
AMCS Denmark A/S

Titangade 11, DK-2200 København N

Annual Report for 2023

CVR No. 26 49 49 07

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 4/7 2024

Lars Jiborn
Chairman of the
general meeting



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Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of AMCS Denmark A/S for the financial year 1 January - 31 December 2023.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2023 of the Company and of the results of the Company operations and cash flows for 2023.

We recommend that the Annual Report be adopted at the Annual General Meeting.

København N, 4 July 2024

Executive Board

James Martin
Chief Executive Officer

Board of Directors

Conor Ray Curley
Chairman of the Board of Directors

Lars Bertil Jiborn

James Martin

Independent Auditor's report

To the shareholder of AMCS Denmark A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations and cash flows for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of AMCS Denmark A/S for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policies ("the Financial Statements").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review

Management is responsible for Management's Review.

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

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

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

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Management's 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Independent Auditor's report

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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Hellerup, 4 July 2024

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Allan Kamp Jensen

State Authorised Public Accountant

mne15126

Company information

The Company	AMCS Denmark A/S Titangade 11 2200 København N Website: www.amcsgroup.com CVR No: 26 49 49 07 Financial period: 1 January - 31 December Municipality of reg. office: Copenhagen
Board of Directors	Conor Ray Curley, chairman of the board of directors Lars Bertil Jiborn James Martin
Executive Board	James Martin
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup

Financial Highlights

Seen over a 3-year period, the development of the Company is described by the following financial highlights:

	2023	2022	2021
	TDKK	TDKK	TDKK
Key figures			
Profit/loss			
Gross profit	48,583	47,564	48,663
Profit/loss of primary operations	4,159	3,503	3,600
Profit/loss of financial income and expenses	-410	-967	-128
Net profit/loss for the year	2,921	1,968	2,619
Balance sheet			
Balance sheet total	82,746	124,056	99,848
Investment in property, plant and equipment	-1,479	-26	0
Equity	12,546	9,625	7,657
Cash flows			
Cash flows from:			
- operating activities	40,751	3,736	-2,593
- investing activities	-1,219	-26	0
- financing activities	-41,483	-434	412
Change in cash and cash equivalents for the year	-1,951	3,276	-2,180
Number of employees	59	61	61
Ratios			
Return on assets	5.0%	2.8%	3.6%
Solvency ratio	15.2%	7.8%	7.7%
Return on equity	22.8%	22.8%	41.3%

The ratios have been prepared in accordance with the recommendations and guidelines issued by the Danish Society of Financial Analysts. For definitions, refer to the accounting policies.

From 2022, the Company has changed reporting class and therefore financial highlights for three years has been prepared.

Management's review

Key activities

AMCS offers services within IT-development, consultancy and support with a special focus on solutions for the scheduling, routing and dynamic optimisation of transport fleets.

Development in the year

The income statement of the Company for 2023 shows a profit of DKK 2,480,634, and at 31 December 2023 the balance sheet of the Company shows positive equity of DKK 12,105,750.

In the financial year 2023, the Company has seen a satisfactory growth in the overall revenue and results compared to the preceding financial year.

Targets and expectations for the year ahead

The Company continues to have a positive outlook on its future trading performance and our expectation is for the operating results to be in line with the strong results of 2023.

External environment

The Company's mission is to drive sustainability in resource intensive industries through automation and digital transformation to realise an economically viable net-zero carbon future for our clients.

Uncertainty relating to recognition and measurement

Recognition and measurement in the Annual Report have not been subject to any uncertainty.

Unusual events

The financial position at 31 December 2023 of the Company and the results of the activities and cash flows of the Company for the financial year for 2023 have not been affected by any unusual events.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income statement 1 January - 31 December

	Note	2023	2022
		DKK	DKK
Gross profit		48,582,926	47,563,647
Staff expenses	1	-44,329,016	-44,034,908
Depreciation and impairment losses of property, plant and equipment	2	-94,799	-25,975
Profit/loss before financial income and expenses		4,159,111	3,502,764
Financial income		25,290	0
Financial expenses		-435,760	-966,703
Profit/loss before tax		3,748,641	2,536,061
Tax on profit/loss for the year	3	-827,936	-567,886
Net profit/loss for the year	4	2,920,705	1,968,175

Balance sheet 31 December

Assets

	Note	2023	2022
		DKK	DKK
Other fixtures and fittings, tools and equipment		1,006,259	0
Leasehold improvements		378,051	0
Property, plant and equipment	5	1,384,310	0
Deposits	6	911,950	1,171,692
Fixed asset investments		911,950	1,171,692
Fixed assets		2,296,260	1,171,692
Finished goods and goods for resale		0	13,877
Inventories		0	13,877
Trade receivables		19,103,904	18,191,963
Contract work in progress		2,804,208	1,066,077
Receivables from group enterprises		53,634,024	99,036,268
Other receivables	7	1,142,883	0
Prepayments	8	1,250,987	111,245
Receivables		77,936,006	118,405,553
Cash at bank and in hand		2,513,446	4,465,160
Current assets		80,449,452	122,884,590
Assets		82,745,712	124,056,282

Balance sheet 31 December

Liabilities and equity

	Note	2023	2022
		DKK	DKK
Share capital		1,355,000	1,355,000
Retained earnings		11,190,821	8,270,116
Equity		12,545,821	9,625,116
Provision for deferred tax		41,216	0
Provisions		41,216	0
Other payables		2,966,195	3,336,876
Long-term debt	9	2,966,195	3,336,876
Trade payables		99,538	211,481
Payables to group enterprises		37,016,731	78,128,943
Corporation tax		239,654	151,939
Other payables	9	9,510,845	9,856,993
Deferred income	10	20,325,712	22,744,934
Short-term debt		67,192,480	111,094,290
Debt		70,158,675	114,431,166
Liabilities and equity		82,745,712	124,056,282
Contingent assets, liabilities and other financial obligations	13		
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Statement of changes in equity

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
	DKK	DKK	DKK
Equity at 1 January	1,355,000	8,270,116	9,625,116
Net profit/loss for the year	0	2,920,705	2,920,705
Equity at 31 December	1,355,000	11,190,821	12,545,821

Cash flow statement 1 January - 31 December

	Note	2023	2022
		DKK	DKK
Result of the year		2,920,705	1,968,175
Adjustments	11	1,333,205	1,560,564
Change in working capital	12	37,606,111	1,940,033
Cash flow from operations before financial items		41,860,021	5,468,772
Financial income		25,290	0
Financial expenses		-435,760	-966,703
Cash flows from ordinary activities		41,449,551	4,502,069
Corporation tax paid		-699,005	-766,556
Cash flows from operating activities		40,750,546	3,735,513
Purchase of property, plant and equipment		-1,479,109	-25,975
Sale of fixed asset investments made etc		259,742	0
Cash flows from investing activities		-1,219,367	-25,975
Repayment of loans from credit institutions		0	-434,181
Repayment of payables to group enterprises		-41,112,212	0
Repayment of other long-term debt		-370,681	0
Cash flows from financing activities		-41,482,893	-434,181
Change in cash and cash equivalents		-1,951,714	3,275,357
Cash and cash equivalents at 1 January		4,465,160	1,189,803
Cash and cash equivalents at 31 December		2,513,446	4,465,160
Cash and cash equivalents are specified as follows:			
Cash at bank and in hand		2,513,446	4,465,160
Cash and cash equivalents at 31 December		2,513,446	4,465,160

Notes to the Financial Statements

	2023	2022
	DKK	DKK
1. Staff Expenses		
Wages and salaries	37,112,440	36,692,117
Pensions	6,456,496	6,614,504
Other social security expenses	688,523	701,680
Other staff expenses	71,557	26,607
	<u>44,329,016</u>	<u>44,034,908</u>
<p>Remuneration to the Executive Board has not been disclosed in accordance with section 98 B(3) of the Danish Financial Statements Act.</p>		
Average number of employees	<u>59</u>	<u>61</u>
	2023	2022
	DKK	DKK
2. Depreciation and impairment losses of property, plant and equipment		
Depreciation of property, plant and equipment	94,799	25,975
	<u>94,799</u>	<u>25,975</u>
	2023	2022
	DKK	DKK
3. Income tax expense		
Current tax for the year	786,720	567,886
Deferred tax for the year	41,216	0
	<u>827,936</u>	<u>567,886</u>
	2023	2022
	DKK	DKK
4. Profit allocation		
Retained earnings	2,920,705	1,968,175
	<u>2,920,705</u>	<u>1,968,175</u>

Notes to the Financial Statements

5. Property, plant and equipment

	Other fixtures and fittings, tools and equipment	Leasehold improve- ments
	DKK	DKK
Cost at 1 January	1,529,441	641,714
Additions for the year	1,086,874	392,233
Cost at 31 December	<u>2,616,315</u>	<u>1,033,947</u>
Impairment losses and depreciation at 1 January	1,529,441	641,714
Depreciation for the year	80,615	14,182
Impairment losses and depreciation at 31 December	<u>1,610,056</u>	<u>655,896</u>
Carrying amount at 31 December	<u>1,006,259</u>	<u>378,051</u>

6. Other fixed asset investments

	Deposits
	DKK
Cost at 1 January	1,171,692
Disposals for the year	-259,742
Cost at 31 December	<u>911,950</u>
Carrying amount at 31 December	<u>911,950</u>

7. Other receivables

	2023	2022
	DKK	DKK
Other receivables	1,142,883	0
	<u>1,142,883</u>	<u>0</u>

Other receivables consist of payments to the company's tax account with the Danish tax authorities.

8. Prepayments

Prepayments consist of prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Notes to the Financial Statements

	<u>2023</u>	<u>2022</u>
	DKK	DKK
9. Long-term debt		
Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.		
The debt falls due for payment as specified below:		
Other payables		
After 5 years	2,966,195	3,336,876
Long-term part	2,966,195	3,336,876
Other short-term payables	9,510,845	9,856,993
	<u>12,477,040</u>	<u>13,193,869</u>
10. Deferred income		
Deferred income consists of payments received in respect of income in subsequent years.		
	<u>2023</u>	<u>2022</u>
	DKK	DKK
11. Cash flow statement - Adjustments		
Financial income	-25,290	0
Financial expenses	435,760	966,703
Depreciation, amortisation and impairment losses, including losses and gains on sales	94,799	25,975
Tax on profit/loss for the year	827,936	567,886
	<u>1,333,205</u>	<u>1,560,564</u>
	<u>2023</u>	<u>2022</u>
	DKK	DKK
12. Cash flow statement - Change in working capital		
Change in inventories	13,877	-756
Change in receivables	40,469,547	-148,721
Change in trade payables, etc	-2,877,313	2,089,510
	<u>37,606,111</u>	<u>1,940,033</u>

Notes to the Financial Statements

	<u>2023</u>	<u>2022</u>
	DKK	DKK
13. Contingent assets, liabilities and other financial obligations		
Rental and lease obligations		
Lease obligations under operating leases. Total future lease payments:		
Within 1 year	2,700	107,760
Between 1 and 5 years	<u>0</u>	<u>306,180</u>
	<u>2,700</u>	<u>413,940</u>
Lease obligations, period of non-terminability 67 months (2022: 72 months)	9,667,542	10,389,000
Lease obligations, period of non-terminability 6 months (2022: 7 months)	277,200	1,629,696

Notes to the Financial Statements

14. Related parties and disclosure of consolidated financial statements

	<u>Basis</u>
Controlling interest	
Advanced Manufacturing Control Systems Ltd	Shareholder

Transactions

There have been no transactions with the Supervisory Board, the Executive Board, senior officers, significant shareholders, group enterprises or other related parties, except for intercompany transactions and normal management remuneration made on an arm's length basis.

The Company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(7) of the Danish Financial Statements Act.

