

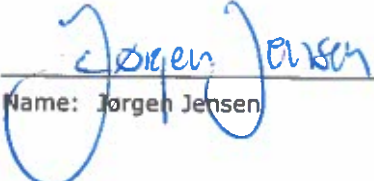
European Freeze Dry ApS

Karlebyvej 81
4070 Kirke Hyllinge
Business Registration No
25312279

Annual report 2017

The Annual General Meeting adopted the annual report on ²³13 -2018

Chairman of the General Meeting


Name: Jørgen Jensen

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Entity details

Entity

European Freeze Dry ApS
Karlebyvej 81
4070 Kirke Hyllinge

Central Business Registration No (CVR): 25312279

Registered in: Lejre

Financial year: 01.01.2017 - 31.12.2017

Board of Directors

Nicholas Andrew Vince, Chairman

Thomas Marstrand, Vice Chairman

Jørgen Jensen

Per Toft Valstorp

Executive Board

Karsten Kejlhof, Chief Executive Officer

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

P.O. Box 1600

0900 Copenhagen C

Lead Client Service Partner: Jørn Jepsen

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of European Freeze Dry ApS for the financial year 01.01.2017 - 31.12.2017.

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 31.12.2017 and of the results of its operations for the financial year 01.01.2017 - 31.12.2017.

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.

Kirke Hyllinge, 23/3 -2018

Executive Board



Karsten Kejlhof
Chief Executive Officer

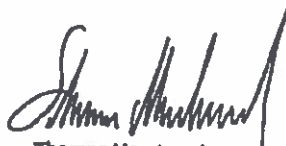
Board of Directors



Nicholas Andrew Vince
Chairman



Per Toft Valstorp



Thomas Marstrand
Vice Chairman



Jørgen Jensen

Independent auditor's report

To the shareholder of European Freeze Dry ApS

Opinion

We have audited the financial statements of European Freeze Dry ApS for the financial year 01.01.2017 - 31.12.2017, 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 31.12.2017 and of the results of its operations for the financial year 01.01.2017 - 31.12.2017 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:

Independent auditor's report

- 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.



Independent auditor's report

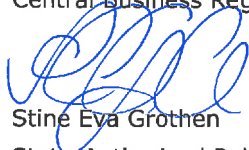
Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Copenhagen, 23/3 -2018

Deloitte

Statsautoriseret Revisionspartnerselskab

Central Business Registration No (CVR) 33963556



Stine Eva Grothen

State-Authorised Public Accountant

Identification No (MNE) mne29431



Allan Pedersen

State-Authorised Public Accountant

Identification No (MNE) mne14952

Management commentary

	2017	2016	2015	2014	2013
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
Financial highlights					
Key figures					
Gross profit	37.486	39.167	27.224	26.663	21.701
Operating profit/loss	9.282	12.887	5.904	6.574	3.580
Net financials	6.115	12.850	5.899	4.585	3.617
Profit/loss for the year	13.013	23.321	10.619	9.938	6.249
Total assets	86.040	83.785	101.230	101.946	103.344
Investments in property, plant and equipment	4.047	4.513	3.005	3.633	20.742
Equity	59.714	52.788	35.623	72.760	60.971
Ratios					
Return on equity (%)	23,1	52,8	19,6	14,9	10,8
Equity ratio (%)	69,4	63,0	35,2	71,4	59,0

Financial highlights are defined and calculated in accordance with "Recommendations & Ratios 2015" issued by the Danish Society of Financial Analysts.

Ratios	Calculation formula	Calculation formula reflects
Return on equity (%)	$\frac{\text{Profit/loss for the year} \times 100}{\text{Average equity}}$	The entity's return on capital invested in the entity by the owners.
Equity ratio (%)	$\frac{\text{Equity} \times 100}{\text{Total assets}}$	The financial strength of the entity.

Management commentary

Primary activities

The Group deals mainly with the production and sale of freeze-dried food ingredients and contract manufacturing of food and non-food products. Furthermore, the Group produces and sells freeze-dried meals and other freeze-dried products to the retail market.

