



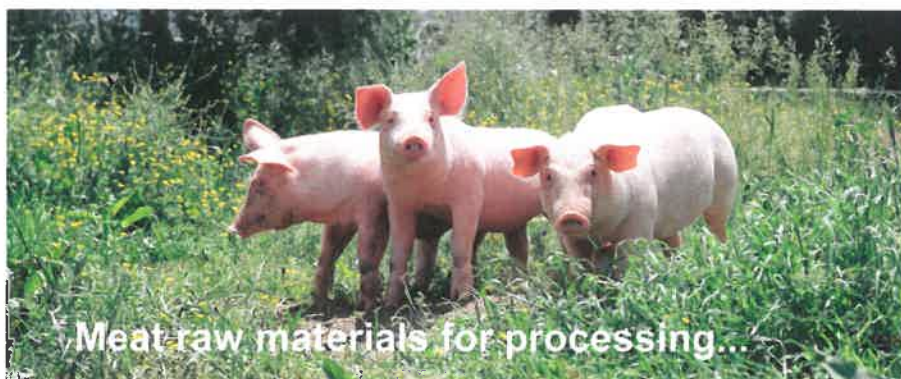
EUROPEAN QUALITY FOOD A/S
Central Business Registration No 25366816
Fjordvej 90
6000 Kolding

Annual report 2016

The Annual General Meeting adopted the annual report on 04.04.2017

Chairman of the General Meeting

Name: Jørgen Meyer



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Entity details

Entity

EUROPEAN QUALITY FOOD A/S

Fjordvej 90

6000 Kolding

Central Business Registration No: 25366816

Registered in: Kolding

Financial year: 01.01.2016 - 31.12.2016

Phone: +4570220200

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Website: WWW.EQF.DK

E-mail: DK@EQF.DK

Board of Directors

Jørgen Meyer, Chairman

Morten Koed Refshauge

Ole Koed-Madsen

Executive Board

Ole Koed-Madsen, Chief Executive Officer

Bank

Danske Bank A/S

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Egtved Allé 4

6000 Kolding

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 QUALITY FOOD A/S for the financial year 01.01.2016 - 31.12.2016.

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 31.12.2016 and of the results of its operations and cash flows for the financial year 01.01.2016 - 31.12.2016.

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.

Kolding, 04.04.2017

Executive Board



Ole Koed-Madsen
Chief Executive Officer

Board of Directors



Jørgen Meyer
Chairman



Morten Koed Refshauge



Ole Koed-Madsen

Independent auditor's report

To the shareholders of EUROPEAN QUALITY FOOD A/S

Opinion

We have audited the financial statements of EUROPEAN QUALITY FOOD A/S for the financial year 01.01.2016 - 31.12.2016, which comprise the income statement, balance sheet, statement of changes in equity, cash flow statement 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 31.12.2016 and of the results of its operations and cash flows for the financial year 01.01.2016 - 31.12.2016 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.

Kolding, 04.04.2017

Deloitte

Statsautoriseret Revisionspartnerselskab

Central Business Registration No: 33963556



Lars Bjerregaard Nielsen

State Authorised Public Accountant

Management commentary

	2016	2015	2014	2013	2012
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
Financial highlights					
Key figures					
Gross profit	2,277	5,586	8,986	10,098	8,701
Operating profit/loss	(1,222)	638	927	2,520	1,207
Net financials	(608)	(452)	181	1,602	573
Profit/loss for the year	(1,574)	112	1,031	3,540	1,582
Total assets	19,042	29,909	20,367	60,402	43,288
Investments in property, plant and equipment	800	0	0	1,404	113
Equity	16,698	18,057	18,440	18,536	16,177
Ratios					
Return on equity (%)	(9.1)	0.6	5.6	20.4	10.0
Equity ratio (%)	87.7	60.4	90.5	30.7	37.4

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

Ratios	Calculation formula	Ratios
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

During the financial year, the company's activity has been export of meat raw materials from South America and EU to the meat processing industry.

Development in activities and finances

The year 2016 in outline

For the first time during many years, the global pork market has been the sellers' market, because of very strong demand from high price markets like China and Japan.

