroad to participate in another company which, in the opinion of the Board of Directors, is in connection with the abovementioned purpose.

Development in activities and financial matters

RelyOn Nutec Holding A/S income statement of the financial year 01.01.2023 - 31.12.2023, shows a result of DKKt 32,527. The balance sheet at 31.12.2023 shows a balance sheet total of DKKt 1,209,244 and equity of DKKt 734,176.

Income statement

DKK '000	Notes	2023	2022
Gross profit / loss	2	49,038	25,801
Staff costs	3	-18,036	-17,707
Depreciation, amortisation and impairment		-5,335	-4,781
Earnings before interest and taxes (EBIT)		25,667	3,313
Income from equity investments in group enterprises	4	4,691	4,505
Financial Income	5	57,575	67,382
Financial Expenses	6	-46,463	-19,382
Profit / loss before tax		41,470	55,818
Tax on profit / loss for the year		-8,943	-9,729
Profit / loss for the year		32,527	46,089

Proposed distribution of profit

Retained earnings	32,527	46,089
Total	32,527	46,089

Balance sheet

DKK '000	Notes	2023	2022
Assets			
Completed development projects	7	5,444	5,128
Software	7	1,722	2,503
Intangible assets under construction	7	1,517	372
Total intangible assets		8,683	8,003
Leasehold improvements	8	51	353
Fixtures and fittings, tools and equipment	8	830	1,215
Total property, plant and equipment		881	1,568
Equity investments in group enterprises	9	479,746	347,732
Receivables from group enterprises		628,050	722,668
Other investments	9	1,866	1,866
Other receivables		2,310	2,302
Total financial fixed assets		1,111,972	1,074,568
Total non-current assets		1,121,536	1,084,139
Receivables from group enterprises		56,766	118,942
Trade Receivables		3,631	4,140
Other receivables		6,363	5,597
Total receivables		66,760	128,679
Cash in bank and in hand		20,948	23,746
Total current assets		87,708	152,425
Total assets		1,209,244	1,236,564

DKK '000	Notes	2023	2022
Equity and liabilities			
Share capital		50,142	50,142
Reserve for development costs		4,530	4,000
Retained earnings		679,504	647,507
Total equity		734,176	701,649
Payables to group enterprises	10	259,869	239,498
Shareholder loan	10	110,252	100,028
Other payables	10	1,142	1,095
Total non-current payables		371,263	340,621
Payables to group enterprises	10	66,240	49,588
Payables to credit institutions	10	26,085	118,234
Trade payables		6,128	7,932
Other payables		5,352	18,540
Total current payables		103,805	194,294
Total liabilities		475,068	534,915
Total equity and liabilities		1,209,244	1,236,564

1. Subsequent events
11. Contingent liabilities
12. Charges and security
13. Related parties
14. Accounting policies

Statement of changes in equity

DKK '000	Share capital	Reserve for development costs	Retained earnings	Total equity
Balance at 1 January 2022	50,142	2,305	603,113	655,560
Transfer to reserve for development costs	0	1,695	-1,695	0
Net profit/loss for the year	0	0	46,089	46,089
Balance at 31 December 2022	50,142	4,000	647,507	701,649
Balance at 1 January 2023	50,142	4,000	647,507	701,649
Transfer to reserve for development costs	0	530	-530	0
Net profit/loss for the year	0	0	32,527	32,527
Balance at 31 December 2023	50,142	4,530	679,504	734,176

The share capital consists of 501.421 shares of nominal value of DKK 100.

Notes

1. Subsequent events

In March 2024, we acquired the remaining 50% of Thomson Bridge Pty Ltd. No other events materially affecting the assessment of the annual report have occurred after the balance sheet.

On 24 May 2024, the ultimate owner Polaris Private Equity IV K/S announced that it has entered into an agreement to divest RelyOn Nutec to Mubadala Capital, the wholly-owned asset management subsidiary of Mubadala Investment Company. The purchase price has not been disclosed. The transaction is subject to regulatory approvals and is expected to close during the summer of 2024.