The Group mostly operates on the European market, serving customers from two plants in Denmark and one plant in the UK.

In 2017, the Group successfully launched a new series of retail brands and rebranded existing products.

Development in activities and finances

Profit for the year amounts to DKK 13,013 thousand against a profit last year of DKK 23,321 thousand. Equity amounts to DKK 59,714 thousand at 31.12.2017.

Profit/loss for the year in relation to expected developments

The Group's earnings for 2017 are slightly lower than expected.

Outlook

Expectations for 2018 are positive. Several new projects and customers are in the sales pipeline. The newly launched products are expected to grow further in the coming years.

Particular risks

A large part of the Group's sales take place outside Denmark and are invoiced in foreign currencies. The Group evaluates on an ongoing basis the need to use financial instruments to hedge net positions and future transactions.

Environmental performance

The Group is environmentally conscious and regularly works on improving the environmental impact of own operations.

Research and development activities

It is vital to the Group to maintain market leadership, which is secured by a continuous focus on the development of own new products as well as private label products for customers.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2017

	<u>Notes</u>	<u>2017 DKK</u>	<u>2016 DKK</u>
Gross profit		37.485.629	39.166.767
Staff costs	1	(23.679.696)	(22.100.014)
Depreciation, amortisation and impairment losses		<u>(4.523.649)</u>	<u>(4.179.682)</u>
Operating profit/loss		9.282.284	12.887.071
Income from investments in group enterprises		7.368.135	14.519.769
Other financial income from group enterprises		50.083	0
Other financial expenses	2	<u>(1.302.855)</u>	<u>(1.670.204)</u>
Profit/loss before tax		15.397.647	25.736.636
Tax on profit/loss for the year	3	<u>(2.384.656)</u>	<u>(2.416.000)</u>
Profit/loss for the year	4	<u>13.012.991</u>	<u>23.320.636</u>

Balance sheet at 31.12.2017

	<u>Notes</u>	<u>2017 DKK</u>	<u>2016 DKK</u>
Acquired intangible assets		819.610	0
Intangible assets	5	<u>819.610</u>	<u>0</u>
Land and buildings		22.768.540	25.082.257
Plant and machinery		23.159.020	21.523.750
Other fixtures and fittings, tools and equipment		205.950	707.392
Property, plant and equipment	6	<u>46.133.510</u>	<u>47.313.399</u>
Investments in group enterprises		21.769.030	14.987.507
Fixed asset investments	7	<u>21.769.030</u>	<u>14.987.507</u>
Fixed assets		<u>68.722.150</u>	<u>62.300.906</u>
Trade receivables		6.394.677	7.336.723
Receivables from group enterprises		10.199.351	13.224.639
Deferred tax	9	0	800.000
Other receivables		370.057	66.772
Prepayments	8	216.895	46.210
Receivables		<u>17.180.980</u>	<u>21.474.344</u>
Cash		<u>137.194</u>	<u>9.408</u>
Current assets		<u>17.318.174</u>	<u>21.483.752</u>
Assets		<u>86.040.324</u>	<u>83.784.658</u>

Balance sheet at 31.12.2017

	<u>Notes</u>	<u>2017 DKK</u>	<u>2016 DKK</u>
Contributed capital		750.000	750.000
Reserve for net revaluation according to the equity method		2.809.030	0
Retained earnings		46.154.939	46.537.590
Proposed dividend		<u>10.000.000</u>	<u>5.500.000</u>
Equity		<u>59.713.969</u>	<u>52.787.590</u>
Deferred tax	9	<u>273.000</u>	<u>0</u>
Provisions		<u>273.000</u>	<u>0</u>
Mortgage debt		2.064.714	2.733.754
Bank loans		<u>8.085.375</u>	<u>13.722.644</u>
Non-current liabilities other than provisions	10	<u>10.150.089</u>	<u>16.456.398</u>
Current portion of long-term liabilities other than provisions	10	6.687.328	6.679.812
Trade payables		3.906.230	3.187.617
Payables to group enterprises		1.207.787	410.647
Joint taxation contribution payable		529.264	1.104.558
Other payables		<u>3.572.657</u>	<u>3.158.036</u>
Current liabilities other than provisions		<u>15.903.266</u>	<u>14.540.670</u>
Liabilities other than provisions		<u>26.053.355</u>	<u>30.997.068</u>
Equity and liabilities		<u>86.040.324</u>	<u>83.784.658</u>
Contingent liabilities	11		
Assets charged and collateral	12		
Related parties with controlling interest	13		
Group relations	14		