The market conditions have been very difficult, because the export markets, where the company is operating are so called low price markets.

Consequently, the company has not been able to purchase the quantities needed and both the turnover and gross profit have been reduced considerably.

During first half year of 2016 the company took the consequences of this new market situation and changed the business concept. Also some structural changes were made, which led to losses. However, the last months of 2016, the company has seen the effect of above and shown positive results.

In 2016, EUROPEAN QUALITY FOOD AS also achieved an AAA (triple A) rating and the company disposes of sufficient non-used credit facilities in DANSKE BANK A/S.

For the first time during 17 years the company had to face a loss – a net result of TDKK (1,574), which is not satisfactory.

Commercial, financial and other risks

Debtors constitute the greatest asset, which means that giving credit is a very vital element. The risk is reduced through efficient management, when credit is authorized as well as during the continued trade. The debtors are insured against loss, if needed.

The significant financial risk that the company is faced with is related to changes in exchange rates, as purchasing as well as sale takes place in foreign currency. In order to counteract this risk the company is using derivative financial instruments on all significant commercial transactions or when the management finds it appropriate.

Events after the end of the financial year

No conditions that disturb the assessment of the annual report have occurred.

Outlook

During the first months of 2017 business has been successful and the management expects a satisfactory result for the current year.

Income statement for 2016

	<u>Notes</u>	<u>2016 DKK</u>	<u>2015 DKK'000</u>
Gross profit		2,276,571	5,586
Distribution costs	1, 2	(970,049)	(1,112)
Administrative costs	1, 2	<u>(2,528,603)</u>	<u>(3,836)</u>
Operating profit/loss		(1,222,081)	638
Income from investments in group enterprises		(762,496)	(169)
Other financial income	3	416,739	197
Other financial expenses	4	<u>(262,433)</u>	<u>(480)</u>
Profit/loss before tax		(1,830,271)	186
Tax on profit/loss for the year	5	<u>256,217</u>	<u>(74)</u>
Profit/loss for the year		<u>(1,574,054)</u>	<u>112</u>
Proposed distribution of profit/loss			
Ordinary dividend for the financial year		200,000	200
Transferred to reserve for net revaluation according to the equity method		(762,495)	(109)
Retained earnings		<u>(1,011,559)</u>	<u>21</u>
		<u>(1,574,054)</u>	<u>112</u>

Balance sheet at 31.12.2016

	<u>Notes</u>	<u>2016 DKK</u>	<u>2015 DKK'000</u>
Other fixtures and fittings, tools and equipment		693,291	79
Property, plant and equipment	6	693,291	79
Investments in group enterprises		1,445,365	1,793
Other investments		683,328	617
Other receivables		270,000	249
Fixed asset investments	7	2,398,693	2,659
Fixed assets		3,091,984	2,738
Manufactured goods and goods for resale		296,549	1,017
Inventories		296,549	1,017
Trade receivables		1,534,827	8,342
Receivables from group enterprises		12,202,868	6,002
Deferred tax		280,678	24
Other receivables		580,814	1,932
Prepayments		35,940	4
Receivables		14,635,127	16,304
Other investments		1,050	1
Other investments		1,050	1
Cash		1,016,969	9,849
Current assets		15,949,695	27,171
Assets		19,041,679	29,909

Balance sheet at 31.12.2016

	<u>Notes</u>	<u>2016 DKK</u>	<u>2015 DKK'000</u>
Contributed capital		1,000,000	1,000
Reserve for net revaluation according to the equity method		1,233,927	1,582
Retained earnings		14,263,643	15,275
Proposed dividend		<u>200,000</u>	<u>200</u>
Equity		<u>16,697,570</u>	<u>18,057</u>
Bank loans		519,971	9,923
Prepayments received from customers		957,197	0
Trade payables		639,703	1,595
Income tax payable		0	162
Other payables		227,238	161
Deferred income		<u>0</u>	<u>11</u>
Current liabilities other than provisions		<u>2,344,109</u>	<u>11,852</u>
Liabilities other than provisions		<u>2,344,109</u>	<u>11,852</u>
Equity and liabilities		<u>19,041,679</u>	<u>29,909</u>
Contingent liabilities	9		

