

Samek ApS

Hermesvej 2, 9530 Støvring
CVR no. 33 07 69 83

Annual report for the financial year 01.10.20 - 30.09.21

Årsrapporten er godkendt på den
ordinære generalforsamling, d. 17.02.22

Anders Kold
Dirigent

Group information etc.	3
Statement by the Executive Board on the annual report	4
Independent auditor's report	5 - 8
Management's review	9 - 14
Income statement	15
Balance sheet	16 - 17
Statement of changes in equity	18 - 20
Consolidated cash flow statement	21
Notes	22 - 42

The company

Samek ApS
Hermesvej 2
9530 Støvring
Registered office: Rebild
CVR no.: 33 07 69 83
Financial year: 01.10 - 30.09

Executive Board

Anders Kold

Auditors

Beierholm
Statsautoriseret Revisionspartnerselskab

Bank

Danske Bank

Statement by the Executive Board on the annual report

I have on this day presented the annual report for the financial year 01.10.20 - 30.09.21 for Samek ApS.

The annual report is presented in accordance with the Danish Financial Statements Act (Årsregnskabsloven).

In my opinion, the consolidated financial statements and financial statements give a true and fair view of the group's and the parent's assets, liabilities and financial position as at 30.09.21 and of the results of the group's and parent's activities and of the group's cash flows for the financial year 01.10.20 - 30.09.21.

I believe that the management's review includes a fair review of the matters dealt with in the management's review.

The annual report is submitted for adoption by the general meeting.

Støvring, February 17, 2022

Executive Board

Anders Kold

To the capital owners of Samek ApS**Opinion**

We have audited the consolidated financial statements and parent company financial statements of Samek ApS for the financial year 01.10.20 - 30.09.21, which comprise the income statement, balance sheet, statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies for the group as well as for the parent company as well as the consolidated cash flow statement. The consolidated financial statements and parent company financial statements are prepared in accordance with the Danish Financial Statements Act (Årsregnskabsloven).

In our opinion the consolidated financial statements and parent company financial statements give a true and fair view of the group's and the parent company's assets, liabilities and financial position at 30.09.21 and of the results of the group's and the parent company's operations and the consolidated cash flows for the financial year 01.10.20 - 30.09.21 in accordance with the the Danish Financial Statements Act (Årsregnskabsloven).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing 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 consolidated financial statements and parent company financial statements" section of our report. We are independent of the group and 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 regarding the management's review

Management is responsible for management's review.

Our opinion on the consolidated financial statements and parent company 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 consolidated financial statements and parent company financial statements, our responsibility is to read management's review and, in doing so, consider whether management's review is materially inconsistent with the consolidated financial statements or parent company 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 consolidated financial statements and parent company financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Acts. We did not identify any material misstatement of management's review.

Management's responsibility for the consolidated financial statements and parent company financial statements

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

In preparing the consolidated financial statements and parent company financial statements, management is responsible for assessing the group's and the parent 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 consolidated financial statements and parent company financial statements unless management either intends to liquidate the group and the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements and parent company financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and parent company 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 International Standards on Auditing 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 consolidated financial statements and parent company financial statements.

As part of an audit conducted in accordance with International Standards on Auditing 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 consolidated financial statements and parent company 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 group's and the parent 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 consolidated financial statements and parent company 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 group's and the parent 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 consolidated financial statements and parent company 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 group and the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the consolidated financial statements and parent company financial statements, including the disclosures, and whether the consolidated financial statements and parent company financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Aalborg, February 17, 2022

Beierholm

Statsautoriseret Revisionspartnerselskab
CVR no. 32 89 54 68

Henrik Bjørn

State Authorized Public Accountant
MNE-no. mne28606

GROUPS FINANCIAL HIGHLIGHTS

Key figures

Figures in DKK '000	2020/21	2019/20	2018/19	2017/18	2016/17
<i>Profit/loss</i>					
Revenue	571,055	508,915	500,937	477,391	400,371
Index	143	127	125	119	100
Operating profit/loss	60,263	31,281	26,952	32,837	24,122
Index	250	130	112	136	100
Total net financials	-4,636	-6,270	-5,968	-5,068	-5,920
Index	78	106	101	86	100
Profit for the year	43,035	19,955	16,763	20,289	14,171
Index	304	141	118	143	100
<i>Balance</i>					
Total assets	580,435	509,063	510,145	471,426	454,068
Index	128	112	112	104	100
Investments in property, plant and equipment	24,200	26,615	44,285	23,647	13,805
Index	175	193	321	171	100
Equity	185,477	146,983	138,942	131,472	114,993
Index	161	128	121	114	100
<i>Cashflow</i>					
Net cash flow:					
Operating activities	21,303	56,380	25,541	34,094	24,447
Investing activities	-19,670	-30,228	-53,785	-23,647	-13,805
Financing activities	-23,723	-4,639	34,858	-13,812	-10,231
Cash flows for the year	-22,090	21,513	6,614	-3,365	411

Ratios

	2020/21	2019/20	2018/19	2017/18	2016/17
<i>Profitability</i>					
Return on equity	26%	14%	12%	16%	13%
Return on invested capital	13%	7%	7%	9%	6%
Profit margin	11%	6%	5%	7%	6%
Asset turnover	1	1	1	1	1
<i>Equity ratio</i>					
Solvency ratio incl. noncontrolling interests	32%	29%	27%	28%	25%
Solvency ratio excl. noncontrolling interests	21%	19%	17%	16%	13%
<i>Others</i>					
Number of employees (average)	618	589	534	525	468

Ratios definitions

Return on equity:	$\frac{\text{Profit/loss for the year} \times 100}{\text{Average equity}}$
Return on invested capital:	$\frac{\text{EBITA} \times 100}{\text{Avg. invested capital excl. goodwill}}$
EBITA:	Operating profit plus amortisation and impairment losses on goodwill.
Invested capital excl. goodwill:	Sum of intangible operating assets and property, plant and equipment (excl. goodwill) as well as net working capital.
Profit margin:	$\frac{\text{Operating profit/loss} \times 100}{\text{Revenue}}$
Asset turnover:	$\frac{\text{Revenue}}{\text{Avg. total assets}}$
Solvency ratio:	$\frac{\text{Equity, end of year} \times 100}{\text{Total assets}}$

Primary activities

The group's activities comprise owning investments in other companies as well as any activity that in the opinion of the executive board is related to this.

