



Au2mate A/S

Frichsvej 11
8600 Silkeborg
CVR No. 26198402

Annual report 2023

The Annual General Meeting adopted the annual report on 16.05.2024

Rasmus Blom

Chairman of the General Meeting

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Entity details

Entity

Au2mate A/S
Frichsvej 11
8600 Silkeborg

Business Registration No.: 26198402
Registered office: Silkeborg
Financial year: 01.01.2023 - 31.12.2023

Board of Directors

Henrik Andersen
Clara Frederikke Foss
Carl Erik Skovgaard Sørensen
Karl Klaus Bruno Dam
Rasmus Blom

Executive Board

Carsten Gisselmann Jensen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Papirfabrikken 26
8600 Silkeborg

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Au2mate A/S for the financial year 01.01.2023 - 31.12.2023.

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 31.12.2023 and of the results of its operations for the financial year 01.01.2023 - 31.12.2023.

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

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

Silkeborg, 02.04.2024

Executive Board

Carsten Gisselmann Jensen

Board of Directors

Henrik Andersen

Clara Frederikke Foss

Carl Erik Skovgaard Sørensen

Karl Klaus Bruno Dam

Rasmus Blom

Independent auditor's report

To the shareholders of Au2mate A/S

Opinion

We have audited the financial statements of Au2mate A/S for the financial year 01.01.2023 - 31.12.2023, 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 31.12.2023 and of the results of its operations for the financial year 01.01.2023 - 31.12.2023 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 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 responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

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

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

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

Silkeborg, 02.04.2024

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Peter Mølkjær

State Authorised Public Accountant
Identification No (MNE) mne24821

Rasmus Volert Madsen

State Authorised Public Accountant
Identification No (MNE) mne45822

Management commentary

Financial highlights

	2023	2022	2021	2020	2019
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
Key figures					
Gross profit/loss	70,988	65,544	70,893	70,749	64,897
Operating profit/loss	6,856	6,527	12,943	12,292	7,705
Net financials	200	(199)	(210)	(236)	(50)
Profit/loss for the year	9,252	9,571	12,995	12,784	9,550
Total assets	77,005	82,069	77,733	76,380	60,749
Investments in property, plant and equipment	547	2,595	1,441	824	699
Equity	32,999	32,810	36,219	35,639	32,900
Ratios					
Return on equity (%)	28.12	27.73	36.40	28.76	34.00
Equity ratio (%)	42.85	39.98	46.59	46.66	54.16

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

Return on equity (%):

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

Equity ratio (%):

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

Primary activities

The Company's main activities are sale, development and production of process automation solutions for domestic and foreign customers.

Development in activities and finances

The Company's income statement for 2023 shows a profit of DKK 9,252 k, and the Company's balance sheet at 31.12.2023 shows equity of DKK 32,999k.

Profit/loss for the year in relation to expected developments

The profit in 2023 is considered satisfactory and in line with the Company's expectations from the financial statement 2022.

Uncertainty relating to recognition and measurement

The Company is an order-producing project enterprise. The value of work in progress is recognized based on the stage of completion and associated with estimates / uncertainties.

Outlook

For the financial year 2024 the Company expects a level of activity and earnings in line with 2023.

Knowledge resources

The Company's most important assets are the employees. Great importance is attached to the employees possessing the highest professional level possible, so supplementary training and knowledge sharing are prioritized. Among other things, knowledge sharing takes place by means of internal courses and speeches, where employees with knowledge within specific areas share their knowledge with the remaining employees, who are to work with the areas in question. Furthermore, skills enhancement is obtained by Au2mate's partnership with leading suppliers. As Au2mate is partner with the leading suppliers, Au2mate's employees are trained within the newest technologies.

Environmental performance

The Company is conscious about the responsibility in relation to the external as well as the internal environment and takes the necessary consideration when executing the individual tasks. The Company's environmental impact is assessed to be low

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 2023

	Notes	2023 DKK	2022 DKK
Gross profit/loss		70,987,602	65,544,458
Staff costs	1	(62,997,013)	(57,943,060)
Depreciation, amortisation and impairment losses	2	(1,134,485)	(1,074,054)
Operating profit/loss		6,856,104	6,527,344
Income from investments in group enterprises		3,746,803	4,668,148
Other financial income from group enterprises		251,054	11,590
Other financial income		133,781	4,342
Financial expenses from group enterprises		(50,233)	(3,556)
Other financial expenses		(134,766)	(211,398)
Profit/loss before tax		10,802,743	10,996,470
Tax on profit/loss for the year	3	(1,551,021)	(1,425,906)
Profit/loss for the year	4	9,251,722	9,570,564