Statement of changes in equity for 2016

	Contributed capital DKK	Reserve for net revaluation according to the equity method DKK	Retained earnings DKK	Proposed dividend DKK
Equity beginning of year	1,000,000	1,581,981	15,275,202	200,000
Ordinary dividend paid	0	0	0	(200,000)
Exchange rate adjustments	0	414,441	0	0
Profit/loss for the year	0	(762,495)	(1,011,559)	200,000
Equity end of year	1,000,000	1,233,927	14,263,643	200,000
				Total DKK
Equity beginning of year				18,057,183
Ordinary dividend paid				(200,000)
Exchange rate adjustments				414,441
Profit/loss for the year				(1,574,054)
Equity end of year				16,697,570

Cash flow statement 2016

	<u>Notes</u>	<u>2016 DKK</u>	<u>2015 DKK'000</u>
Operating profit/loss		(1,222,081)	638
Amortisation, depreciation and impairment losses		180,894	26
Working capital changes	8	<u>2,704,122</u>	<u>(6,101)</u>
Cash flow from ordinary operating activities		1,662,935	(5,437)
Financial income received		250,161	124
Financial income paid		(262,433)	(481)
Income taxes refunded/(paid)		<u>(162,391)</u>	<u>(59)</u>
Cash flows from operating activities		1,488,272	(5,853)
Acquisition etc of property, plant and equipment		(800,000)	0
Sale of property, plant and equipment		4,885	0
Acquisition of fixed asset investments		(20,900)	0
Disposal of enterprises		0	644
Dividends received from associates		<u>100,000</u>	<u>100</u>
Cash flows from investing activities		(716,015)	744
Dividend paid		<u>(200,000)</u>	<u>(200)</u>
Cash flows from financing activities		(200,000)	(200)
Increase/decrease in cash and cash equivalents		572,257	(5,309)
Cash and cash equivalents beginning of year		<u>(75,259)</u>	<u>5,234</u>
Cash and cash equivalents end of year		496,998	(75)
Cash and cash equivalents at year-end are composed of:			
Cash		1,016,969	9,849
Short-term debt to banks		<u>(519,971)</u>	<u>(9,924)</u>
Cash and cash equivalents end of year		496,998	(75)

Notes

	2016	2015
	DKK	DKK'000
1. Staff costs		
Wages and salaries	1,513,058	2,066
Pension costs	201,324	218
Other social security costs	13,660	18
Other staff costs	125,994	146
	1,854,036	2,448
Average number of employees	2	2
	2016	2015
	DKK	DKK'000
2. Depreciation, amortisation and impairment losses		
Depreciation on property, plant and equipment	185,779	26
Profit/loss from sale of intangible assets and property, plant and equipment	(4,885)	0
	180,894	26
	2016	2015
	DKK	DKK'000
3. Other financial income		
Financial income arising from group enterprises	238,733	63
Interest income	0	27
Fair value adjustments	178,006	107
	416,739	197
	2016	2015
	DKK	DKK'000
4. Other financial expenses		
Interest expenses	52,780	184
Other financial expenses	209,653	296
	262,433	480

Notes

	2016	2015
	DKK	DKK'000
5. Tax on profit/loss for the year		
Tax on current year taxable income	0	59
Change in deferred tax for the year	(256,217)	15
	(256,217)	74
		Other fixtures and fittings, tools and equipment DKK
6. Property, plant and equipment		
Cost beginning of year		1,993,142
Additions		800,000
Disposals		(54,837)
Cost end of year		2,738,305
Depreciation and impairment losses beginning of the year		(1,914,072)
Depreciation for the year		(185,779)
Reversal regarding disposals		54,837
Depreciation and impairment losses end of the year		(2,045,014)
Carrying amount end of year		693,291

