Thermax Denmark ApS

Industrivej Nord 13, DK-7400 Herning

Annual Report for
1 April 2023 - 31 March 2024

CVR No. 33 25 57 48

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

Mahesh Channakeshaviah Bukinkere
Chairman of the general meeting

Contents

Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Thermax Denmark ApS for the financial year 1 April 2023 - 31 March 2024.

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

In our opinion the Financial Statements and the Consolidated Financial Statements give a true and fair view of the financial position at 31 March 2024 of the Company and the Group and of the results of the Company and Group operations and of consolidated cash flows for 2023/24.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

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

Herning, 6 June 2024

Executive Board

Swapnil Vitthal Dhumane
CEO

Board of Directors

Mahesh Channakeshaviah Bukinkere
Chairman

Independent Auditor's report

To the shareholder of Thermax Denmark ApS

Opinion

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Thermax Denmark ApS for the financial year 1 April 2023 - 31 March 2024, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company, as well as consolidated statement of cash flows. The Consolidated Financial Statements and the Parent Company Financial Statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Parent Company at 31 March 2024 and of the results of the Group's and the Parent Company's operations and of consolidated cash flows for the financial year 1 April 2023 - 31 March 2024 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the Consolidated Financial Statements and the Parent Company Financial Statements" section of our report.

Independence

We are independent of the Group 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 Consolidated Financial Statements and the Parent Company Financial Statements

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, 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 Consolidated Financial Statements and the 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 the Parent Company Financial Statements unless Management either intends to liquidate the Group or the Parent 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 the Parent Company Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements and the 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 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 Consolidated Financial Statements and the Parent Company 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 Consolidated Financial Statements and the 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 the 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 the 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 Parent Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the Consolidated Financial Statements and the Parent Company Financial Statements, including the disclosures, and whether the Consolidated Financial Statements and the 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.

Statement on Management’s Review

Management is responsible for Management’s Review.

Our opinion on the Consolidated Financial Statements and the 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 the 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 and the 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, in our view, Management’s Review is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management’s Review.

Independent Auditor's report

Esbjerg, 6 June 2024

EY
Godkendt Revisionspartnerselskab
CVR No 30 70 02 28

Claes Jensen
State Authorised Public Accountant
mne44108

Company information

The Company	Thermax Denmark ApS Industrivej Nord 13 DK-7400 Herning
	CVR No: 33 25 57 48
	Financial period: 1 April 2023 - 31 March 2024
	Incorporated: 29 October 2010
	Municipality of reg. office: Herning
Board of Directors	Mahesh Channakeshaviah Bukinkere, chairman
Executive Board	Swapnil Vitthal Dhumane
Auditors	EY Godkendt Revisionspartnerselskab Bavnehøjvej 5 6700 Esbjerg

Group Chart

Company	Residence	Ownership
Thermax Denmark ApS	**Herning, Denmark**	
Ejendomsanpartsselskabet Industrivej Nord 13	Herning, Denmark	100
Boilerworks A/S	Herning, Denmark	100
Danstoker A/S	Herning, Denmark	100
Danstoker Poland Sp. Z.o.o.	Ostrowiec, Poland	100

Financial Highlights

Seen over a 5-year period, the development of the Group is described by the following financial highlights:

	Group				
	2023/24	2022/23	2021/22	2020/21	2019/20
	Mio. DKK	Mio. DKK	Mio. DKK	Mio. DKK	Mio. DKK
Key figures					
Profit/loss					
Gross profit	65	33	38	10	24
Profit/loss of primary operations	29	4	8	-39	-29
Profit/loss of financial income and expenses	-3	-2	-2	-2	-3
Profit/loss before tax	26	2	6	-40	-30
Net profit/loss for the year	23	2	5	-38	-26
Balance sheet					
Balance sheet total	193	164	143	142	181
Investment in property, plant and equipment	1	2	1	0	1
Equity	57	31	28	19	29
Cash flows					
Cash flows from:					
- operating activities	18	17	-3	-22	-14
- investing activities	-1	-2	-1	-2	3
- financing activities	-3	-9	2	25	9
Change in cash and cash equivalents for the year	14	6	-2	1	-2
Number of employees	236	219	212	253	281
Ratios					
Solvency ratio	29.5%	18.9%	19.6%	13.4%	16.0%
Return on equity	52.3%	6.8%	21.3%	-158.3%	-60.5%

Management's review

Key activities

Thermax Denmark ApS is a wholly owned subsidiary of Thermax Netherlands B.V., which in turn is wholly owned by Thermax Ltd., an Indian publicly listed company. The ultimate holding company of Thermax Ltd. is RDA Holdings Private Limited, Pune, India.

