Deloitte.

Accell Danmark ApS

Tobaksgården 11
8700 Horsens
CVR No. 32570763

Annual report 2021

The Annual General Meeting adopted the annual report on 30.06.2022

Anthonie Hilbert Anbeek
Chairman of the General Meeting

Contents

Entity details

Entity

Accell Danmark ApS

Tobaksgården 11

8700 Horsens

Business Registration No.: 32570763

Registered office: Horsens

Financial year: 01.01.2021 - 31.12.2021

Executive Board

Anthonie Hilbert Anbeek

Epco Willem Vlugt

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Tværkajen 5
P. O. Box 10
5100 Odense

Statement by Management

The Executive Board has today considered and approved the annual report of Accell Danmark ApS for the financial year 01.01.2021 - 31.12.2021.

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 31.12.2021 and of the results of its operations for the financial year 01.01.2021 - 31.12.2021.

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.

Horsens, 30.06.2022

Executive Board

Anthonie Hilbert Anbeek

Epco Willem Vlugt

Independent auditor's report

To the shareholders of Accell Danmark ApS

Opinion

We have audited the financial statements of Accell Danmark ApS for the financial year 01.01.2021 - 31.12.2021, 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 31.12.2021 and of the results of its operations for the financial year 01.01.2021 - 31.12.2021 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.

Odense, 30.06.2022

Deloitte
Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Heino Hyllested Tholsgaard
State Authorised Public Accountant
Identification No (MNE) mne34511

Management commentary

Financial highlights

	2021 EUR'000	2020 EUR'000	2019 EUR'000	2018 EUR'000	2017 EUR'000
Key figures					
Gross profit/loss	1,368	(863)	220	863	819
Operating profit/loss	491	(2,000)	(669)	199	170
Net financials	(1,459)	(329)	(231)	(213)	(165)
Profit/loss for the year	(979)	(2,412)	(690)	(29)	(1)
Total assets	58,969	37,642	17,456	9,375	8,165
Investments in property, plant and equipment	3	174	145	0	0
Equity	(122)	857	269	959	988
Ratios					
Return on equity (%)	(292.11)	(428.42)	(112.38)	(2.98)	(0.10)
Equity ratio (%)	(0.21)	2.28	1.54	10.23	12.10

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

Return on equity (%):
Profit/loss for the year * 100
Average equity

Equity ratio (%):
Equity * 100
Total assets

Primary activities
As in previous years, the primary activities of the Company are import, sale, marketing and technical maintenance of bicycles and spare parts.

Development in activities and finances
The negative net result in 2021 is affected mainly by increased interest costs. The company anticipated a limited positive result for 2021 and consider the result unsatisfactory. The company has lost more than 50 % of its equity and is therefore covered by section 119 of the Danish Companies Act. Management expects capital to be reestablished through future earnings. An action plan for this is being prepared and will be presented at the general meeting 20.05.2022.

Profit/loss for the year in relation to expected developments
In connection with the presentation of the accounts for 2020, there was an expectation of realizing an increase in revenue, as well as an expected result of around 200 T.EUR. During the year, an increase in revenue was achieved, similar to expectations. The result for the year is (979) T.EUR, which is below the expectation of 200 T.EUR.

Unusual circumstances affecting recognition and measurement
There have been no material uncertainties or unusual matters affecting recognition and measurement.

Outlook
The strong secular trends as electrification, bicycle infrastructure investments, government fiscal incentives and subsidies continue to be strong and cycling has the potential to provide solutions for numerous societal, climate and urban problems. This is anticipated to continue to drive demand for bicycles in the years to come.

However, global supply chain disruptions and component shortages are certainly not over and are expected to continue to be a constraining and disturbing factor throughout 2022. Still expect the Company to realize a growth in turnover and a net profit in 2022 around 500 k Euro.

Particular risks

The Company is not exposed to any particular business or financial risks other than usual risks within the wholesaler segment of parts and accessories in the bicycle business. The COVID-19 pandemic is at the highest level of focus for the management and risk management plans and procedures are implemented in order to comply with restrictions from local governments and to reduce any significant financial consequences as much as possible.

Knowledge resources
The company has the ambition to be at the forefront of the technologies used in the wholesaler segment for bikes in the bicycle business. In order to continuously improve products and services, it is crucial for the Company to continue to attract , train and maintain highly qualified staff in all areas important for the Company.

Staff:
The Company continuously prioritize to secure a good working environment, low sickness rate and a good mental working environment.

Environmental performance

The Company monitors as many environmental aspects as possible. The objective is to carry out continuous improvements and minimize the environmental and work environment impacts that might exist around energy optimization, recycling etc.

Events after the balance sheet date

No events have occurred after the balance sheet date to which would influence the evaluation of this annual report, however the COVID-19 pandemic obviously brings a lot of uncertainty to the outlook for 2021. The turnover and profit for the 1st period in 2021 are in line with expectations.

Income statement for 2021

	Notes	2021 EUR	2020 EUR
Gross profit/loss	3	**1,367,943**	**(862,887)**
Staff costs	4	(789,712)	(867,081)
Depreciation, amortisation and impairment losses		(87,541)	(270,055)
Operating profit/loss		**490,690**	**(2,000,023)**
Other financial income	5	108,536	455,051
Other financial expenses	6	(1,567,354)	(783,831)
Profit/loss before tax		**(968,128)**	**(2,328,803)**
Tax on profit/loss for the year	7	(11,150)	(82,765)
Profit/loss for the year	8	**(979,278)**	**(2,411,568)**

Balance sheet at 31.12.2021

Assets

	Notes	2021 EUR	2020 EUR
Goodwill		0	0
Intangible assets	9	**0**	**0**
Land and buildings		55,298	80,955
Other fixtures and fittings, tools and equipment		44,317	111,090
Property, plant and equipment	10	**99,615**	**192,045**
Investments in group enterprises		3,116,000	3,116,000
Deferred tax	12	99,085	110,235
Financial assets	11	**3,215,085**	**3,226,235**
Fixed assets		**3,314,700**	**3,418,280**
Trade receivables		11,332,197	7,469,964
Receivables from group enterprises	13	44,274,919	26,579,669
Other receivables		6,595	120,824
Tax receivable		15,588	32,931
Receivables		**55,629,299**	**34,203,388**
Cash		**25,438**	**20,177**
Current assets		**55,654,737**	**34,223,565**
Assets		**58,969,437**	**37,641,845**

Equity and liabilities

	Notes	2021 EUR	2020 EUR
Contributed capital	14	16,767	16,767
Retained earnings		(138,693)	840,585
Equity		**(121,926)**	**857,352**
Other provisions	15	356,463	362,287
Provisions		**356,463**	**362,287**
Lease liabilities		42,673	109,298
Other payables		0	86,557
Non-current liabilities other than provisions	16	**42,673**	**195,855**
Current portion of non-current liabilities other than provisions	16	60,846	86,504
Trade payables		71,429	34,637
Payables to group enterprises	17	58,125,669	35,692,155
Other payables		434,283	413,055
Current liabilities other than provisions		**58,692,227**	**36,226,351**
Liabilities other than provisions		**58,734,900**	**36,422,206**
Equity and liabilities		**58,969,437**	**37,641,845**
Going concern	1		
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Statement of changes in equity for 2021

	Contributed capital EUR	Retained earnings EUR	Total EUR
Equity beginning of year	16,767	840,585	857,352
Profit/loss for the year	0	(979,278)	(979,278)
Equity end of year	**16,767**	**(138,693)**	**(121,926)**

Notes

1 Going concern

The Going concern condition has been met for 2022, in connection with the receipt of a group contribution, which will contribute to a positive equity. The group contribution is also an indication that the group supports the future operations of the company

2 Events after the balance sheet date

No events have occurred after the balance sheet date to which would influence the evaluation of this annual report; however the COVID-19 pandemic and the Eastern Europe conflict in Ukraine obviously brings a lot of uncertainty to the outlook for 2022. The EBIT in the first months of 2022 has ended at a higher level equal to same period last year, and the activity level so far seems to remain at a high level like in the previous year. After the balance sheet date, we have recieved a group contribution of 750 T.EUR.

3 Gross profit/loss

Wage compensation of T.EUR 61 has been included in gross profit for 2020.here are not included any COVID-19 compensations for 2021.

4 Staff costs

	2021 EUR	2020 EUR
Wages and salaries	666,596	733,016
Pension costs	59,293	65,451
Other social security costs	6,794	11,813
Other staff costs	57,029	56,801
	789,712	**867,081**
Average number of full-time employees	**12**	**13**

Remuneration to the management is not disclosed in accordance with section 98b of the Danish Financial Statements Act. 3.

5 Other financial income

	2021 EUR	2020 EUR
Financial income from group enterprises	93,551	317,221
Other interest income	777	236
Other financial income	14,208	137,594
	108,536	**455,051**

6 Other financial expenses

	2021 EUR	2020 EUR
Financial expenses from group enterprises	1,556,941	695,418
Other financial expenses	10,413	88,413
	1,567,354	**783,831**

7 Tax on profit/loss for the year

	2021 EUR	2020 EUR
Change in deferred tax	11,150	82,765
	11,150	**82,765**

8 Proposed distribution of profit and loss

	2021 EUR	2020 EUR
Retained earnings	(979,278)	(2,411,568)
	(979,278)	**(2,411,568)**

9 Intangible assets

	Goodwill EUR
Cost beginning of year	315,057
Cost end of year	**315,057**
Amortisation and impairment losses beginning of year	(315,057)
Amortisation and impairment losses end of year	**(315,057)**
Carrying amount end of year	**0**

10 Property, plant and equipment

	Land and buildings EUR	Other fixtures and fittings, tools and equipment EUR
Cost beginning of year	133,674	161,517
Additions	1,384	2,087
Disposals	0	(36,820)
Cost end of year	**135,058**	**126,784**
Depreciation and impairment losses beginning of year	(52,719)	(50,427)
Depreciation for the year	(27,041)	(60,500)
Reversal regarding disposals	0	28,460
Depreciation and impairment losses end of year	**(79,760)**	**(82,467)**
Carrying amount end of year	**55,298**	**44,317**
Recognised assets not owned by entity	55,298	44,317

11 Financial assets

	Investments in group enterprises EUR	Deferred tax EUR
Cost beginning of year	3,116,000	110,235
Disposals	0	(11,150)
Cost end of year	**3,116,000**	**99,085**
Carrying amount end of year	**3,116,000**	**99,085**

Investments in subsidiaries	Registered in	Corporate form	Equity interest %	Equity EUR
Cycle Service Nordic ApS	Odense	ApS	100	3,674,879
Cycle Service Nordic OY	Tampere	OY	100	234,695
Cycle Service Nordic AS	Vøyenenga	AS	100	617,485
Cycle Service Nordic AB	Varberg	AB	100	276,056

12 Deferred tax

Changes during the year	2021 EUR
Beginning of year	110,235
Recognised in the income statement	(11,150)
End of year	**99,085**

Based on budgets, management expects to be able to utilize tax assets within a 3-5 year period.

13 Receivables from group enterprises

The company enters into a cash pool agreement administered by Accell Group N.V. Pr. December 31, 2021 constitutes outstanding in the cash pool agreement 44.271 t.EUR.

14 Share capital

	Number	Par value EUR	Nominal value EUR
Contributed Capital	1	16.767	16,767
	1		**16,767**

15 Other provisions

Other provisions consist of the company's guarantee provisions

16 Non-current liabilities other than provisions

	Due within 12 months 2021 EUR	Due within 12 months 2020 EUR	Due after more than 12 months 2021 EUR	Outstanding after 5 years 2021 EUR
Lease liabilities	60,846	86,504	42,673	0
Other payables	0	0	0	86,557
	60,846	**86,504**	**42,673**	**86,557**

17 Payables to group enterprises

The company enters into a cash pool agreement administered by Accell Group N.V. Pr. December 31, 2021 constitutes the debt in the cash pool agreement 57,911 t.EUR.

18 Contingent liabilities

The Company has no assets charged nor any recourse guarantee commitments at 31 December 2021.

The Entity participates as the administration company in a Danish joint taxation arrangement with Cycle Service Nordic ApS. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc. for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities.

19 Related parties with controlling interest

Related parties with controlling interest - Accell Nederland B. V., Industriweg 4, 84444AR Heerenveen, Holland wholly owns the shares of the Entity and thus has control over the Entity.

20 Transactions with related parties

	Parent EUR	Subsidiaries EUR	Other related parties EUR
Purchase of goods	18,025,782	199	6,245
Intercompany fees & royalties	775,000		961,080
Financial expenses	1,556,941	0	0
Financial income	93,521		0
Other costs	1,082,661	972	35,089
Receivables	44,274,919	0	0
Liabilities other than provisions	58,125,669	0	0

21 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group:
Accell Group N.V., P.O. Box 515 Industrieweg 4, 8444 AR Heerenveen, The Netherlands

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:
Accell Group N.V., P.O. Box 515 Industrieweg 4, 8444 AR Heerenveen, The Netherlands

Copies of the consolidated financial statements of Accell Nederland B.V. may be ordered at the following address:
Accell Group N.V., P.O. Box 515 Industrieweg 4, 8444 AR Heerenveen, The Netherlands

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, apart from the things mentioned under Non-comparability.

The financial statements are presented in EUR.

Consolidated financial statements

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

Changes in accounting estimates

The company has changed its accounting estimates in relation to the recognition of its guarantee obligation related to e-bikes.

Previously, the company set aside 45 euros per. sold e bike, now they set aside 20 euros per. sold e-bike.

The reason for the change in the estimate, is due to the development in warranty repair cost related to e-bikes in general, follow to the technological development.

Besides automatic dotation mentioned above, warranty reservation level is review calculated at the end of year. Average warranty cost % -part (calculated from three years) is taken from two year bike sales (average warranty time is two years). 50 % of warranty costs is assumed to be taken in the financial year the bicycle is sold and 50 % is left as warranty reservation

If the change in the accounting estimate had not been made it would have the following impact:

Gross profit/loss: 988,740 EUR (Change 379,035 EUR)

Profit/loss before tax: (1,347,163) EUR (Change 379,035 EUR)

Tax on profit/loss for the year: 72,238 EUR (Change 83,388 EUR)

Profit/loss for the year: (1,274,925) EUR (Change 295,647 EUR)

Deferred tax : 15,697 EUR (Change 83,388 EUR)

Equity : (417,573) EUR (Change 295,647 EUR)

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.

Income statement

Gross profit or loss

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

Revenue

Revenue from the sale of manufactured goods is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts.

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

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

Other external expenses

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

Staff costs

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

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to intangible assets comprise depreciation, amortisation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets.

Other financial income
Other financial income comprises interest income and transactions in foreign currencies.

Other financial expenses
Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, foreign currency transactions, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year
Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with 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

Goodwill
Goodwill is the positive difference between cost and fair value of assets and liabilities arising from acquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. Useful life is determined based on an assessment of whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets. If the useful life cannot be estimated reliably, it is fixed at 10 years. Useful lives are reassessed on an annual basis. The amortisation periods used are 10 years.

Goodwill is written down to the lower of recoverable amount and carrying amount.

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

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation. and indirect costs of materials, components, subsuppliers and labour costs. For assets held under finance leases, cost is the lower of the asset's fair value and present value of future lease payments.

Interest expenses on loans for the financing of the manufacture of property, plant and equipment are included in cost if they relate to the manufacturing period. All other finance costs are recognised in the income statement.

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

Buildings	3
Other fixtures and fittings, tools and equipment	2-3

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

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.

Lease assets
On initial recognition, lease assets are measured at the amount of the initial measurement of the lease liabilities, any lease payments made before the commencement date less any lease incentives received, and any initial direct costs incurred by the lessee.

An estimate of costs to be incurred by the lessee in dismantling and removing the lease assets, or restoring the underlying assets, are recognised as a separate provision. The costs are added to the cost of the lease assets unless the liability is incurred to produce inventories in which case the costs are recognised in the cost of the manufactured goods. Subsequently, lease assets are measured at cost less accumulated depreciation and impairment losses.

Lease assets are depreciated over the lower of the lease term and the useful life of the underlying assets. If the lease transfers the ownership of the lease assets by the end of the lease term or if the exercise of a purchase option is expected, the lease assets are depreciated over their useful life. Depreciation begins at the commencement date.

Lease assets are written down to the lower of recoverable amount and carrying amount
Lease assets are adjusted upon remeasurement of the lease liabilities; see above in the lease liability section.
Lease assets are recognised as fixed assets within the asset item in which the underlying assets of the lease would be recognised if the Entity owned them.

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

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 taxbase is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either asa set-off against deferred tax liabilities or as net tax assets.

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

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

Cash
Cash comprises cash in hand and bank deposits.

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

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.

Lease liabilities
On initial recognition, lease liabilities are measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Entity’s incremental borrowing rate shall be used. Lease payments included in the measurement of the lease liability comprise the following payments:

- Fixed payments less any lease incentives provided by the lessor to the lessee.
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.
- Amounts expected to be payable under residual value guarantees.
- The exercise price of a purchase option if it is reasonably certain to exercise that option.
- Payments of penalties for terminating the lease if the lease term reflects the lessee exercising an option to terminate the lease.

On subsequent measurement, lease liabilities are adjusted for accrued interest and repayments made, calculated
by the effective interest rate method.

Lease liabilities are remeasured and the corresponding lease assets are similarly adjusted when:
- There is a change in the lease term, e.g. as a result of a change in the assessment of whether an option to extend or to purchase will be exercised. Remeasurement takes place by discounting the revised lease payments using a discount rate revised at the time of changing the lease.

- There is a change in lease payments resulting from a change in an index or a rate, or in the amounts expected to be payable under a residual value guarantee. Remeasurement takes place by discounting the revised lease payments using the original discount rate. However, a revised discount rate is used if the change reflects a change in the floating interest rate.

- There is a lease modification that is not accounted for as a separate lease. Remeasurement takes place by discounting the revised lease payments using a revised discount rate.
If the remeasurement results in the reduction of a lease liability exceeding the carrying amount of the corresponding lease asset, the excess amount is recognised in the income statement.

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

Cash flow statement
Referring to section 86 of the Danish Financial Statements Act, no. 4. has the company not prepared cash flow statement