Balance sheet at 31.12.2023

Assets

	Notes	2023 DKK	2022 DKK
Other fixtures and fittings, tools and equipment		2,940,580	3,416,732
Leasehold improvements		346,820	458,295
Property, plant and equipment	5	3,287,400	3,875,027
Investments in group enterprises		4,316,321	5,857,173
Deposits		1,354,529	1,330,110
Financial assets	6	5,670,850	7,187,283
Fixed assets		8,958,250	11,062,310
Trade receivables		34,686,090	34,832,271
Contract work in progress	7	7,449,526	12,228,095
Receivables from group enterprises		15,384,566	15,330,792
Other receivables		49,001	8,535
Prepayments	8	1,002,722	635,112
Receivables		58,571,905	63,034,805
Other investments		58,080	54,156
Other investments		58,080	54,156
Cash		9,417,242	7,917,468
Current assets		68,047,227	71,006,429
Assets		77,005,477	82,068,739

Equity and liabilities

	Notes	2023 DKK	2022 DKK
Contributed capital		3,000,000	3,000,000
Reserve for net revaluation according to the equity method		3,716,321	2,989,025
Retained earnings		17,283,062	17,821,291
Proposed dividend		9,000,000	9,000,000
Equity		32,999,383	32,810,316
Deferred tax	9	7,771,612	7,324,789
Other provisions	10	1,635,000	1,833,000
Provisions		9,406,612	9,157,789
Contract work in progress	7	10,056,742	10,997,084
Trade payables		6,472,824	10,964,994
Payables to group enterprises		4,886,457	8,712,020
Payables to shareholders and management		61,675	65,328
Joint taxation contribution payable		1,125,633	502,117
Other payables		11,177,771	7,879,263
Deferred income	11	818,380	979,828
Current liabilities other than provisions		34,599,482	40,100,634
Liabilities other than provisions		34,599,482	40,100,634
Equity and liabilities		77,005,477	82,068,739
Fair value information	12		
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Statement of changes in equity for 2023

	Contributed capital DKK	Reserve for net revaluation according to the equity method DKK	Retained earnings DKK	Proposed dividend DKK	Total DKK
Equity beginning of year	3,000,000	2,989,025	17,821,291	9,000,000	32,810,316
Ordinary dividend paid	0	0	0	(9,000,000)	(9,000,000)
Exchange rate adjustments	0	(62,655)	0	0	(62,655)
Profit/loss for the year	0	789,951	(538,229)	9,000,000	9,251,722
Equity end of year	3,000,000	3,716,321	17,283,062	9,000,000	32,999,383

Notes

1 Staff costs

	2023	2022
	DKK	DKK
Wages and salaries	54,634,456	50,032,134
Pension costs	7,659,709	7,154,400
Other social security costs	702,848	756,526
	62,997,013	57,943,060
Average number of full-time employees	85	85

	Remuneration of Management 2023 DKK	Remuneration of Management 2022 DKK
Total amount for management categories	2,478,165	2,509,337
	2,478,165	2,509,337

Remuneration of Management is presented on a total amount for management categories with reference to Section 98b (3) of Danish Financial Statements Act

2 Depreciation, amortisation and impairment losses

	2023	2022
	DKK	DKK
Depreciation of property, plant and equipment	1,134,485	1,074,054
	1,134,485	1,074,054

3 Tax on profit/loss for the year

	2023	2022
	DKK	DKK
Current tax	1,125,633	502,117
Change in deferred tax	446,823	923,789
Adjustment concerning previous years	(21,435)	0
	1,551,021	1,425,906

4 Proposed distribution of profit and loss

	2023 DKK	2022 DKK
Ordinary dividend for the financial year	9,000,000	9,000,000
Retained earnings	251,722	570,564
	9,251,722	9,570,564

5 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost beginning of year	14,578,592	632,895
Additions	546,858	0
Disposals	(165,349)	0
Cost end of year	14,960,101	632,895
Depreciation and impairment losses beginning of year	(11,161,860)	(174,600)
Depreciation for the year	(1,023,010)	(111,475)
Reversal regarding disposals	165,349	0
Depreciation and impairment losses end of year	(12,019,521)	(286,075)
Carrying amount end of year	2,940,580	346,820

6 Financial assets

	Investments in group enterprises DKK	Deposits DKK
Cost beginning of year	600,000	1,330,110
Additions	0	24,419
Cost end of year	600,000	1,354,529
Revaluations beginning of year	5,257,173	0
Exchange rate adjustments	(62,655)	0
Share of profit/loss for the year	3,746,803	0
Dividend	(5,225,000)	0
Revaluations end of year	3,716,321	0
Carrying amount end of year	4,316,321	1,354,529

Investments in subsidiaries	Registered in	Corporate form	Equity interest %
Au2mate International ApS	Silkeborg	ApS	100.00
Au2mate Process Automation Partner Sverige AB	Sverige	AB	60.00
Process Automation Partner FZ-LLC	Dubai	LLC	60.00
Au2mate Ltd.	England	Ltd.	60.00
Au2mate Norge AS	Norge	AS	80.00
Au2mate Zealand A/S	Hillerød	A/S	80.00
Au2mate Fyn A/S	Odense	A/S	80.00
Au2mate Deutschland GmbH	Germany	GmbH	100.00
Au2mate Australia Pty. Ltd.	Australia.	Ltd.	100.00
Au2mate Portugal, LDA	Portugal	LDA	80.00
Au2mate Netherlands B.V.	Holland	B.V.	51.00

7 Contract work in progress

	2023 DKK	2022 DKK
Contract work in progress	41,880,490	52,874,115
Progress billings regarding contract work in progress	(44,487,706)	(51,643,104)
Transferred to liabilities other than provisions	10,056,742	10,997,084
	7,449,526	12,228,095

8 Prepayments

Prepayments consists of prepaid expenses related to the Company's activities.