The main activity of the company is owning shares in the fully-owned subsidiaries Danstoker A/S, Boilerworks A/S and Ejendomsanpartssselskabet Industrivej Nord 13 (estate company). All operational activities take place within these respective subsidiaries.

Danstoker A/S is the parent company of Danstoker Poland Sp. Z o.o.

The primary activities within Thermax as under the label of Danstoker. The Danstoker Group designs, produces and sells boilers and relevant equipment to the energy market, including rebuilding and servicing of boilers. The product range of the Danstoker Group is continuously adapted to the 4 energy categories:
1. Solid fuel market, mainly based biofuels
2. Combined heat and power market
3. Exhaust gas market
4. Oil/gas market

The activity of “Ejendomsanpartsselskabet Industrivej Nord 13” is to own and lease estate. The service activities in Boilerworks were sold at 1st November 2020. Only few projects need to be finally closed.

Development in the year

Danstoker A/S is highly impacted by the decision in Europe to move away from dependency of Russian gas and at the same time also the high focus on moving away from fossil fuels towards a more environmentally friendly energy production.
Our production in both Herning and Ostrowiec has been running throughout the year on full capacity. It has been difficult to find skilled welders all over Europe. The reason is that all Ukraine welders previously working abroad is back in Ukraine to take part in the war. This has resulted in issues with on time delivery. Order intake has been on a as high level as last year. There is a high demand for biomass fired plants to substitute gas fired plants. Order intake on biomass plants is up with >50% compared to before start of the war in Ukraine. Present backlog is almost on same extraordinary high level as last year’s highest in history for Danstoker. We have orders as far out as end 2025.

Danstoker has been able to maintain its position as the absolute market-leader within medium-sized biofuel boilers in Scandinavia. 65% of the turnover is within this segment.

Within the shrinking market of oil and gas-fired boilers, Danstoker has maintained its position in the primary markets, and with the setup in Poland we are in the process of developing a stronger position in the eastern part of Europe. 14% of the turnover is within this segment.
The waste heat recovery boiler market consists primarily of stainless-steel economizers and is 5% of turnover.

The market segments for electrical boilers are expected to increase significantly over the coming years. For now, it represents 4% of turnover.

The market for Service of boilers has maintained its level of 12% of turnover.
Danstoker has started up within the waste incineration market and has delivered the first two big units to two different places in Norway burning municipal solid waste.

Compared to last year the revenue has increased with 36% especially due to the positive development within the biomass segment. The achieved results of the primary operation are above expectations.

Management's review

Also, the Polish facility have had higher activity than last year and are up with 9%.

Profit for the year before tax amount DKK 26,155 thousand and after-tax amounts to DKK 22,944 thousand. Tax on profit for the year is positive impacted by change of accounting estimate as deferred taxes in Poland is activated with 1.386 kPLN.

The total number of employees by end of financial year is 115 in Denmark and 121 in Poland.

Targets and expectations for the year ahead

The overall volume of orders of the Danstoker Group at the end of the financial year is very satisfactory.

It is the aim of the Danstoker Group to create 2 profitable, strong sales and production companies in Danstoker A/S and Danstoker Poland Sp. z o.o., all as an attractive workplace with competent employees, based on competitive products sold to professional co-operation partners and customers in selected markets where such products are supplied in the quality and at the time and price agreed.

It is also the Group's aim to achieve optimal utilization of the production facilities.

It is not yet known to what extent the war in Ukraine will continue to impact the company. For now, we see very good order booking in the biomass segment as there is a high focus to move away from gas fired plants, even that the gas prices have come down again. However, Danstoker Group will continue to monitor the situation to ensure the Company remains flexible in its ability to respond to changing circumstances.

Besides the above mentioned the Management of the Group is of the opinion that it is not faced with special long-term risks, neither in terms of its markets, nor otherwise.