The group's primary activity in 2020/21 has been the ownership of shares in Mekoprint A/S and Mekoprint Ejendomme A/S through Mekoprint Holding A/S.

Development in activities and financial affairs

The income statement for the period 01.10.20 - 30.09.21 shows a profit/loss of DKK'000 43,035 against DKK'000 19,955 for the period 01.10.19 - 30.09.20. The balance sheet shows equity of DKK'000 185,477.

The group increased its revenue by 12% to DKK 571 million. This is also an increase in relation to the budget objective for the year, since the turnover was expected to be lower in 2020/21 compared to 2019/20, due to the low order volume at the beginning of the financial year. This is a very satisfactory financial performance level in line with earlier year's expectations to justify the high investment levels.

Cash flows from operating activities for 2020/21 were positive at DKK 21.3 million compared to DKK 56.4 million in 2019/20. This drop in cash flow is primarily related to an increase in receivables and in stock levels across all Mekoprint business areas. After investments and financing, the year's total cash flows were negative at DKK -22.1 million in 2020/21 against a positive total cash flow of DKK 21.5 million in 2019/20.

Outlook

The expected turnover level for the financial year 2021/22 is higher as compared to 2020/21, due to a record-high volume of orders and current customer forecasts. At the other end of the income statement, the profit after tax level for the financial year 2021/22 is expected to be lower than 2020/21, mainly due to increased salary costs and a record-high investment level in continued growth capabilities.

Financial risks

Operating and activity risks

As a manufacture-to-order company, Mekoprint A/S is dependent on customer activity, and the ability to adapt production capacity to market needs in an agile manner is deemed to be the company's most important operational risk.

The company closely monitors the activity risk, which covers a large number of customers in various industries and markets. The activity risk cannot be eliminated, but is deemed to be reduced to a reasonable level by this spread and distribution.

Currency risks

The majority of the group's transactions take place in DKK and EUR. The group is only to a limited extent exposed to other currencies.

Interest rate risks

The group's interest rate risks, which are solely associated with operating credits and mortgage debt, are considered to be minimal.

Credit risks

The group's receivables are distributed on a large number of customers and large receivables from well-consolidated business partners. No special risks are deemed to exist in this regard.

Subsequent events

No important events have occurred after the end of the financial year.

Corporate social responsibility

Mekoprint has worked systematically with Corporate Social Responsibility since it was triplecertified within ISO 9001, ISO 14001 and ISO 45000 in 1999 as the first Danish company and among the first in the world. All three management systems were audited and re-certified for all Mekoprint Divisions through 2020/21.

Three stakeholder receive particular attention from our strategy with a number of recent actions:

External environment

The external environment has been evaluated with green accounts, an energy audit of optimisation options and an evaluation of the overall carbon footprint. The company changed to carbon-neutral wind power in 2019. In 2020/21 an agreement with an external partner for planting 6,000 trees annually to become carbon neutral on both heating and the groups transport- and travel activity was established.

Suppliers, including respect for human rights, anticorruption and bribery

Since 2012, the group's relations with its suppliers have followed a code of conduct, which is a set of ethical rules that guide the cooperation between Mekoprint, Mekoprint's employees and Mekoprint's suppliers to ensure that the production of products and provision of services are consistent with Mekoprint's objective to act responsibly and fairly towards all groups of stakeholders. In 2020 this was extended to an official bribery policy in the staff handbook of Mekoprint A/S.

Training and education

The long-term objective is to be a positive contributor by providing training and education of more trainees and apprentices, and having more internships and other forms of collaboration with students than Mekoprint needs itself. We have received a public subsidy in 2020, as the number of employees in training courses is more than twice as large as the minimum requirement for companies of our size.

Gender diversity

Target figures for the supreme management body

As part of Mekoprint Group's corporate responsibility, the company also uses target figures and policies for the gender composition of its management. In Mekoprint group, the objective is that there is no underrepresented gender in the Board of Directors and Executive Board. At the end of 2020/21 the company's Board of Directors consists of four male members elected by the general meeting. The company's Executive Board consists of two members – both men. Consequently, the group's objective had not been met by 30 September 2021. Attempts to meet the objective will be made in connection with any future changes to the existing composition of the Board of Directors and Executive Board.

The Mekoprint Group's objective is also not to have an underrepresented gender at other management levels. At the end of 2020/21, the Group employs 61 managers at various management levels, of whom 28% are women and 72% are men. The Group's goal to ensure that one gender does not make up less than 40% has therefore not been reached, but the objective is to achieve this through internal management development and new appointments within the next five years. To the extent possible the Group will seek to have a female candidate among the last 2-3 candidates for a management position. Notwithstanding the objective concerning the underrepresented gender, the Mekoprint group appoints members of management and any other position according to qualified candidates rather than gender.

The overall gender distribution in the Mekoprint Group is 52% female and 48% male employees with the following geographical differences:

- Employees at Mekoprint A/S in Denmark: 37% female and 63% male
- Employees at international subsidiaries: 74% female and 26% male

Policy to increase the share of the underrepresented gender at other management levels

Diversity in general is a natural part of the Mekoprint Group with a culture that is open to our differences as people from opinions and motivational preferences to gender, nationality, religion or sexual orientation. To underline our support to diversity, the Mekoprint Group has signed "The gender diversity pledge" from the Danish Industry Association, which includes 16 principles for diversity in general. The Industry objective is to reach a 40/60 female/male distribution by 2030 with a positive development in all companies incl. the Mekoprint Group.