Statement of changes in equity for 2017

	Contributed capital DKK	Reserve for net revaluation according to the equity method DKK	Retained earnings DKK	Proposed dividend DKK
Equity beginning of year	750.000	0	46.537.590	5.500.000
Ordinary dividend paid	0	0	0	(5.500.000)
Exchange rate adjustments	0	(586.612)	0	0
Profit/loss for the year	0	3.395.642	(382.651)	10.000.000
Equity end of year	750.000	2.809.030	46.154.939	10.000.000
				Total DKK
Equity beginning of year				52.787.590
Ordinary dividend paid				(5.500.000)
Exchange rate adjustments				(586.612)
Profit/loss for the year				13.012.991
Equity end of year				59.713.969

Notes

	2017	2016
	DKK	DKK
1. Staff costs		
Wages and salaries	20.576.279	19.401.902
Pension costs	2.242.753	1.889.164
Other social security costs	562.665	451.168
Other staff costs	297.999	357.780
	<u>23.679.696</u>	<u>22.100.014</u>
Average number of employees	<u>38</u>	<u>33</u>
	Remunera- tion of manage- ment 2017 DKK	Remunera- tion of manage- ment 2016 DKK
	<u>1.870.192</u>	<u>1.066.367</u>
Total amount for management categories	<u>1.870.192</u>	<u>1.066.367</u>
	2017	2016
	DKK	DKK
2. Other financial expenses		
Financial expenses from group enterprises	0	828.090
Other interest expenses	1.072.620	745.510
Exchange rate adjustments	194.224	77.311
Other financial expenses	36.011	19.293
	<u>1.302.855</u>	<u>1.670.204</u>
	2017	2016
	DKK	DKK
3. Tax on profit/loss for the year		
Current tax	1.245.000	2.254.000
Change in deferred tax	1.073.000	162.000
Adjustment concerning previous years	66.656	0
	<u>2.384.656</u>	<u>2.416.000</u>

Notes

	2017	2016
	DKK	DKK
4. Proposed distribution of profit/loss		
Ordinary dividend for the financial year	10.000.000	5.500.000
Transferred to reserve for net revaluation according to the equity method	3.395.642	2.812.877
Retained earnings	(382.651)	15.007.759
	13.012.991	23.320.636
		Acquired intangible assets
		DKK
5. Intangible assets		
Transfers		703.283
Additions		116.327
Cost end of year		819.610
Carrying amount end of year		819.610

Notes

	Land and buildings DKK	Plant and machinery DKK	Other fixtures and fittings, tools and equipment DKK
6. Property, plant and equipment			
Cost beginning of year	44.905.829	40.330.110	1.581.792
Transfers	7.909.174	2.192.362	(472.076)
Additions	1.645.296	2.177.075	224.673
Disposals	<u>(5.544.762)</u>	<u>(2.868.548)</u>	<u>(1.052.164)</u>
Cost end of year	<u>48.915.537</u>	<u>41.830.999</u>	<u>282.225</u>
Depreciation and impairment losses beginning of year	(19.823.572)	(18.806.360)	(874.400)
Transfers	(10.279.236)	177.699	(231.206)
Depreciation for the year	(1.473.238)	(2.906.679)	(18.723)
Reversal regarding disposals	<u>5.429.049</u>	<u>2.863.361</u>	<u>1.048.054</u>
Depreciation and impairment losses end of year	<u>(26.146.997)</u>	<u>(18.671.979)</u>	<u>(76.275)</u>
Carrying amount end of year	<u>22.768.540</u>	<u>23.159.020</u>	<u>205.950</u>
7. Fixed asset investments			
Cost beginning of year			18.960.000
Cost end of year			<u>18.960.000</u>
Revaluations beginning of year			(3.972.493)
Exchange rate adjustments			(586.612)
Share of profit/loss for the year			<u>7.368.135</u>
Revaluations end of year			<u>2.809.030</u>
Carrying amount end of year			<u>21.769.030</u>

Notes

	<u>Registered in</u>	<u>Corpo- rate form</u>	<u>Equity inte- rest %</u>
Investments in group enterprises comprise:			
European Freeze Dry Ltd.	United Kingdom	Ltd.	100,0

8. Prepayments

Prepayments consist of prepayments mainly regarding insurance costs.