The growing, necessary, political focus on CO2 on a global scale will in the long term contribute to making our CO2-neutral products within biofuels and electrical boilers even more relevant and will contribute to securing the Danstoker Group's continued positive development.

With all the initiatives taken the profit before tax for the financial year 2024/25 is expected to be around 20 mDKK.

External environment

Danstoker A/S is devoted to environmental issues and is constantly striving to reduce the environmental impact resulting from the operations of the Company. The Company has no outstanding issues with the environmental authorities in complying with environmental permits and other environmental regulations. Danstoker A/S holds a ISO 14001 certificate.

Danstoker A/S has decided for the coming years to focus on 4 of United Nations Sustainable Development Goals: "7 Affordable and clean energy", "9 Industry, Innovation and infrastructure", "12 Responsible consumption and production" and "13 Climate action".

In the coming period the Company will have special attention to reduce the consumption of energy during manufacturing, optimizing the design to reduce material use and better waste management to recycle more material. Furthermore, a project is running with the local university with focus on mental health in Danstoker.
In relation to Code of Conduct Danstoker has decided to lean towards UN Global Compact's ten principles for responsible business conduct.

Subsequent events

The Management is of the opinion that from the balance sheet date until today, no events have occurred which could alter the assessment of the annual report substantially.

Income statement 1 April 2023 - 31 March 2024

	Note	Group 2023/24	Group 2022/23	Parent company 2023/24	Parent company 2022/23
		TDKK	TDKK	TDKK	TDKK
Gross profit		**65,433**	**32,834**	**0**	**0**
Distribution expenses		-14,894	-9,781	0	0
Administrative expenses	1	-21,557	-18,677	-105	-144
Profit/loss before financial income and expenses		**28,982**	**4,376**	**-105**	**-144**
Income from investments in subsidiaries		0	0	24,565	2,922
Financial income	2	488	363	274	104
Financial expenses	3	-3,315	-2,224	-2,247	-561
Profit/loss before tax		**26,155**	**2,515**	**22,487**	**2,321**
Tax on profit/loss for the year	4	-3,211	-62	457	132
Net profit/loss for the year	5	**22,944**	**2,453**	**22,944**	**2,453**

Balance sheet 31 March 2024

Assets

	Note	Group 2023/24	Group 2022/23	Parent company 2023/24	Parent company 2022/23
		TDKK	TDKK	TDKK	TDKK
Completed development projects		0	0	0	0
Acquired other similar rights		0	84	0	0
Goodwill		0	0	0	0
Intangible assets	6	**0**	**84**	**0**	**0**
Land and buildings		36,819	37,134	0	0
Plant and machinery		3,610	4,453	0	0
Other fixtures and fittings, tools and equipment		124	199	0	0
Property, plant and equipment	7	**40,553**	**41,786**	**0**	**0**
Investments in subsidiaries	8	0	0	99,054	71,231
Fixed asset investments		**0**	**0**	**99,054**	**71,231**
Fixed assets		**40,553**	**41,870**	**99,054**	**71,231**
Raw materials and consumables		31,252	32,615	0	0
Work in progress		3,104	2,888	0	0
Finished goods and goods for resale		14,072	1,468	0	0
Inventories		**48,428**	**36,971**	**0**	**0**
Trade receivables		12,384	12,383	0	0
Contract work in progress	9	62,255	59,626	0	0
Receivables from group enterprises		784	607	536	903
Other receivables		2,482	2,791	0	0
Deferred tax asset	11	1,847	0	595	502
Corporation tax		155	92	155	92
Prepayments	10	2,020	1,337	0	0
Receivables		**81,927**	**76,836**	**1,286**	**1,497**

Balance sheet 31 March 2024

Assets

		Group		Parent company	
	Note	2023/24	2022/23	2023/24	2022/23
		TDKK	TDKK	TDKK	TDKK
Cash at bank and in hand		**21,979**	**8,258**	**0**	**160**
Current assets		**152,334**	**122,065**	**1,286**	**1,657**
Assets		**192,887**	**163,935**	**100,340**	**72,888**