Treasury shares

Treasury shares consist of:

	Total nominal value DKK '000	Percent of capital
Holding of treasury shares as at 01.10.20	72	55%
Holding of treasury shares as at 30.09.21	72	55%

Income statement

Note	Group		Parent		
	2020/21 DKK '000	2019/20 DKK '000	2020/21 DKK '000	2019/20 DKK '000	
3	Revenue	571,055	508,915	0	0
	Other operating income	233	0	0	0
	Costs of raw materials and consumables	-192,597	-190,062	0	0
	Other external expenses	-96,080	-78,465	-39	-39
	Gross result	282,611	240,388	-39	-39
4	Staff costs	-198,687	-185,707	0	0
	Profit/loss before depreciation, amortisation, write-downs and impairment losses	83,924	54,681	-39	-39
	Depreciation, amortisation and impairments losses of intangible assets and property, plant and equipment	-23,643	-23,104	0	0
	Other operating expenses	-18	-296	0	0
	Operating profit/loss	60,263	31,281	-39	-39
6	Income from equity investments in group enterprises	0	0	32,778	16,141
7	Financial income	680	153	0	0
8	Financial expenses	-5,316	-6,423	-1,257	-1,387
	Total net financials	-4,636	-6,270	31,521	14,754
	Profit before tax	55,627	25,011	31,482	14,715
9	Tax on profit for the year	-12,592	-5,056	284	309
	Profit for the year	43,035	19,955	31,766	15,024
10	Proposed appropriation account				

ASSETS		Group		Parent	
		30.09.21 DKK '000	30.09.20 DKK '000	30.09.21 DKK '000	30.09.20 DKK '000
Note					
	Goodwill	0	34	0	0
11	Total intangible assets	0	34	0	0
	Land and buildings	223,535	226,184	0	0
	Plant and machinery	108,014	108,098	0	0
	Other fixtures and fittings, tools and equipment	13,024	12,797	0	0
	Property, plant and equipment under construction	4,647	1,632	0	0
12	Total property, plant and equipment	349,220	348,711	0	0
13	Equity investments in group enterprises	0	0	182,038	162,924
14	Deposits	470	322	0	0
	Total investments	470	322	182,038	162,924
	Total non-current assets	349,690	349,067	182,038	162,924
	Raw materials and consumables	57,276	38,598	0	0
	Work in progress	17,626	14,257	0	0
	Manufactured goods and goods for resale	37,457	24,754	0	0
	Total inventories	112,359	77,609	0	0
	Trade receivables	103,431	73,427	0	0
	Income tax receivable	0	0	1,124	380
	Other receivables	7,807	2,226	1,960	0
15	Prepayments	4,107	3,341	0	0
	Total receivables	115,345	78,994	3,084	380
	Cash	3,041	3,393	41	534
	Total current assets	230,745	159,996	3,125	914
	Total assets	580,435	509,063	185,163	163,838

EQUITY AND LIABILITIES		Group		Parent	
		30.09.21 DKK '000	30.09.20 DKK '000	30.09.21 DKK '000	30.09.20 DKK '000
Note					
16	Contributed capital	130	130	130	130
	Reserve for net revaluation according to the equity method	0	0	84,352	60,823
	Other reserves	-154	-519	0	0
	Retained earnings	116,248	90,936	31,742	29,594
	Proposed dividend for the financial year	6,667	6,667	6,667	6,667
	Equity attributable to owners of the parent	122,891	97,214	122,891	97,214
	Non-controlling interests	62,586	49,769	0	0
	Total equity	185,477	146,983	122,891	97,214
17	Provisions for deferred tax	49,536	47,514	0	0
	Total provisions	49,536	47,514	0	0
18	Mortgage debt	72,446	77,294	0	0
18	Payables to other credit institutions	18,069	22,718	15,741	20,063
18	Lease commitments	40,091	44,560	0	0
18	Other payables	60,115	60,498	44,925	45,481
	Total long-term payables	190,721	205,070	60,666	65,544
18	Short-term part of long-term payables	15,465	16,761	924	943
	Payables to other credit institutions	33,584	11,846	0	0
	Prepayments received from customers	492	351	0	0
	Trade payables	52,693	39,759	94	52
	Payables to group enterprises	0	0	570	45
	Income taxes	7,773	3,904	0	0
	Other payables	44,694	36,875	18	40
	Total short-term payables	154,701	109,496	1,606	1,080
	Total payables	345,422	314,566	62,272	66,624
	Total equity and liabilities	580,435	509,063	185,163	163,838
19	Fair value information				
20	Derivative financial instruments				
21	Contingent liabilities				
22	Charges and security				

Statement of changes in equity

Figures in DKK '000	Contributed capital	Reserve for net revaluation according to the equity method	Other reserves	Retained earnings	Proposed dividend for the financial year	Equity attributable to owners of the parent	Non- controlling interests	Total equity
Group:								
Statement of changes in equity for 01.10.19 - 30.09.20								
Balance as at 01.10.19	130	0	-916	83,672	3,333	86,219	52,723	138,942
Foreign currency translation adjustment of foreign enterprises	0	0	0	-64	0	-64	-20	-84
Revaluations during the year	0	0	0	29	0	29	-29	0
Purchase of treasury shares	0	0	0	-2,221	0	-2,221	-679	-2,900
Sale of treasury shares	0	0	0	444	0	444	136	580
Dividend from treasury shares	0	0	0	3,367	0	3,367	20	3,387
Extraordinary dividend paid	0	0	0	-2,667	0	-2,667	-2,000	-4,667
Dividend paid	0	0	0	0	-3,333	-3,333	-1,740	-5,073
Sale of non-controlling interests	0	0	0	0	0	0	-3,700	-3,700
Other changes in equity	0	0	397	19	0	416	127	543
Net profit/loss for the year	0	0	0	8,357	6,667	15,024	4,931	19,955
Balance as at 30.09.20	130	0	-519	90,936	6,667	97,214	49,769	146,983