For further details please refer to: <https://relyonnutec.com/media/kwhn1rb4/polaris-sells-relyon-nutec-to-mubadala-capital.pdf>

2. Extraordinary items

DKK '000	2023	2022
Transaction costs and non-recurring consultancy costs	2,557	6,792
Total	2,557	6,792

3. Staff costs

DKK '000	2023	2022
Wages and salaries	15,938	15,694
Pensions	1,994	1,941
Other social security expenses	76	25
Other staff expenses	28	47
Total	18,036	17,707
Average number of employees	20	19

4. Income from equity investments in group enterprises

DKK '000	2023	2022
Dividends from subsidiaries	4,691	4,505
Total	4,691	4,505

5. Financial income

DKK '000	2023	2022
Interest received from group enterprises	57,184	31,691
Exchange rate gains	0	36,372
Other financial income	391	-681
Total	57,575	67,382

6. Financial expenses

DKK '000	2023	2022
Interest paid to group enterprises	24,936	7,658
Exchange rate losses	16,868	6,853
Other financial expenses	4,659	4,871
Total	46,463	19,382

7. Intangible assets

DKK '000	Completed development projects	Acquired rights	Intangible assets under construction	Total intangible assets
Cost at 1 January 2023	6,579	24,878	372	31,829
Additions during the year	2,676	1,135	1,517	5,328
Disposals during the year	0	0	0	0
Transfer to / from other assets types	0	372	-372	0
Cost at 31 December 2023	9,255	26,385	1,517	37,157
Amortisation and impairments at 1 January 2023	-1,451	-22,375	0	-23,826
Amortisation during the year	-2,360	-2,288	0	-4,648
Amortisation and impairments at 31 December 2023	-3,811	-24,663	0	-28,474
Carrying amount at 31 December 2023	5,444	1,722	1,517	8,683

Development projects are related to the integration of the Area9 platform. The project is progressing as planned. Development projects are completed on an ongoing basis. The Area9 platform will enable RelyOn Nutec to offer adaptive learning, which is expected to give the Company a competitive advantage over traditional e-learning courses.

8. Property, plant and equipment

DKK '000	Leasehold improve- ments	Fixtures and fittings, tools and equipment	Total property, plant and equipment
Cost at 1 January 2023	1,334	9,646	10,980
Additions during the year	0	0	0
Cost at 31 December 2023	1,334	9,646	10,980
Depreciation and impairments at 1 January 2023	-981	-8,431	-9,412
Depreciation during the year	-302	-385	-687
Depreciation and impairments at 31 December 2023	-1,283	-8,816	-10,099
Carrying amount at 31 December 2023	51	830	881

9. Equity investments in group enterprises

DKK '000	Group	Other	Total
Cost at 1 January 2023	636,739	1,866	638,605
Additions during the year	0	0	0
Disposals during the year	-11,740	0	-11,740
Cost at 31 December 2023	624,999	1,866	626,865
Impairments at 1 January 2023	-289,007	0	-289,007
Reclassification during the year	143,754	0	143,754
Impairments at 31 December 2023	-145,253	0	-145,253
Carrying amount at 31 December 2023	479,746	1,866	481,612

Name and registered office**Ownership**

Aberdeen Drilling School Ltd., United Kingdom	100%
RelyOn Nutec Belgium BVBA, Belgium	100%
RelyOn Nutec Brasil Participacoes Ltda., Brazil	100%
RelyOn Nutec Denmark A/S, Denmark	100%
RelyOn Nutec Digital A/S, Denmark	100%
RelyOn Nutec Holding de México, S.A. de C.V., Mexico	100%
RelyOn Nutec Safety Services LLC *, UAE	49%

RelyOn Nutec (Safety Training & Services) LLC *, Qatar	49%
RelyOn Nutec Thailand Holding Ltd., Thailand	100%
RelyOn Nutec USA Holdings, LLC, USA	100%
Thomson Bridge Pty. Ltd. *, Australia	50%

* RelyOn Nutec (Safety Training & Services) LLC, RelyOn Nutec Safety Services LLC, Thomson Bridge Pty. Ltd are classified as subsidiaries as the Company exercises controlling influence. In March 2024, we acquired the remaining 50% of Thomson Bridge.

10. Non-current payables

DKK '000	Due within 1 year	Due within 1-5 years	Due after 5 years	Total
Payables to group enterprises	25,865	239,498	0	265,363
Shareholder loan	0	100,028	0	100,028
Payables to credit institutions	118,234	0	0	118,234
Other payables	0	1,095	0	1,095
Payables at 31 December 2022	144,099	340,621	0	484,720
Payables to group enterprises	66,240	259,869	0	326,109
Shareholder loan	0	110,252	0	110,252
Payables to credit institutions	26,085	0	0	26,085
Other payables	0	1,142	0	1,142
Payables at 31 December 2023	92,325	371,263	0	463,588

11. Contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc. of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of P-RelyOn Nutec 2018 A/S, which is the management company for joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

The Company has non-terminatable lease obligations of DKKm 8 (DKKm 10) until 2027.

The Company has issued guarantees and comfort letters for the obligations a number of its subsidiaries.

The Company is currently involved in pending litigations, claims and investigations arising out of the normal course of business. Management does not expect any pending claims or investigations to have a material

impact on the Group's financial position, operating profit or cash flows.