Balance sheet 31 March 2024

Liabilities and equity

	Note	Group 2023/24	Group 2022/23	Parent company 2023/24	Parent company 2022/23
		TDKK	TDKK	TDKK	TDKK
Share capital		130,000	130,000	130,000	130,000
Reserve for hedging transactions		0	948	0	0
Reserve for exchange rate conversion		1,791	-921	0	0
Retained earnings		-75,220	-99,194	-73,429	-99,167
Equity		**56,571**	**30,833**	**56,571**	**30,833**
Provision for deferred tax	11	5,982	901	0	0
Other provisions	12	1,847	1,251	0	0
Provisions		**7,829**	**2,152**	**0**	**0**
Mortgage loans		9,799	6,257	0	0
Lease obligations		409	964	0	0
Long-term debt	13	**10,208**	**7,221**	**0**	**0**
Mortgage loans	13	314	1,449	0	0
Credit institutions		10,500	4,537	0	0
Lease obligations	13	198	657	0	0
Trade payables		23,361	34,290	0	0
Contract work in progress	9	37,632	34,389	0	0
Payables to group enterprises		14,779	25,628	43,729	41,979
Other payables		31,495	22,779	40	76
Short-term debt		**118,279**	**123,729**	**43,769**	**42,055**
Debt		**128,487**	**130,950**	**43,769**	**42,055**
Liabilities and equity		**192,887**	**163,935**	**100,340**	**72,888**

Contingent assets, liabilities and other financial obligations	16
Related parties	17
Subsequent events	18
Accounting Policies	19

Statement of changes in equity

Group

	Share capital	Reserve for hedging transactions	Reserve for exchange rate conversion	Retained earnings	Total
	TDKK	TDKK	TDKK	TDKK	TDKK
Equity at 1 April	130,000	948	-921	-99,194	30,833
Exchange adjustments	0	0	2,712	0	2,712
Fair value adjustment of hedging instruments, beginning of year	0	104	0	0	104
Tax on adjustment of hedging instruments for the year	0	-23	0	0	-23
Other equity movements	0	-1,029	0	1,030	1
Net profit/loss for the year	0	0	0	22,944	22,944
Equity at 31 March	**130,000**	**0**	**1,791**	**-75,220**	**56,571**

Parent company

	Share capital	Retained earnings	Total
	TDKK	TDKK	TDKK
Equity at 1 April	130,000	-99,167	30,833
Exchange adjustments relating to foreign entities	0	724	724
Other equity movements	0	2,070	2,070
Net profit/loss for the year	0	22,944	22,944
Equity at 31 March	**130,000**	**-73,429**	**56,571**

Cash flow statement 1 April 2023 - 31 March 2024

	Note	Group 2023/24	Group 2022/23
		TDKK	TDKK
Result of the year		22,944	2,453
Adjustments	14	11,070	6,227
Change in working capital	15	-12,908	10,066
Cash flow from operations before financial items		**21,106**	**18,746**
Financial income		488	363
Financial expenses		-3,315	-2,224
Cash flows from ordinary activities		**18,279**	**16,885**
Corporation tax paid		-63	-69
Cash flows from operating activities		**18,216**	**16,816**
Purchase of intangible assets		0	-185
Purchase of property, plant and equipment		-1,038	-1,713
Sale of property, plant and equipment		35	340
Cash flows from investing activities		**-1,003**	**-1,558**
Repayment of mortgage loans		-7,706	-1,448
Repayment of loans from credit institutions		-37	-7,725
Reduction of lease obligations		-1,014	-132
Repayment of payables to group enterprises		-22,360	0
Raising of mortgage loans		10,113	0
Raising of loans from credit institutions		6,000	0
Raising of payables to group enterprises		11,511	0
Other equity entries		1	0
Cash flows from financing activities		**-3,492**	**-9,305**
Change in cash and cash equivalents		**13,721**	**5,953**
Cash and cash equivalents at 1 April		8,258	2,305
Cash and cash equivalents at 31 March		**21,979**	**8,258**
Cash and cash equivalents are specified as follows:			
Cash at bank and in hand		21,979	8,258
Cash and cash equivalents at 31 March		**21,979**	**8,258**

Notes to the Financial Statements

1. Staff

	Group 2023/24 TDKK	Group 2022/23 TDKK	Parent company 2023/24 TDKK	Parent company 2022/23 TDKK
Wages and salaries	86,565	72,627	0	0
Pensions	5,646	4,119	0	0
Other social security expenses	683	638	0	0
	92,894	**77,384**	**0**	**0**
Including remuneration to the :				
Executive board	0	0	0	0
Board of directors	0	0	0	0
	0	**0**	**0**	**0**
Average number of employees	**236**	**219**	**0**	**0**

2. Financial income

	Group 2023/24 TDKK	Group 2022/23 TDKK	Parent company 2023/24 TDKK	Parent company 2022/23 TDKK
Interest received from group enterprises	0	0	274	104
Other financial income	488	363	0	0
	488	**363**	**274**	**104**

3. Financial expenses

	Group 2023/24 TDKK	Group 2022/23 TDKK	Parent company 2023/24 TDKK	Parent company 2022/23 TDKK
Interest paid to group enterprises	886	464	2,247	561
Other financial expenses	2,429	1,760	0	0
	3,315	**2,224**	**2,247**	**561**

Notes to the Financial Statements

	Group		Parent company	
	2023/24	2022/23	2023/24	2022/23
	TDKK	TDKK	TDKK	TDKK
4. Income tax expense				
Current tax for the year	0	15	-364	-10
Deferred tax for the year	3,211	47	-93	-122
	3,211	**62**	**-457**	**-132**

	Parent company	
	2023/24	2022/23
	TDKK	TDKK
5. Profit allocation		
Retained earnings	22,944	2,453
	22,944	**2,453**

6. Intangible fixed assets
Group

	Completed development projects	Acquired other similar rights	Goodwill
	TDKK	TDKK	TDKK
Cost at 1 April	1,556	4,103	139,453
Cost at 31 March	1,556	4,103	139,453
Impairment losses and amortisation at 1 April	1,556	4,019	139,453
Amortisation for the year	0	84	0
Impairment losses and amortisation at 31 March	1,556	4,103	139,453
Carrying amount at 31 March	**0**	**0**	**0**

Notes to the Financial Statements

7. Property, plant and equipment
Group

	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment
	TDKK	TDKK	TDKK
Cost at 1 April	50,728	19,911	1,995
Exchange adjustment	1,481	588	0
Additions for the year	0	810	228
Disposals for the year	0	-64	-255
Cost at 31 March	52,209	21,245	1,968
Impairment losses and depreciation at 1 April	13,594	15,458	1,796
Exchange adjustment	220	344	0
Depreciation for the year	1,576	1,885	303
Reversal of impairment and depreciation of sold assets	0	-52	-255
Impairment losses and depreciation at 31 March	15,390	17,635	1,844
Carrying amount at 31 March	**36,819**	**3,610**	**124**
Including assets under finance leases amounting to	0	678	0

Notes to the Financial Statements

	Parent company	
	2023/24	2022/23
	TDKK	TDKK

8. Investments in subsidiaries

	2023/24	2022/23
Cost at 1 April	298,896	298,896
Cost at 31 March	298,896	298,896
Value adjustments at 1 April	-232,183	-235,459
Exchange adjustment	724	-14
Net profit/loss for the year	24,565	2,922
Other equity movements, net	2,068	368
Value adjustments at 31 March	-204,826	-232,183
Equity investments with negative net asset value amortised over receivables	4,984	4,518
Carrying amount at 31 March	**99,054**	**71,231**

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Ownership
Danstoker A/S	Herning, Denmark	100%
Danstoker Poland Sp. Z.o.o.	Poland, Ostrowiec	100%
Ejendomsanpartsselskabet Industrivej Nord 13	Herning, Denmark	100%
Boilerworks A/S	Herning, Denmark	100%

Notes to the Financial Statements

9. Contract work in progress

	Group		Parent company	
	2023/24	2022/23	2023/24	2022/23
	TDKK	TDKK	TDKK	TDKK
Selling price of work in progress	248,996	233,240	0	0
Payments received on account	-224,373	-208,003	0	0
	24,623	**25,237**	**0**	**0**
Recognised in the balance sheet as follows:				
Contract work in progress recognised in assets	62,255	59,626	0	0
Prepayments received recognised in debt	-37,632	-34,389	0	0
	24,623	**25,237**	**0**	**0**

10. Prepayments

Prepayments include accrual of expenses relating to subsequent financial years, insurance policies and other prepaid costs.

11. Provision for deferred tax

	Group		Parent company	
	2023/24	2022/23	2023/24	2022/23
	TDKK	TDKK	TDKK	TDKK
Deferred tax liabilities at 1 April	901	762	-502	-380
Amounts recognised in the income statement for the year	3,211	47	-93	-122
Amounts recognised in equity for the year	23	92	0	0
Deferred tax liabilities at 31 March	**4,135**	**901**	**-595**	**-502**
Recognised in the balance sheet as follows:				
Assets	1,847	0	595	502
Provisions	-5,982	-901	0	0
	4,135	**901**	**-595**	**-502**

Deferred tax consists of loss carry-forwards and is expected to be utilized within 3 years

Notes to the Financial Statements

12. Other provisions

Other provisions consists of custom warranties, DKK 1.775 thousand (2022/23: DKK 1.179 thousand) and provision for guarantee obligations and other costs DKK 72 thousand (2022/23: DKK 72 thousand)

13. Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	Group		Parent company	
	2023/24	2022/23	2023/24	2022/23
	TDKK	TDKK	TDKK	TDKK
Mortgage loans				
After 5 years	8,407	996	0	0
Between 1 and 5 years	1,392	5,261	0	0
Long-term part	9,799	6,257	0	0
Within 1 year	314	1,449	0	0
	10,113	**7,706**	**0**	**0**
Lease obligations				
After 5 years	0	0	0	0
Between 1 and 5 years	409	964	0	0
Long-term part	409	964	0	0
Within 1 year	198	657	0	0
	607	**1,621**	**0**	**0**

Notes to the Financial Statements

14. Cash flow statement - Adjustments

	Group	
	2023/24	2022/23
	TDKK	TDKK
Financial income	-488	-363
Financial expenses	3,315	2,224
Depreciation, amortisation and impairment losses, including losses and gains on sales	3,852	4,279
Tax on profit/loss for the year	3,211	62
Exchange adjustments	1,180	25
	11,070	**6,227**

15. Cash flow statement - Change in working capital

	Group	
	2023/24	2022/23
	TDKK	TDKK
Change in inventories	-11,457	-10,401
Change in receivables	-3,181	-7,406
Change in other provisions	596	-565
Change in trade payables, etc	1,030	28,017
Fair value adjustments of hedging instruments	104	421
	-12,908	**10,066**

16. Contingent assets, liabilities and other financial obligations

	Group		Parent company	
	2023/24	2022/23	2023/24	2022/23
	TDKK	TDKK	TDKK	TDKK
Charges and security				
The following assets have been placed as security with mortgage credit institutes:				
Land and buildings with a carrying amount of	21,176	22,077	0	0

16. Contingent assets, liabilities and other financial obligations

Rental and lease obligations

	Group		Parent company	
	2023/24	2022/23	2023/24	2022/23
	TDKK	TDKK	TDKK	TDKK
Lease obligations under operating leases. Total future lease payments:				
Within 1 year	791	797	0	0
Between 1 and 5 years	802	1,242	0	0
	1,593	**2,039**	**0**	**0**

Guarantee obligations

The Group has a recourse guarantee commitment for performance and advance guarantees, DKK 37,295 thousand.

Other contingent liabilities

The Group is currently involved in legal cases. Management believes that these cases will not have a material impact on the financial statements, beyond what has already been accounted for, based on consultations with legal counsel.

The Company is jointly taxed with the Danish parent company and Danish subsidiaries. The companies included in the joint taxation have joint and several unlimited liability for Danish corporation taxes and withholding taxes on dividends, interest, and royalties.

Notes to the Financial Statements

17. Related parties and disclosure of consolidated financial statements

	Basis
Controlling interest	
Thermax Netherlands B.V.	Owner

Transactions

	Group		Parent company	
	2023/24	2022/23	2023/24	2022/23
Related party transactions:	TDKK	TDKK	TDKK	TDKK
Production cost	19,833	2,783	0	0
Reimbursed expenses	1,225	1,201	0	0
Administrative expenses	676	1,075	0	0
Financial income	0	0	274	104
Financial expenses	886	464	2,247	561
Receivables from group enterprises	784	607	536	903
Contract work in progress from group enterprises	84	0	0	0
Payables to group enterprises	14,779	25,628	43,729	41,979

Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company:

Name	Place of registered office
Thermax Ltd.	India

The Group Annual Report of Thermax Ltd. may be obtained at the following address:
www.thermaxglobal.com

18. Subsequent events

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

19. Accounting policies

The Annual Report of Thermax Denmark ApS for 2023/24 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

The Consolidated Financial Statements and the Parent Company Financial Statements for 2023/24 are presented in TDKK.

Recognition and measurement

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

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

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

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

Basis of consolidation

The Consolidated Financial Statements comprise the Parent Company, Thermax Denmark ApS, and subsidiaries in which the Parent Company directly or indirectly holds more than 50% of the votes or in which the Parent Company, through share ownership or otherwise, exercises control. Enterprises in which the Group holds between 20% and 50% of the votes and exercises significant influence but not control are classified as associates.

On consolidation, items of a uniform nature are combined. Elimination is made of intercompany income and expenses, shareholdings, dividends and accounts as well as of realised and unrealised profits and losses on transactions between the consolidated enterprises.

The Parent Company's investments in the consolidated subsidiaries are set off against the Parent Company's share of the net asset value of subsidiaries stated at the time of consolidation.

Business combinations

Business acquisitions carried through on or after 1 July 2018

Acquisitions of subsidiaries are accounted for using the purchase method under which the identifiable assets and liabilities of the entity acquired are measured at fair value at the time of acquisition. Acquired contingent liabilities are recognised at fair value in the Consolidated Financial Statements to the extent that the value can be measured reliably.

The time of acquisition is the time when the Group obtains control of the entity acquired.

The cost of the entity acquired is the fair value of the consideration agreed, including consideration contingent on future events. Transaction costs directly attributable to the acquisition of subsidiaries are recognised in the income statement as incurred.

Positive differences between the cost of the entity acquired and identifiable assets and liabilities are recognised as goodwill in intangible assets in the balance sheet and are amortised in the income statement on a straight-line basis over their estimated useful lives. Where the differences are negative, they are recognised immediately in the income statement.

Where the purchase price allocation is not final, positive and negative differences from acquired subsidiaries due to changes to the recognition and measurement of identifiable net assets may be adjusted for up to 12 months after the time of acquisition. These adjustments are also reflected in the value of goodwill or negative goodwill, including in amortisation already made.

Where cost includes contingent consideration, this is measured at fair value at the time of acquisition. Contingent consideration is subsequently measured at fair value. Any value adjustments are recognised in the income statement.

In respect of step acquisitions, any previously held investments in the entity acquired are remeasured at fair value at the time of acquisition. The difference between the carrying amount of the investment previously held and the fair value is recognised in the income statement.

Business acquisitions carried through before 1 July 2018

Subject to some exemptions, acquisitions carried through before 1 July 2018 are accounted for under the same accounting policies as those applying to business combinations carried through on or after 1 July 2018. The most material exemptions are:

- Identifiable assets and liabilities of the entity acquired are recognised only if they are probable.
- Identifiable contingent liabilities of the entity acquired are not recognised in the consolidated balance sheet.
- Where the purchase price allocation is not final, positive and negative differences due to changes to the recognition and measurement of the acquired net assets may be adjusted until the end of the financial year following the year of acquisition. These adjustments are also reflected in the value of goodwill or negative goodwill, including in amortisation already made.
- Transaction costs directly attributable to the acquisition of subsidiaries are included as part of cost.
- After the initial recognition, adjustment of contingent consideration is recognised directly with its counter entry in initial purchase price, thus correcting the value of goodwill or negative goodwill.
- In respect of step acquisitions, the carrying amount of the existing investments is recognised in cost.

Leases

Leases in terms of which the Group assumes substantially all the risks and rewards of ownership (finance leases) are recognised in the balance sheet at the lower of the fair value of the leased asset and the net present value of the lease payments computed by applying the interest rate implicit in the lease or an alternative borrowing rate as the discount rate. Assets acquired under finance leases are depreciated and written down for impairment under the same policy as determined for the other fixed assets of the Group.