Statement of changes in equity

Figures in DKK '000	Contributed capital	Reserve for net revaluation according to the equity method	Other reserves	Retained earnings	Proposed dividend for the financial year	Equity attributable to owners of the parent	Non- controlling interests	Total equity
Statement of changes in equity for 01.10.20 - 30.09.21								
Balance as at 01.10.20	130	0	-519	90,936	6,667	97,214	49,769	146,983
Foreign currency translation adjustment of foreign enterprises	0	0	0	-214	0	-214	-73	-287
Revaluations during the year	0	0	0	-15	0	-15	15	0
Purchase of treasury shares	0	0	0	-1,796	0	-1,796	-618	-2,414
Dividend from treasury shares	0	0	0	5,587	0	5,587	30	5,617
Extraordinary dividend paid	0	0	0	-3,333	0	-3,333	0	-3,333
Dividend paid	0	0	0	0	-6,667	-6,667	-2,340	-9,007
Purchase of non-controlling interests	0	0	0	0	0	0	4,414	4,414
Other changes in equity	0	0	365	-16	0	349	120	469
Net profit/loss for the year	0	0	0	25,099	6,667	31,766	11,269	43,035
Balance as at 30.09.21	130	0	-154	116,248	6,667	122,891	62,586	185,477

Statement of changes in equity

Figures in DKK '000	Contributed capital	Reserve for net revaluation according to the equity method	Other reserves	Retained earnings	Proposed dividend for the financial year	Equity attributable to owners of the parent	Non-controlling interests	Total equity
Parent:								
Statement of changes in equity for 01.10.19 - 30.09.20								
Balance as at 01.10.19	130	59,771	0	22,985	3,333	86,219	0	86,219
Revaluations during the year	0	29	0	0	0	29	0	29
Distributed dividend from group enterprises	0	-13,760	0	13,760	0	0	0	0
Purchase of treasury shares	0	-2,221	0	0	0	-2,221	0	-2,221
Sale of treasury shares	0	444	0	0	0	444	0	444
Dividend from treasury shares	0	0	0	3,300	0	3,300	0	3,300
Extraordinary dividend paid	0	0	0	-2,667	0	-2,667	0	-2,667
Dividend paid	0	0	0	0	-3,333	-3,333	0	-3,333
Other changes in equity	0	419	0	0	0	419	0	419
Net profit/loss for the year	0	16,141	0	-7,784	6,667	15,024	0	15,024
Balance as at 30.09.20	130	60,823	0	29,594	6,667	97,214	0	97,214
Statement of changes in equity for 01.10.20 - 30.09.21								
Balance as at 01.10.20	130	60,823	0	29,594	6,667	97,214	0	97,214
Revaluations during the year	0	-15	0	0	0	-15	0	-15
Distributed dividend from group enterprises	0	-7,660	0	7,660	0	0	0	0
Purchase of treasury shares	0	-1,796	0	0	0	-1,796	0	-1,796
Dividend from treasury shares	0	0	0	5,500	0	5,500	0	5,500
Extraordinary dividend paid	0	0	0	-3,333	0	-3,333	0	-3,333
Dividend paid	0	0	0	0	-6,667	-6,667	0	-6,667
Other changes in equity	0	222	0	0	0	222	0	222
Net profit/loss for the year	0	32,778	0	-7,679	6,667	31,766	0	31,766
Balance as at 30.09.21	130	84,352	0	31,742	6,667	122,891	0	122,891

Consolidated cash flow statement

Note	Group	
	2020/21 DKK '000	2019/20 DKK '000
	43,035	19,955
Profit for the year		
23 Adjustments	47,373	37,135
Change in working capital:		
Inventories	-34,749	5,704
Receivables	-37,042	854
Trade payables	12,934	-4,013
Other payables relating to operating activities	1,223	5,709
Cash flows from operating activities before net financials	32,774	65,344
Interest income and similar income received	680	153
Interest expenses and similar expenses paid	-5,316	-6,423
Income tax paid	-6,835	-2,694
Cash flows from operating activities	21,303	56,380
Purchase of property, plant and equipment	-24,200	-26,615
Purchase of securities and equity investments	0	-10,500
Sale of securities and equity investments	4,414	6,800
Dividend received	116	87
Cash flows from investing activities	-19,670	-30,228
Purchase of treasury shares	-2,414	-2,900
Sale of treasury shares	0	580
Dividend paid	-6,840	-6,440
Repayment of other long-term payables	-14,469	4,121
Cash flows from financing activities	-23,723	-4,639
Total cash flows for the year	-22,090	21,513
Cash, beginning of year	3,393	1,075
Short-term payables to credit institutions, beginning of year	-11,846	-31,041
Cash, end of year	-30,543	-8,453
Cash, end of year, comprises:		
Cash	3,041	3,393
Short-term payables to credit institutions	-33,584	-11,846
Total	-30,543	-8,453

1. Subsequent events

No important events have occurred after the end of the financial year.

2. Special items

Special items are income and expenses that are special due to their size and nature. The following special items were recorded in the financial year:

Special items:	Recognised in the income statement in:	Group		Parent	
		2020/21 DKK '000	2019/20 DKK '000	2020/21 DKK '000	2019/20 DKK '000
Public grants	Other operating income	233	0	0	0
Loss on disposal of property, plant and equipment	Other operating expenses	-18	-296	0	0
Total		215	-296	0	0

	Group		Parent	
	2020/21 DKK '000	2019/20 DKK '000	2020/21 DKK '000	2019/20 DKK '000

3. Revenue

Information about the distribution of revenue by activities and geographical markets is provided below. The segment information is prepared in accordance with the company's accounting policies and follows the company's internal financial management.