	<u>2017 DKK</u>
9. Deferred tax	
Changes during the year	
Beginning of year	(800.000)
Recognised in the income statement	<u>1.073.000</u>
End of year	<u>273.000</u>

	<u>Due within 12 months 2017 DKK</u>	<u>Due within 12 months 2016 DKK</u>	<u>Due after more than 12 months 2017 DKK</u>
10. Liabilities other than provisions			
Mortgage debt	687.328	679.812	2.064.714
Bank loans	<u>6.000.000</u>	<u>6.000.000</u>	<u>8.085.375</u>
	<u>6.687.328</u>	<u>6.679.812</u>	<u>10.150.089</u>

11. Contingent liabilities

The Entity participates in a Danish joint taxation arrangement in which EFD Investment A/S 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 companies and also for obligations, if any, relation to the withholding of tax on interest, royalties and dividend for jointly taxed companies. The jointly taxed companies' total known net liability in the joint taxation arrangement is stated in the financial statements of the administration company.

Notes

12. Assets charged and collateral

Mortgage debt is secured by way of mortgage on properties. Also, mortgage deeds registered to the mortgagor on the Company's properties have been entered in the Land Register by DKK 28,000 thousand. The mortgage deeds registered to the mortgagor are kept with the Company.

The carrying amount of mortgaged properties is DKK 22,769 thousand.

13. Related parties with controlling interest

Related parties with controlling interest include Erhvervsinvest III K/S, Charlottenlund and EFD Investment A/S, Charlottenlund.

14. Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group:

EFD Investment A/S, Charlottenlund

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:

EFD Investment A/S, Charlottenlund

Accounting policies

Reporting class

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

Consolidated financial statements

Referring to section 112(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

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. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, cost of sales and other 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.

Accounting policies

Cost of sales

Cost of sales comprises expenses incurred to earn revenue for the financial year. Cost of sales comprises direct and indirect costs for raw materials and consumables included in the production process.

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 as well as social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Amortisation, depreciation and impairment losses relating to property, plant and equipment comprise amortisation, depreciation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as 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 from group enterprises

Other financial income from group enterprises comprises interest income etc on receivables from group enterprises.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital losses on payables and foreign currency transactions, amortisation of financial liabilities as well as 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 its Parent. 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

Intellectual property rights etc

Intellectual property rights etc comprise development projects completed and in progress with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

Accounting policies

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised over their remaining duration, and licences are amortised over the term of the agreement, but over no more than 20 years.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Land and buildings, plant and machinery as well as other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

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:

Buildings	10-33 years
Plant and machinery	3-14 years
Other fixtures and fittings, tools and equipment	3-10 years

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.

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 under equity.

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

Receivables

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

Prepayments

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

Cash

Cash comprises cash in hand and bank deposits.

Accounting policies

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.

Deferred tax

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

Mortgage debt

At the time of borrowing, mortgage debt to mortgage credit institutions is measured at cost which corresponds to the proceeds received less transaction costs incurred. Mortgage debt is subsequently measured at amortised cost. This means that the difference between the proceeds at the time of borrowing and the nominal repayable amount of the loan is recognised in the income statement as a financial expense over the term of the loan applying the effective interest method.

Operating leases

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

Other financial liabilities

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

Joint taxation contribution payable or receivable

Current joint taxation contribution payable or receivable is recognised in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax. In case of tax losses, only joint taxation contributions receivable are recognised if the tax loss is expected to be utilised in the joint taxation.

Cash flow statement

Referring to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared.