RSM

RSM Danmark

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DynamicWeb Software A/S

Bjørnholms Allé 30, 8260 Viby J

Company reg. no. 30 20 51 46

Annual report

2021/22

The annual report was submitted and approved by the general meeting on the 10 October 2022.

Christian Beer
Chairman of the meeting

Notes:
- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Contents

Management's statement

Today, the Board of Directors and the Executive Board have approved the annual report of DynamicWeb Software A/S for the financial year 2021/22.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 30 June 2022 and of the results of the Company's operations for the financial year 1 July 2021 – 30 June 2022.

Further, in our opinion, the Management's review gives a true and fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the Annual General Meeting.

Viby J, 28 September 2022

Executive board

Christian Beer Nicolai Pedersen

Board of directors

Jesper Sig Mathiasen Hans-Christian Møller Martin Wagner

Christian Beer Nicolai Pedersen

Independent auditor's report

To the Shareholders of DynamicWeb Software A/S

Opinion

We have audited the financial statements of DynamicWeb Software A/S for the financial year 1 July 2021 - 30 June 2022, which comprise income statement, balance sheet, notes and a summary of significant accounting policies, for the Company. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 30 June 2022, and of the results of the Company's operations for the financial year 1 July 2021 - 30 June 2022 in accordance with the Danish Financial Statements Act.

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.

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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

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.

Independent auditor's report

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, we conclude that Management's Review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of Management's Review.

Kolding, 28 September 2022

RSM Danmark
Statsautoriseret Revisionspartnerselskab
Company reg. no. 25 49 21 45

Malene Mogensen
State Authorised Public Accountant
mne34478

Company information

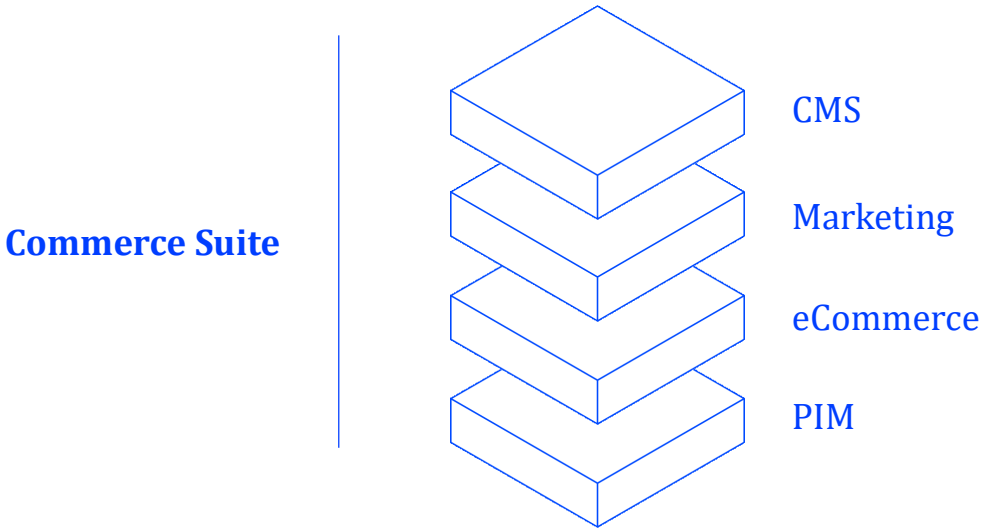
The company	DynamicWeb Software A/S Bjørnholms Allé 30 8260 Viby J	
	Company reg. no.	30 20 51 46
	Established:	10 January 2007
	Domicile:	Aarhus
	Financial year:	1 July - 30 June
Board of directors	Jesper Sig Mathiasen Hans-Christian Møller Martin Wagner Christian Beer Nicolai Pedersen	
Executive board	Christian Beer Nicolai Pedersen	
Auditors	RSM Danmark Statsautoriseret Revisionspartnerselskab Birkemose Allé 39, 1. sal 6000 Kolding	

Management´s review

Main activity

DynamicWeb Software A/S' main activity is to develop and market the DynamicWeb Commerce Suite.

The DynamicWeb Commerce Suite offers CMS, Marketing, eCommerce, PIM in one application, that can be either customized or come with a ready to go storefront and pre-integrated to Microsoft Dynamics 365 ERP.



Worldwide more than 4,000 customers rely on DynamicWebs technology to drive their digital experience activities. DynamicWeb is being implemented by an international partner network and supporting customers throughout Europe, US, and Asia.

	21/22	20/21	19/20
Net turnover	71.6	58.1	47.2
Pre tax net profit	4.0	5.3	3.9
Equity	19.7	25.7	12.4

Mill. DKK

Fiscal year

DynamicWeb realized a revenue of DKK 71,608,877 and pretax net profits of DKK 3,968,207 which are in line with expectations.

OMNI channel – raising the eCommerce bar

Throughout the last years eCommerce has become the most effective sales channel and eCommerce continues to broaden with marketplaces and new business models. The ability to interact with customers through more and more channels require data and data more and more become the foundation of a business to orchestrate a good customer experience. As a result, the businesses are now also being pushed to become way more focused on sharing data both forward and backwards in the value chain.

Management´s review

The winners in this dynamic and changing environment, are the companies who master to serve their customers and partners consistent in all channels and on all devices. DynamicWeb refer to these companies as OMNI channel companies. Since all studies show that OMNI channel companies are experiencing faster growth and are more profitable than their peers, DynamicWeb are focusing hard on meeting the requirements of the OMNI channel companies.

Major technology upgrade

To take a leading position and stay on top DynamicWeb Commerce Suite has been completely re-written to. NET 6, with a new User Interface and an API-first and cloud-based architecture. The new DynamicWeb version 10 fits very well into a new and more connected OMNI channel word and has been well received by customers and partners.

The new DynamicWeb 10 positions DynamicWeb as one of the leading players globally and ideally positioned for mid/large and enterprise companies within Wholesale and Manufacturing. DynamicWeb specializes in connecting to the Microsoft ERP systems for businesses who want to digitalize their business with eCommerce or PIM.

Growing the business

During the last year DynamicWeb expanded its business to new geographies and opened offices in Sweden, UK and Germany with local representation. The company now operates offices in 11 countries and continues to scale via international partnerships to serve customers in locally.

Throughout the last 5 years DynamicWeb has successfully changed its business model from a traditional license business to a subscription business. The transformation is now fully implemented and well received by partners and customers.

Team

The organization is strengthened with new COO and CSO, who is onboarded to build a solid foundation and prepare for future growth. The number of people continues to grow and DynamicWeb continues to invest in people and got Great Place to Work certified for the first time.

Outlook for fiscal year 22/23 is continued growth and profitability.

Income statement 1 July - 30 June

All amounts in DKK.

Note		2021/22	2020/21
	Net turnover	71.608.877	58.092.787
	Other external expenses	-19.546.670	-12.460.425
	Gross profit	**52.062.207**	**45.632.362**
1	Staff costs	-39.732.777	-31.946.163
	Depreciation, amortisation and writedown relating to tangible and intangible fixed assets	-8.226.584	-7.201.572
	Operating profit	**4.102.846**	**6.484.627**
	Income from investment in subsidiarie	-34.944	-695.373
	Other financial income	43.893	184.726
	Other financial costs	-143.588	-629.270
	Pre-tax net profit or loss	**3.968.207**	**5.344.710**
	Tax on ordinary results	-2.010.538	-294.705
	Net profit or loss for the year	**1.957.669**	**5.050.005**
	Proposed appropriation of net profit:		
	Reserves for net revaluation according to the equity method	0	-693.195
	Dividend for the financial year	4.000.000	8.000.000
	Allocated from retained earnings	-2.042.331	-2.256.800
	Total allocations and transfers	**1.957.669**	**5.050.005**

Balance sheet at 30 June

All amounts in DKK.

Note	Assets	2022	2021
	Non-current assets		
2	Completed development projects, including patents and similar rights arising from development projects	17.583.333	16.200.000
	Total intangible assets	17.583.333	16.200.000
	Other fixtures and fittings, tools and equipment	1.172.276	943.760
	Total property, plant, and equipment	1.172.276	943.760
	Other securities and equity investments	1.722.225	1.722.225
	Deposits	611.390	498.865
	Total investments	2.333.615	2.221.090
	Total non-current assets	**21.089.224**	**19.364.850**
	Current assets		
	Trade debtors	9.125.643	7.971.023
	Receivables from group enterprises	0	52.101
	Other debtors	603.611	2.870.245
	Accrued income and deferred expenses	452.531	415.828
	Total receivables	10.181.785	11.309.197
	Other financial investments	0	10.597.182
	Total investments	0	10.597.182
	Available funds	5.790.700	1.935.730
	Total current assets	**15.972.485**	**23.842.109**
	Total assets	**37.061.709**	**43.206.959**

Balance sheet at 30 June

All amounts in DKK.

Note	Equity and liabilities	2022	2021
	Equity		
	Contributed capital	500.000	500.000
	Reserve for development costs	13.715.000	12.636.000
	Results brought forward	1.465.283	4.586.614
	Proposed dividend for the financial year	4.000.000	8.000.000
	Total equity	**19.680.283**	**25.722.614**
	Provisions		
	Provisions for deferred tax	3.534.256	2.731.051
	Other provisions	2.286.269	1.787.847
	Total provisions	**5.820.525**	**4.518.898**
	Liabilities other than provisions		
	Bank debts	0	859.089
	Trade creditors	3.931.144	2.797.789
	Payables to associates	278.739	0
	Income tax payable	1.390.993	279.964
	Other debts	5.623.966	8.742.981
	Accrued expenses and deferred income	336.059	285.624
	Total short term liabilities other than provisions	11.560.901	12.965.447
	Total liabilities other than provisions	**11.560.901**	**12.965.447**
	Total equity and liabilities	**37.061.709**	**43.206.959**

3 Contingencies

Notes

All amounts in DKK.

		2021/22	2020/21
1.	**Staff costs**		
	Salaries and wages	35.468.993	28.577.871
	Pension costs	3.160.395	2.547.514
	Other costs for social security	1.103.389	820.778
		39.732.777	**31.946.163**
	Average number of employees	83	72

2. Completed development projects, including patents and similar rights arising from development projects

Development and marketing of Dynamicweb eCommerce Suite is Dynamicweb Software A/S' main activity. Dynamicweb eCommerce Suite brings together website, webshop, marketing, PIM and integration in one platform. There are more than 6.000 customers using Dynamicweb worldwide. The solutions are implemented in collaboration with an international network of partners and are marketed in Europe, the USA and Asia. In the current financial year, the company has had significant revenue from its software, generated from the sale of licenses on a subscription basis as well as from the sale of maintenance agreements on existing licenses.

Cash flows from existing contracts entails that the investment in development costs can be repaid. The fixed asset is depreciated over 3 years from initial recognition, and as a result of the contracts mentioned, there is no need for impairment of the completed development projects.

3. Contingencies

Contingent liabilities

Lease liabilities

In addition to financial leasing contracts, the company has entered operational leasing contracts with an average annual leasing payment of DKK 184 thousand. The leasing contracts have 3-29 months left to run, and the total outstanding leasing payment is DKK 617 thousand.

Recourse guarantee commitments:

The company has a total lent obligation per 30 June 2022 at DKK 704 thousand.

Accounting policies

The annual report for DynamicWeb Software A/S has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Group enterprises abroad, associates, and equity investments are considered to be independent entities. The income statements are translated at an average exchange rate for the month, and the balance sheet items are translated at the closing rates. Currency translation differences, arising from the translation of the equity of group enterprises abroad at the beginning of the year to the closing rate and from the translation of income statements from average prices to the closing rate, are recognised directly in equity in the fair value reserve. This also applies to differences arising from translation of income statements from average exchange rate to closing rate.

When recognising foreign group enterprises which are integral units, the monetary items are translated using the closing rate. Non-monetary items are translated using the exchange rate prevailing at the time of acquisition or at the time of the subsequent revaluation or writedown for impairment of the asset. Income statement items are translated using the exchange rate prevailing at the date of the transaction. However, items in the income statement derived from non-monetary items are translated using historical prices.

Income statement

Revenue

The enterprise will be applying IFRS 15 as its basis of interpretation for the recognition of revenue.

The revenue is recognised when the control of the identifiable individual performance obligations has been performed in respect of the customer whereby the customer gains control of the asset or the service. Sales remunerations are allocated proportionally to the individual performance obligations in the agreement.

Revenue is measured at fair value of agreed remunerations, less VAT and expenses. All forms of discount are recognised in revenue.

Other external expenses

Other external costs comprise costs for production, sales, cars, premises and administration.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members. Staff costs are less public reimbusements.

Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation, amortisation, and writedown for the year and profit and loss on the disposal of intangible and tangible assets.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Results from participating interest

After full elimination of intercompany profit or loss less amortised of consolidated goodwill, the investment in the participating interest is recognised in the income statement as a proportional share of the participating interests' post-tax profit or loss.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

The balance sheet

Intangible assets

Development projects, patents, and licences

Development costs comprise salaries, wages, and amortisation directly or indirectly attributable to development activities.

Indirect costs include indirectly attributable personnel costs as well as development administration and management. Indirect development costs are attributed to development projects on a consistent basis, typically on the basis of time spent on the individual projects.

Clearly defined and identifiable development projects are recognised as intangible assets provided that they are proven to be technically practicable, that sufficient resources and a potential market or development opportunity exist, and insofar as the intention is to produce, market or utilise the project. It is, however, a condition that the cost can be reliably calculated and that a sufficiently high degree of certainty indicates that future earnings will cover the costs of production, sales, and administration. Other development costs are recognised in the income statement concurrently with their realisation.

Development costs recognised in the statement of financial position are measured at cost less accrued amortisations and writedowns for impairment.

After completion of the development work, capitalised development costs are amortised on a straight-line basis over the estimated useful economic life. The amortisation period is usually 3 years.

Profit and loss from the sale of development projects, patents, and licenses are measured as the difference between the sales price less sales costs and the carrying amount at the time of sale. Profit or loss is recognised in the income statement under amortisation and writedown for impairment.

Acquired intangible rights are measured at cost price with deduction from accumulated depreciation. The rights are depreciated on a linear basis over the expected useful life. The depreciation period is 7 years, however the maximum remaining term of those rights.

Intangible rights etc. are written down to the recoverable amount, if this is lower than the accounted value.

Property, plant, and equipment

Other property, plant, and equipment are measured at cost less accrued depreciation and writedown for impairment.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life:

	Useful life
Other fixtures and fittings, tools and equipment	3-5 years

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement under depreciation.

Leases

All other leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract. The company's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

Accounting policies

Financial fixed assets

Other financial instruments

Other unlisted financial instruments are measured at cost. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

Deposits

Deposits are measured at amortised cost and represent lease deposits, etc.

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired.If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

Impairment losses are calculated as the difference between the carrying amount of accounts receivable and the present value of the expected cash flows, including the realisable value of any securities received. The effective interest rate for the individual account receivable or portfolio is used as the discount rate.

Prepayments

Prepaymentsrecognised under assets comprise incurred costs concerning the following financial year.

Financial instruments and equity investments

Financial instruments and equity investments recognised under current assets consist of listed shares and bonds which are measured at fair value on the reporting date. Unlisted equity investments are measured at cost. Writedown takes place to the recoverable amount if this value is lower than the carrying amount.

Available funds

Available funds comprise cash at bank and in hand.

Equity

Reserve for development costs

The reserve for development costs comprises recognised development costs less related deferred tax liabilities.

The reserve cannot be used as dividends or for covering losses.

The reserve is reduced or dissolved if the recognised development costs are amortised or abandoned. This is done by direct transfer to the distributable reserves of the equity.

Dividend

Dividend expected to be distributed for the year is recognised as a separate item under equity.

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Provisions

Provisions comprise expected costs to meet obligations related to subscriptions revenue. Provisions are recognised when the company has a legal or actual commitment resulting from a previously occurred event and when it is probable that the settlement of the liability will result in consumption of the financial resources of the company.

Provisions are measured at net realisable value or at fair value. If the fulfilment of a liability is expected to take place far in the future, the liability is measured at fair value.

Liabilities other than provisions

Financial liabilities other than provisions related to borrowings are recognised at the received proceeds less transaction costs incurred. In subsequent periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value when using the effective interest rate. The difference between the proceeds and the nominal value is recognised in the income statement during the term of the loan.

Other liabilities concerning payables to suppliers and other payables are measured at amortised cost which usually corresponds to the nominal value.

Accrued expenses and deferred income

Received payments concerning income during the following years are recognised under accrued expenses and deferred income.