Revenue comprises the following activities:

Chemigraphics	58,240	58,152	0	0
Mechanics	215,313	180,830	0	0
Graphic Electronics	180,520	169,696	0	0
Cables	103,447	90,549	0	0
Other	13,535	9,688	0	0
Total	571,055	508,915	0	0

Revenue comprises the following geographical markets:

Denmark	230,384	188,213	0	0
Other countries	340,671	320,702	0	0
Total	571,055	508,915	0	0

	Group		Parent	
	2020/21 DKK '000	2019/20 DKK '000	2020/21 DKK '000	2019/20 DKK '000

4. Staff costs

Wages and salaries	179,987	168,212	0	0
Pensions	11,619	11,088	0	0
Other social security costs	1,132	951	0	0
Other staff costs	5,949	5,456	0	0
Total	198,687	185,707	0	0

Average number of employees during the year	618	589	0	0
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Remuneration for the management:

Salaries for the Executive Board	4,314	3,422	0	0
Pension for the Executive Board	247	241	0	0
Total remuneration for the Executive Board	4,561	3,663	0	0

Remuneration for the Board of Directors	360	360	0	0
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Remuneration for the Executive Board and Board of Directors	4,921	4,023	0	0
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5. Fees to auditors appointed by the general meeting

Statutory audit of the financial statements	405	465	39	38
Other assurance engagements	73	129	0	0
Total	478	594	39	38

	Group		Parent	
	2020/21 DKK '000	2019/20 DKK '000	2020/21 DKK '000	2019/20 DKK '000
6. Income from equity investments in group enterprises				
Share of profit or loss of group enterprises	0	0	32,778	16,141
7. Financial income				
Other financial income	680	153	0	0
8. Financial expenses				
Other financial expenses	5,316	6,423	1,257	1,387
9. Tax on profit for the year				
Current tax for the year	10,703	3,876	-284	-309
Adjustment of deferred tax for the year	1,889	1,180	0	0
Total	12,592	5,056	-284	-309
10. Proposed appropriation account				
Reserve for net revaluation according to the equity method	0	0	32,778	16,141
Extraordinary dividend for the financial year	0	0	3,333	2,667
Proposed dividend for the financial year	6,667	6,667	6,667	6,667
Non-controlling interests	11,269	4,931	0	0
Retained earnings	25,099	8,357	-11,012	-10,451
Total	43,035	19,955	31,766	15,024

11. Intangible assets

Figures in DKK '000	Goodwill
Group:	
Cost as at 01.10.20	2,072
Cost as at 30.09.21	2,072
Amortisation and impairment losses as at 01.10.20	-2,038
Amortisation during the year	-34
Amortisation and impairment losses as at 30.09.21	-2,072
Carrying amount as at 30.09.21	0

12. Property, plant and equipment

Figures in DKK '000	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Property, plant and equipment under construction
Group:				
Cost as at 01.10.20	257,385	379,755	52,796	1,632
Foreign currency translation adjustment of foreign enterprises	-121	0	0	0
Additions during the year	0	17,522	3,915	4,647
Disposals during the year	0	-5,851	-120	-1,632
Cost as at 30.09.21	257,264	391,426	56,591	4,647
Depreciation and impairment losses as at 01.10.20	-31,200	-271,656	-40,000	0
Depreciation during the year	-2,529	-17,381	-3,615	0
Depreciation of and impairment losses on disposed assets for the year	0	5,625	48	0
Depreciation and impairment losses as at 30.09.21	-33,729	-283,412	-43,567	0
Carrying amount as at 30.09.21	223,535	108,014	13,024	4,647
Carrying amount of assets held under finance leases as at 30.09.21	0	60,443	0	0

13. Equity investments in group enterprises

Figures in DKK '000	Equity invest- ments in group enterprises
Parent:	
Cost as at 01.10.20	102,100
Disposals during the year	-4,414
Cost as at 30.09.21	97,686
Revaluations as at 01.10.20	60,824
Foreign currency translation adjustment of foreign enterprises	-214
Revaluations during the year	-15
Net profit/loss from equity investments	32,778
Dividend relating to equity investments	-7,660
Other adjustments relating to equity investments	-1,361
Revaluations as at 30.09.21	84,352
Carrying amount as at 30.09.21	182,038
Subsidiaries:	
Name and registered office:	Ownership interest
Mekoprint Holding A/S, Rebild	74.4%

Subsidiary Mekoprint Ejendomme A/S has presented its annual report for 2020/21 according to the provisions on Class B enterprises set out in section 78 a of the Danish Financial Statements Act.

14. Other non-current financial assets

Figures in DKK '000	Deposits
Group:	
Cost as at 01.10.20	322
Additions during the year	148
Cost as at 30.09.21	470
Carrying amount as at 30.09.21	470

	Group		Parent	
	30.09.21 DKK '000	30.09.20 DKK '000	30.09.21 DKK '000	30.09.20 DKK '000

15. Prepayments

Other prepayments	4,107	3,341	0	0
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16. Share capital

The share capital consists of:

	Quantity	Total nominal value
Share class A	80	80
Share class B	50	50
Total		130

	Group		Parent	
	30.09.21 DKK '000	30.09.20 DKK '000	30.09.21 DKK '000	30.09.20 DKK '000

17. Deferred tax

Deferred tax as at 01.10.20	47,514	46,157	0	0
Deferred tax recognised in the income statement	1,889	1,180	0	0
Deferred tax recognised in equity	133	177	0	0
Deferred tax as at 30.09.21	49,536	47,514	0	0

18. Long-term payables

Figures in DKK '000	Repayment first year	Outstanding debt after 5 years	Total payables at 30.09.21	Total payables at 30.09.20
Group:				
Mortgage debt	4,845	53,088	77,291	82,102
Payables to other credit institutions	398	10,100	18,467	23,510
Lease commitments	9,298	15,190	49,389	54,778
Other payables	924	0	61,039	61,441
Total	15,465	78,378	206,186	221,831
Parent:				
Payables to other credit institutions	0	0	15,741	20,063
Other payables	924	0	45,849	46,424
Total	924	0	61,590	66,487

19. Fair value information

Figures in DKK '000	Derivative financial instruments
Group:	
Fair value as at 30.09.21	-266

20. Derivative financial instruments

The group has concluded an interest rate swap as hedging of future interest payments on a variable interest mortgage. The interest rate swap is measured at fair value. Fair value at the balance sheet date amounts to DKK -208k after taxes. In the financial year an unrealised profit after taxes of DKK 469k are recognised in equity. The interest rate swap is signed with a Danish financial institution

21. Contingent liabilities

Group:

Lease commitments

The group has concluded operating lease agreements on tools and cars amounting to DKK 1,316k, and all agreements ends before 31.01.24.

Recourse guarantee commitments

The group has placed a guarantee to the credit institutions Nordea Finans and Nordania Leasing in Mekoprint A/S' payments concerning lease agreements with outstanding balance DKK 240k and DKK 48,438k at 30.09.21.

The group has placed a guarantee to credit institution Nykredit in Mekoprint Ejendomme A/S with outstanding balance DKK 78,022k at 30.09.21.

Parent:

Other contingent liabilities

The company is taxed jointly with the other Danish companies in the group and has joint, several and unlimited liability for income taxes and any obligations to withhold tax at source on interest, royalties and dividends for the jointly taxed companies. The liability also includes any subsequent corrections to the calculated tax liability as a consequence of changes made to the jointly taxable income etc.

22. Charges and security

Group:

In addition to security for debt to mortgage credit institutions buildings have been provided as security for mortgage debt of DKK 53,000k to Danske Bank.

The group has placed a pledge to Danske Bank and Nykredit not to pay dividends resulting in a solvency ratio less than 25%.

Parent:

The company has placed a negative pledge (commitment) to Danske Bank not to sell/mortgage the company's shares in Mekoprint Holding A/S. In addition, Danske Bank has a mortgage in nom. DKK 250,000 in the company's shares in Mekoprint Holding A/S.

	Group	
	2020/21 DKK '000	2019/20 DKK '000
23. Adjustments for the cash flow statement		
Depreciation, amortisation and impairments losses of intangible assets and property, plant and equipment	23,560	23,163
Other operating expenses	18	296
Financial income	-680	-153
Financial expenses	5,316	6,423
Tax on profit or loss for the year	12,593	5,056
Other adjustments	6,566	2,350
Total	47,373	37,135

24. Accounting policies

GENERAL

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act for large groups and enterprises in reporting class C.

The accounting policies have been applied consistently with previous years.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including depreciation, amortisation, impairment losses and write-downs, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company, and the value of such assets can be measured reliably. Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company, and the value of such liabilities can be measured reliably. On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

On recognition and measurement, account is taken of foreseeable losses and risks arising before the date at which the annual report is presented and proving or disproving matters arising on or before the balance sheet date.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements comprise the parent and its subsidiaries in which the parent directly or indirectly holds more than 50% of the voting rights or by way of agreements exercises control.

All financial statements used for consolidation are prepared in accordance with the accounting policies of the group.

The consolidated financial statements consolidate the financial statements of the parent and its subsidiaries by adding together items of a uniform nature, eliminating intercompany income and expenditure, equity investments, intercompany balances and dividends as well as gains and losses resulting from transactions between the consolidated enterprises to the extent that the underlying assets and liabilities are not realised.

CURRENCY

The annual report is presented in Danish kroner (DKK).

24. Accounting policies - continued -

On initial recognition, transactions denominated in foreign currencies are translated using the exchange rates applicable at the transaction date. Exchange rate differences between the exchange rate applicable at the transaction date and the exchange rate at the date of payment are recognised in the income statement as a financial item. Receivables, payables and other monetary items denominated in foreign currencies are translated using the exchange rates applicable at the balance sheet date. The difference between the exchange rate applicable at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest annual report is recognised under financial income or expenses in the income statement. Fixed assets, inventories and other non-monetary assets acquired in foreign currencies are translated using historical exchange rates.

On recognition of independent foreign entities, the income statements are translated at the exchange rates applicable at the transaction date or approximate average exchange rates. The balance sheet items are translated using the exchange rates applicable at the balance sheet date. Foreign currency translation adjustments arising from the translation of equity at the beginning of the year using the exchange rates applicable at the balance sheet date and from the translation of income statements from average exchange rates to the exchange rates applicable at the balance sheet date are recognised directly in equity under the reserve for net revaluation according to the equity method in respect of investments measured according to the equity method, and otherwise under the foreign currency translation reserve.

Translation adjustments of intercompany balances with independent foreign entities, measured using the equity method and where the balance is considered to be part of the overall investment, are recognised directly in equity under the foreign currency translation reserve. On the divestment of foreign entities, accumulated exchange differences are recognised in the income statement.

DERIVATIVE FINANCIAL INSTRUMENTS

On initial recognition, derivative financial instruments are measured at cost. Subsequently, they are measured at fair value and recognised under other receivables and other payables, respectively.

Fair value adjustment of derivative financial instruments classified as and meeting the criteria for hedging future cash flows (cash flow hedging) are recognised in equity under the cash flow hedging reserve. In the event that the hedged transaction results in the recognition of an asset or a liability, the accumulated fair value adjustment of the hedging instrument, which was previously recognised in equity, will be included in the cost of the asset or the liability. In the event that the hedged transaction results in the recognition of an income or an expense, the accumulated fair value adjustment of the hedging instrument, which was previously recognised in equity, will be recognised together with the hedged income or expense.

24. Accounting policies - continued -

If the hedged transaction is no longer expected to occur, the cash flow hedging treatment is discontinued, and the accumulated fair value adjustment of the hedging instrument is transferred to other net financials in the income statement. If the hedged transaction is still expected to occur, but the criteria for cash flow hedging are no longer met, the hedging treatment is discontinued, and the accumulated fair value adjustment of the hedging instrument remains in equity until the transaction occurs.