Ownership

The following shareholders are recorded in the Company's register of shareholders as holding at least 5% of the votes or at least 5% of the share capital:

Advanced Manufacturing Control Systems Ltd
City East Plaza
Block C Floor 6
Ballysimon Road
Co. Limerick
Ireland (IE)

Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company of the largest and smallest group:

<u>Name</u>	<u>Place of registered office</u>
Advanced Manufacturing Control Systems Ltd	City East Plaza Block C Floor 6 Ballysimon Road Co. Limerick, Ireland (IE)

The Group Annual Report of Advanced Manufacturing Control Systems Ltd may be obtained at the following address:

www.amcsgroup.com

Notes to the Financial Statements

15. Accounting policies

The Annual Report of AMCS Denmark A/S for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2023 are presented in DKK.

Recognition and measurement

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

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

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

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

Translation policies

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

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

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

Income statement

Revenue

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

Contract work in progress (construction contracts) is recognised at the rate of completion, which means that revenue equals the selling price of the work completed for the year (percentage-of-completion method). This method is applied when total revenues and expenses in respect of the contract and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the contract.

Notes to the Financial Statements

Services are recognised at the rate of completion of the service to which the contract relates by using the percentage-of-completion method, which means that revenue equals the selling price of the service completed for the year. This method is applied when total revenues and expenses in respect of the service and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the service.

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

Expenses for raw materials and consumables

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 comprise expenses for premises, sales and distribution as well as office expenses, etc.

Gross profit

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

Staff expenses

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

Amortisation, depreciation and impairment losses

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

Other operating income and expenses

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

Financial income and expenses

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

Tax on profit/loss for the year

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

Balance sheet

Property, plant and equipment

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

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

Notes to the Financial Statements

Interest expenses on loans raised directly for financing the construction of property, plant and equipment are recognised in cost over the period of construction.

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

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

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

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

The recoverable amount of the asset is calculated as the higher of net selling price and value in use. Where a recoverable amount cannot be determined for the individual asset, the assets are assessed in the smallest group of assets for which a reliable recoverable amount can be determined based on a total assessment.

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

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

Other fixed asset investments

Other fixed asset investments consist of deposits.

Inventories

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

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

The cost of goods for resale, raw materials and consumables equals landed cost.

The cost of finished goods and work in progress comprises the cost of raw materials, consumables and direct labour with addition of indirect production costs. Indirect production costs comprise the cost of indirect materials and labour as well as maintenance and depreciation of the machinery, factory buildings and equipment used in the manufacturing process as well as costs of factory administration and management.

Receivables

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

Contract work in progress

Contract work in progress is measured at selling price of the work performed calculated on the basis of the stage of completion. The stage of completion is measured by the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. Where it is probable that total contract expenses will exceed total revenues from a contract, the expected loss is recognised as an expense in the income statement.

Notes to the Financial Statements

Where the selling price cannot be measured reliably, the selling price is measured at the lower of expenses incurred and net realisable value.

Payments received on account are set off against the selling price. The individual contracts are classified as receivables when the net selling price is positive and as liabilities when the net selling price is negative.

Expenses relating to sales work and the winning of contracts are recognised in the income statement as incurred.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial liabilities

Debts are measured at amortised cost, substantially corresponding to nominal value.

Deferred income

Deferred income comprises payments received in respect of income in subsequent years.

Cash Flow Statement

The cash flow statement shows the Company's cash flows for the year broken down by operating, investing and financing activities, changes for the year in cash and cash equivalents as well as the Company's cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities

Cash flows from operating activities are calculated as the net profit/loss for the year adjusted for changes in working capital and non-cash operating items such as depreciation, amortisation and impairment losses, and provisions. Working capital comprises current assets less short-term debt excluding items included in cash and cash equivalents.

Cash flows from investing activities

Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, property, plant and equipment as well as fixed asset investments.

Notes to the Financial Statements

Cash flows from financing activities

Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt as well as payments to and from shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise "Cash at bank and in hand".

The cash flow statement cannot be immediately derived from the published financial records.

Financial Highlights

Explanation of financial ratios

Return on assets $\text{Profit/loss of ordinary primary operations} \times 100 / \text{Total assets at year end}$

Solvency ratio $\text{Equity at year end} \times 100 / \text{Total assets at year end}$

Return on equity $\text{Net profit for the year} \times 100 / \text{Average equity}$