Notes

	Investments in group enterprises DKK	Other investments DKK	Other receivables DKK
7. Fixed asset investments			
Cost beginning of year	211,438	100,000	249,100
Additions	<u>0</u>	<u>0</u>	<u>20,900</u>
Cost end of year	<u>211,438</u>	<u>100,000</u>	<u>270,000</u>
Revaluations beginning of year	1,581,981	516,750	0
Exchange rate adjustments	414,441	0	0
Share of profit/loss for the year	(762,495)	0	0
Revaluations for the year	0	166,578	0
Reversal of revaluations	<u>0</u>	<u>(100,000)</u>	<u>0</u>
Revaluations end of year	<u>1,233,927</u>	<u>583,328</u>	<u>0</u>
Carrying amount end of year	<u>1,445,365</u>	<u>683,328</u>	<u>270,000</u>

	Registered in	Corpo- rate form	Equity inte- rest %	Equity DKK	Profit/loss DKK
Investments in group enterprises comprise:					
EUROPEAN QUALITY FOOD LLC	Moscow	LLC	99.0	1,459,964	(770,197)

	2016 DKK	2015 DKK'000
8. Change in working capital		
Increase/decrease in inventories	720,854	(699)
Increase/decrease in receivables	1,926,226	(5,418)
Increase/decrease in trade payables etc	<u>57,042</u>	<u>16</u>
	<u>2,704,122</u>	<u>(6,101)</u>

9. Contingent liabilities

As security for bank balance a company pledge of nom. t.DKK 5,000 has been issued comprising unsecured debt, inventories, operating equipment etc.

Notes

EUROPEAN QUALITY FOOD A/S is included in a Danish joint taxation with KM Holding DK A/S as administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable from the financial year 2013 for income taxes etc for the jointly taxed companies and from 1 July 2012 also for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed companies.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

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

Consolidated financial statements

Referring to section 110 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 one 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. Fixed assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Derivative financial instruments

On initial recognition in the balance sheet, derivative financial instruments are measured at cost and subsequently at fair value. Derivative financial instruments are recognised under other receivables or other payables.

Accounting policies

Changes in the fair value of derivative financial instruments classified as and complying with the requirements for hedging the fair value of a recognised asset or a recognised liability are recorded in the income statement together with changes in the value of the hedged asset or the hedged liability.

Changes in the fair value of derivative financial instruments classified as and complying with the requirements for hedging future transactions are recognised directly in equity. When the hedged transactions are realised, the accumulated changes are recognised as part of cost of the relevant financial statement items.

For derivative financial instruments that do not comply with the requirements for being treated as hedging instruments, changes in fair value are recognised currently in the income statement as financial income or financial expenses.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue and production costs.

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.

Production costs

Production costs comprise cost of sales for the financial year, including ordinary write-down of inventories and other costs incurred to earn revenue for the financial year, including wages and salaries as well as amortisation, depreciation and impairment losses relating to plant and equipment.

Distribution costs

Distribution costs comprise costs incurred for sale and distribution of the Entity's products, including wages and salaries for sales staff, advertising costs, travelling and entertainment expenses, etc as well as amortisation, depreciation and impairment losses relating to property, plant and equipment attached to the distribution process.

Administrative costs

Administrative costs comprise expenses incurred for the Entity's administrative functions, including wages and salaries for administrative staff and Management, stationery and office supplies as well as amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment used for administration of the Entity.

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.

Accounting policies

Other financial income

Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, net capital gains on securities, payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital losses on securities, payables and transactions in foreign currencies, 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.

Balance sheet

Property, plant and equipment

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

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

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	5 years
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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 plus or minus unrealised intra-group profits or losses.

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

Accounting policies

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.

Other investments

Other investments comprise unlisted shares which are measured at fair value (market price) at the balance sheet date.

Inventories

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

Cost consists of purchase price plus delivery costs.

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

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.

Prepayments

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

Other investments

Securities recognised under current assets comprise listed securities measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity.

Accounting policies

Other financial liabilities

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

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

Income tax receivable or payable

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

Deferred income

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.

Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities as well as cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes and income taxes paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments as well as purchase, development, improvement and sale, etc of intangible assets and property, plant and equipment, including acquisition of assets held under finance leases.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs as well as the raising of loans, inception of finance leases, repayments of interest-bearing debt, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash and short-term securities with an insignificant price risk less short-term bank loans.