Fair value adjustments of derivative financial instruments that do not meet the criteria for hedge accounting treatment are recognised under other net financials in the income statement on an ongoing basis.

LEASES

Leases relating to assets where the company has substantially all the risks and benefits incidental to the ownership of the asset (finance leases) are recognised in the balance sheet. On initial recognition, assets held under finance leases and related lease commitments are measured at the lower of the fair value of the leased asset and the present value of future lease payments. Subsequently, assets held under finance leases are treated like other similar assets.

Lease commitments relating to assets held under finance leases are recognised in the balance sheet as payables. Subsequent to initial recognition, lease commitments are measured at amortised cost according to which the interest element of the lease payment is recognised in the income statement over the lease term.

Lease payments relating to operating leases are recognised in the income statement on a straight-line basis over the lease term.

GRANTS

Grants are recognised when there is reasonable certainty that the grant conditions have been met and that the grant will be received.

Grants to cover expenses incurred are recognised on a proportionate basis in the income statement over the period in which the expenses eligible for grants are expensed. Grants are recognised under other operating income.

24. Accounting policies - continued -**INCOME STATEMENT****Revenue**

Income from the sale of services is recognised in the income statement in line with completion of services, which means that revenue corresponds to the selling price of the work performed for the year stated on the basis of the stage of completion at the balance sheet date (percentage of completion method).

Income from construction contracts involving the delivery of highly customised assets are recognised in the income statement as revenue according to the stage of completion. Accordingly, revenue corresponds to the selling price of work performed during the year (percentage of completion method).

Income from the rental of properties is recognised in the income statement for the relevant period. Revenue is measured at fair value and determined exclusive of VAT and discounts.

Other operating income

Other operating income comprises income of a secondary nature in relation to the enterprise's activities, including rental income, negative goodwill and gains on the sale of intangible assets and property, plant and equipment.

Costs of raw materials and consumables

Costs of raw materials and consumables comprise raw materials and consumables used for the year as well as any changes in inventories, including any inventory wastage.

Write-downs of inventories of raw materials and consumables are also recognised under raw materials and consumables to the extent that these do not exceed normal write-downs.

Other external expenses

Other external expenses comprise costs relating to distribution, sales and advertising and administration, premises and bad debts to the extent that these do not exceed normal write-downs.

Staff costs

Staff costs comprise wages and salaries as well as other staff-related costs.

24. Accounting policies - continued -**Depreciation, amortisation and impairment losses**

The depreciation and amortisation of intangible assets and property, plant and equipment aim at systematic depreciation and amortisation over the expected useful lives of the assets. Assets are depreciated and amortised according to the straight-line method based on the following expected useful lives and residual values:

	Useful lives, years	Residual value, per cent
Goodwill	5	0
Buildings	40	60
Plant and machinery	7-20	0-15
Other plant, fixtures and fittings, tools and equipment	3-10	0-15

Goodwill is amortised over 5 years. The useful life has been determined in consideration of the expected future net earnings of the enterprise or activity to which the goodwill relates.

Land is not depreciated.

The basis of depreciation and amortisation is the cost of the asset less the expected residual value at the end of the useful life. Moreover, the basis of depreciation and amortisation is reduced by any impairment losses. The useful life and residual value are determined when the asset is ready for use and reassessed annually.

Intangible assets and property, plant and equipment are impaired in accordance with the accounting policies referred to in the 'Impairment losses on fixed assets' section.

Other operating expenses

Other operating expenses comprise costs of a secondary nature in relation to the enterprise's activities, including costs relating to rental activities and losses on the sale of intangible assets and property, plant and equipment.

Income from equity investments in group enterprises

For equity investments in subsidiaries that in the parent are measured using the equity method, the share of the enterprises' profit or loss is recognised in the income statement after elimination of unrealised intercompany profits and losses and less any goodwill amortisation and impairment losses.

Income from equity investments in equity investments in subsidiaries also comprises gains and losses on the sale of equity investments.

24. Accounting policies - continued -

Other net financials

Interest income and interest expenses, the interest element of finance lease payments, foreign exchange gains and losses on transactions denominated in foreign currencies etc. are recognised in other net financials.

Amortisation of capital losses and borrowing costs relating to financial liabilities is recognised on an ongoing basis as financial expenses.

Tax on profit/loss for the year

The current and deferred tax for the year is recognised in the income statement as tax on the profit/loss for the year with the portion attributable to the profit/loss for the year, and directly in equity with the portion attributable to amounts recognised directly in equity.

The company is jointly taxed with Danish consolidated enterprises. The parent is the administration company for the joint taxation and thus settles all income tax payments with the tax authorities.

In connection with the settlement of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed enterprises in proportion to their taxable incomes. This means that enterprises with a tax loss receive joint taxation contributions from enterprises which have been able to use this loss to reduce their own taxable profit.

BALANCE SHEET

Intangible assets

Goodwill

Goodwill is measured in the balance sheet at cost less accumulated amortisation and impairment losses.

Goodwill is amortised using the straight-line method based on useful lives, which are stated in the 'Depreciation, amortisation and impairment losses' section.

Gains and losses on the disposal of intangible assets are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal.

24. Accounting policies - continued -**Property, plant and equipment**

Property, plant and equipment comprise land and buildings, plant and machinery as well as other fixtures and fittings, tools and equipment.

Property, plant and equipment are measured in the balance sheet at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and expenses resulting directly from the purchase until the asset is ready for use. Interest on loans arranged to finance production is not included in the cost.

The total cost of an asset is decomposed into separate components that are depreciated separately if the useful lives of the individual components vary.

Property, plant and equipment are depreciated using the straight-line method based on useful lives and residual values, which are stated in the 'Depreciation, amortisation and impairment losses' section.

Property, plant and equipment under construction

Property, plant and equipment under construction are measured at cost. Costs incurred on property, plant and equipment under construction are transferred to the relevant asset category when the asset is ready for use.