12. Charges and security

Shares in subsidiaries, with a carrying value of DKKm 480, have been pledged as security in connection with the bond financing in the parent company BidCo RelyOn Nutec A/S and the Company's debt to credit institutions.

Bank deposits amounting to DKKm 0.3 have been pledged as security in connection with a bank guarantee issued to one of the Company's subsidiaries.

13. Related parties

Controlling influence

Bidco RelyOn Nutec A/S

Basis of influence

Immediate parent

Shareholder loan: DKKm 110 (DKKm 100)

The shareholder loan is subordinated and convertible by the ultimate owners of the Group. The maturity date is 31 December 2024. The loan is instalment-free and carries an interest rate of 10%. Interest payments are deferred until maturity date. The lender is entitled to convert the loan amount into the same class of shares as the shares in the company owned by the lender of the date of this loan note. The subscription rate shall in such case be 10,000. If the lender chooses to convert the loan amount, the loan amount shall not be repaid.

Transactions

Transactions with related parties have been carried out on arm's length terms.

Consolidated financial statements

The company is included in the consolidated report for the parent company: BidCo RelyOn Nutec A/S.

The group annual report of BidCo RelyOn Nutec A/S may be obtained at the following address:

BidCo RelyOn Nutec A/S

Kalvebod Brygge 45, 3.

DK – 1560 Copenhagen V.

14. Accounting policies

GENERAL

The Annual Report of RelyOn Nutec Holding A/S for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The financial statements for 2023 are presented in thousand DKK.

With reference to section 112 of the Danish Financial Statements Act and to the consolidated financial statements of BidCo RelyOn Nutec A/S, the Company has not prepared consolidated financial statements.

Basis of recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

CURRENCY

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

INCOME STATEMENT

Gross profit

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue and other external expenses.

Revenue

Revenue from sale is recognised when the risks and rewards relating is transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Other external expenses

Other external expenses comprise expenses for premises, consultants, office expenses, etc.

Staff costs

Staff expenses comprise wages and salaries as well as payroll expenses.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Income from equity investments in group enterprises

Dividends from equity investments measured at cost are recognised as income in the financial year in which the dividend is declared.

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company, including gains and losses on the sale of intangible assets and property, plant and

equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with Danish group enterprises. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

BALANCE SHEET

Intangible assets

Completed development projects and development projects in progress.

Development projects are recognised in the balance sheet where the project aims at developing a specific product or a specific process, intended to be produced or used, respectively, by the company in its production process. On initial recognition, development projects are measured at cost. Cost comprises the purchase price plus expenses resulting directly from the purchase, including wages and salaries directly attributable to the development projects until the asset is ready for use. Interest on loans arranged to finance development projects in the development period is not included in the cost. Other development projects and development costs are recognised in the income statement in the year in which they are incurred.

Development projects in progress are transferred to completed development projects when the asset is ready for use.

Development projects are subsequently measured in the balance sheet at cost less accumulated amortisation and impairment losses.

Completed development projects are amortised using the straight-line method based on useful lives, which are stated in the 'Amortisation, depreciation and impairment losses' section.

Patents and licences are measured at the lower of cost less accumulated amortisation and recoverable amount. Patents are amortised over the remaining patent period, and licences are amortised over the licence

period; however not exceeding 3-5 years.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Interest expenses on loans raised directly for financing the construction of property, plant and equipment are recognised in cost over the period of construction. All indirectly attributable borrowing expenses are recognised in the income statement.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	3-10 years
Leasehold improvements	5 years

Depreciation periods and residual values are reassessed annually.

Impairment losses on fixed assets

The carrying amounts of intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Equity investments in group enterprises

Investments in subsidiaries are measured at cost. Where cost exceeds the recoverable amount, a write-down is made to this lower value.

The carrying amounts of equity investments in subsidiaries are reviewed on an annual basis to determine whether there is any indication of impairment.

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 dividends are distributed on equity investments in subsidiaries exceeding the year's earnings from the enterprise in question, 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.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Other investments

Equity investments that are not classified as group enterprises, associates or participating interests and which are not traded in an active market are measured in the balance sheet at cost.

Cash

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

Equity

An amount equivalent to internally generated development costs in the balance sheet is recognised in equity under reserve for development costs. The reserve is measured less deferred tax and reduced by amortisation and impairment losses on the asset. If impairment losses on development costs are subsequently reversed, the reserve will be restored with a corresponding amount.

The reserve is dissolved when the development costs are no longer recognized in the balance sheet, and the remaining amount will be transferred to retained earnings.

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

Non-current 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.

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