9 Deferred tax

	2023 DKK	2022 DKK
Property, plant and equipment	(40,384)	(125,742)
Receivables	8,171,696	7,853,791
Provisions	(359,700)	(403,260)
Deferred tax	7,771,612	7,324,789

Changes during the year	2023 DKK	2022 DKK
Beginning of year	7,324,789	6,401,000
Recognised in the income statement	446,823	923,789
End of year	7,771,612	7,324,789

10 Other provisions

Other provisions comprise expected guarantee costs relating to previously recognised revenue.

11 Deferred income

Deferred income consists of preinvoiced service contracts with customers.

12 Fair value information

	Shares DKK
Fair value end of year	58,080
Unrealised fair value adjustments recognised in the income statement	3,924

13 Unrecognised rental and lease commitments

	2023 DKK	2022 DKK
Liabilities under rental or lease agreements until maturity in total	16,799,847	18,343,022

14 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where N. Foss & Co. A/S serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore secondarily liable for income taxes etc for the jointly taxed entities, which is limited to the equity interest by which the entity participates in the Group, as well as secondarily liable for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements

15 Non-arm's length related party transactions

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

16 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:
N. Foss & Co. A/S, Hillerød

Accounting policies

Reporting class

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

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

Consolidated financial statements

Referring to section 112 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.

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

beginning of the year at the balance sheet date exchange rates and out of the translation of income statements from average rates to the exchange rates at the balance sheet date are classified directly as equity.

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

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

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, own work capitalised, other operating income, cost of raw materials and consumables and external expenses.

Revenue

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

Contract work in progress is included in revenue based on the stage of completion so that revenue corresponds to the selling price of the work performed in the financial year (the percentage-of-completion method).

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

Cost of sales

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve revenue for the year.

Other external expenses

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

Staff costs

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

Depreciation, amortisation and impairment losses

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

Income from investments in group enterprises

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

Other financial income from group enterprises

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

Other financial income

Other financial income comprises interest income, including interest income on payables and transactions in foreign currencies as well as tax relief under the Danish Tax Prepayment Scheme etc

Financial expenses from group enterprises

Financial expenses from group enterprises comprise interest expenses etc from payables to group enterprises.

Other financial expenses

Other financial expenses comprise interest expenses, including payables and transactions in foreign currencies 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 all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet**Property, plant and equipment**

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

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

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

	Useful life
Other fixtures and fittings, tools and equipment	3-10 years
Leasehold improvements	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.

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

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to Reserve for net revaluation according to the equity method 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 write-downs for bad and doubtful debts.

Contract work in progress

Contract work in progress is measured at the selling price of the work carried out at the balance sheet date.

The selling price is measured based on the stage of completion and the total estimated income from the individual contracts in progress. Usually, the stage of completion is determined as the ratio of actual to total budgeted consumption of resources. If the selling price of a project in progress cannot be made up reliably, it is measured at the lower of costs incurred and net realisable value.

Each contract in progress is recognised in the balance sheet under receivables or liabilities other than provisions, depending on whether the net value, calculated as the selling price less prepayments received, is positive or negative.

Costs of sales work and of securing contracts, and finance costs are recognised in the income statement as incurred.

Prepayments

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

Other investments

Other current asset investments comprise listed securities measured at fair value (market price) at the balance sheet date.

Cash

Cash comprises cash in hand and bank deposits.

Dividend

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

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 base is calculated based on the planned use of each asset or the planned settlement of each liability.

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.

Other provisions

Other provisions comprise anticipated costs of non-recourse guarantee commitments.

Other provisions are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date. Provisions that are estimated to mature more than one year after the balance sheet date are measured at their discounted value.

Non-recourse guarantee commitments comprise commitments to remedy defects and deficiencies within the guarantee period.

Once it is probable that total costs will exceed total income from a contract in progress, provision is made for the total loss estimated to result from the relevant contract.

Other financial liabilities

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

Joint taxation contributions payable or receivable

Current joint taxation contributions receivable or joint taxation contributions payable are recognised in the balance sheet, calculated as tax computed on the taxable income of the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

Deferred income

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

Cash flow statement

Referring to Section 86(4) of the Danish Financial Statements Act, no cash flow statement is prepared as the Company is included in the cashflows of the higher-level N. Foss & Co. A/S Group.