Gains and losses on the disposal of property, plant and equipment

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal less any costs of disposal.

Equity investments in group enterprises

Equity investments in subsidiaries are recognised and measured according to the equity method in the balance sheet of the parent. For equity investments in subsidiaries, the equity method is considered a measurement method.

On initial recognition, equity investments measured according to the equity method are measured at cost. Transaction costs directly attributable to the acquisition are recognised in the cost of equity investments. However, transaction costs on the acquisition of subsidiaries are recognised in the income statement in the consolidated financial statements at the date incurred.

24. Accounting policies - continued -

On subsequent recognition and measurement of equity investments according to the equity method, equity investments are measured at the proportionate share of the enterprises' equity value, determined according to the accounting policies of the parent, adjusted for the remaining value of goodwill and gains and losses on transactions with the enterprises in question. Equity investments, where information for recognition according to the equity method is not known, are measured at cost.

Gains or losses on disposal of equity investments are determined as the difference between the disposal consideration and the carrying amount of net assets at the time of sale, including non-amortised goodwill, as well as the expected costs of divestment or discontinuation. Gains and losses are recognised in the income statement under income from equity investments.

Impairment losses on fixed assets

The carrying amount of fixed assets which are not measured at fair value is assessed annually for indications of impairment over and above what is reflected in depreciation and amortisation.

If the company's realised return on an asset or a group of assets is lower than expected, this is considered an indication of impairment.

If there are indications of impairment, an impairment test is conducted of individual assets or groups of assets.

The assets or groups of assets are impaired to the lower of recoverable amount and carrying amount.

The higher of net selling price and value in use is used as the recoverable amount. The value in use is determined as the present value of expected net cash flows from the use of the asset or group of assets as well as expected net cash flows from the sale of the asset or group of assets after the expiry of their useful lives.

Impairment losses are reversed when the reasons for the impairment no longer exist. Impairment losses on goodwill are not reversed, unless goodwill is included in the carrying amount of equity investments.

Inventories

Inventories are measured at cost calculated according to the FIFO-method. Inventories are written down to the lower of cost and net realisable value.

The cost of raw materials and consumables as well as goods for resale is determined as purchase prices plus expenses resulting directly from the purchase.

24. Accounting policies - continued -

The cost of manufactured finished goods and work in progress is determined as the value of direct and indirect material and labour costs. Production overheads include indirect material and labour costs as well as maintenance and depreciation of machinery, buildings and equipment used in the production process as well as the costs of factory administration and management. Interest on loans arranged to finance production is not included in the cost.

The net realisable value of inventories is determined as the selling price less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and the expected development in the selling price.

Receivables

Receivables are measured at amortised cost, which usually corresponds to the nominal value, less write-downs for bad debts.

Write-downs for bad debts are determined based on an individual assessment of each receivable if there is no objective evidence of individual impairment of a receivable.

Deposits recognised under assets comprise deposits paid to the lessor under leases entered into by the company.

Prepayments

Prepayments recognised under assets comprise costs incurred in respect of subsequent financial years.

Cash

Cash includes deposits in bank accounts as well as operating cash.

Equity

The proposed dividend for the financial year is recognised as a separate item in equity.

The net revaluation of equity investments measured according to the equity method is recognized in the financial statements of the parent in the net revaluation reserve in equity according to the equity method to the extent that the carrying amount exceeds the cost.

Acquisition costs and consideration for treasury shares as well as dividends therefrom are recognised directly in equity under retained earnings.

24. Accounting policies - continued -**Current and deferred tax**

Current tax payable and receivable is recognised in the balance sheet as tax computed on the basis of the taxable income for the year, adjusted for tax paid on account.

Joint taxation contributions payable and receivable are recognised as income tax under receivables or payables in the balance sheet.

Deferred tax liabilities and tax assets are recognised on the basis of all temporary differences between the carrying amounts and tax bases of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is non-amortisable for tax purposes and other items where temporary differences, except for acquisitions, have arisen at the date of acquisition without affecting the net profit or loss for the year or the taxable income. In cases where the tax value can be determined according to different taxation rules, deferred tax is measured on the basis of management's intended use of the asset or settlement of the liability.

Deferred tax assets are recognised, following an assessment, at the expected realisable value through offsetting against deferred tax liabilities within the same tax jurisdiction or elimination in tax on future earnings.

Deferred tax is measured on the basis of the tax rules and at the tax rates in the respective countries which, according to the legislation in force at the balance sheet date, will be applicable when the deferred tax is expected to crystallise as current tax.

Payables

Long-term payables are measured at cost at the time of contracting such liabilities (raising of the loan). The payables are subsequently measured at amortised cost where capital losses and loan expenses are recognised in the income statement as a financial expense over the term of the payable on the basis of the calculated effective interest rate in force at the time of contracting the liability.

Short-term payables are measured at amortised cost, normally corresponding to the nominal value of such payables.

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to the time and date of delivery of the agreed product or completion of the agreed service.

24. Accounting policies - continued -**CASH FLOW STATEMENT**

The cash flow statement is prepared using the indirect method, showing cash flows from operating, investing and financing activities as well as cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities comprise the net profit or loss for the year, adjusted for non-cash operating items, income tax paid and changes in working capital.

Cash flows from investing activities comprise payments in connection with the acquisition and divestment of companies and financial assets as well as the purchase, development, improvement and sale of intangible assets and property, plant and equipment.

Cash flows from financing activities comprise changes in the parent's share capital and associated costs and the purchase and sale of treasury shares and financing from and dividends paid to shareholders as well as the arrangement and repayment of long-term payables. Cash flows from financing activities also comprise finance lease payments.

Cash and cash equivalents at the beginning and end of the year comprise cash and short-term payables to credit institutions.

Referring to section 86(4) of the Danish Financial Statements Act a cash flow statement has not been prepared for the parent as the parent is included in the consolidated cash flow statement.