The remaining lease obligation is capitalised and recognised in the balance sheet under debt, and the interest element on the lease payments is charged over the lease term to the income statement.

All other leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

The Company has chosen IAS 17 as interpretation for classification and recognition of leases.

Translation policies

Danish kroner is used as the presentation currency. All other currencies are regarded as foreign currencies.

Notes to the Financial Statements

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

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the transaction date rates are recognised in financial income and expenses in the income statement; however, see the section on hedge accounting.

Income statements of foreign subsidiaries and associates that are separate legal entities are translated at transaction date rates or approximated average exchange rates. Balance sheet items are translated at the exchange rates at the balance sheet date. Exchange adjustments arising on the translation of the opening equity and exchange adjustments arising from the translation of the income statements at the exchange rates at the balance sheet date are recognised directly in equity.

Income statements of enterprises that are integrated entities are translated at transaction date rates or approximated average exchange rates; however, items derived from non-monetary balance sheet items are translated at the transaction date rates of the underlying assets or liabilities. Monetary balance sheet items are translated at the exchange rates at the balance sheet date, whereas non-monetary items are translated at transaction date rates. Exchange adjustments arising on the translation are recognised in financial income and expenses in the income statement.

Derivative financial instruments

Derivative financial instruments are initially recognised in the balance sheet at cost and are subsequently remeasured at their fair values. Positive and negative fair values of derivative financial instruments are classified as ”Other receivables” and ”Other payables”, respectively.

Changes in the fair values of derivative financial instruments are recognised in the income statement unless the derivative financial instrument is designated and qualify as hedge accounting, see below.

Hedge accounting

Changes in the fair values of financial instruments that are designated and qualify as fair value hedges of a recognised asset or a recognised liability are recognised in the income statement as are any changes in the fair value of the hedged asset or the hedged liability related to the hedged risk.

Changes in the fair values of derivative financial instruments that are designated and qualify as hedges of expected future transactions are recognised in the fair value reserve under equity as regards the effective portion of the hedge. The ineffective portion is recognised in the income statement. If the hedged transaction results in an asset or a liability, the amount deferred in equity is transferred from equity and recognised in the cost of the asset or the liability, respectively. If the hedged transaction results in an income or an expense, the amount deferred in equity is transferred from equity to the income statement in the period in which the hedged transaction is recognised. The amount is recognised in the same item as the hedged transaction.

Changes in the fair values of financial instruments that are designated and qualify as hedges of net investments in independent foreign subsidiaries or associates are recognised directly in equity as regards the effective portion of the hedge, whereas the ineffective portion is recognised in the income statement.

Income statement

Revenue

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

Notes to the Financial Statements

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

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

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Production expenses

Production expenses comprise costs incurred to achieve revenue for the year. Cost comprises raw materials, consumables, direct labour costs and indirect production costs such as maintenance and depreciation, etc, as well as operation, administration and management of factories.

Gross profit

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

Distribution expenses

Distribution expenses comprise costs in the form of salaries to sales and distribution staff, advertising and marketing expenses as well as operation of motor vehicles, depreciation, etc.

Administrative expenses

Administrative expenses comprise expenses for Management, administrative staff, office expenses, depreciation, etc.

Income from investments in subsidiaries

The item “Income from investments in subsidiaries” in the income statement includes the proportionate share of the profit for the year.

Full elimination of intra-group gains/losses is made for equity investments in subsidiaries.

Financial income and expenses

Financial income and expenses comprise interest, financial expenses in respect of finance leases, realised and unrealised exchange adjustments, price adjustment of securities, amortisation of mortgage loans as well as extra payments and repayment under the on-account taxation scheme.

Tax on profit/loss for the year

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

Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

The Company is jointly taxed with its Danish group entities. The tax effect of the joint taxation with the subsidiaries is allocated to Danish enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit for tax losses).

Notes to the Financial Statements

Balance sheet

Intangible fixed assets

Goodwill

Goodwill is amortised on a straight-line basis over the estimated useful life of 20 years, determined on the basis of Management's experience with the individual business areas.

Development projects

Costs of development projects comprise salaries, amortisation and other expenses directly or indirectly attributable to the Company's development activities.

Development projects that are clearly defined and identifiable and in respect of which technical feasibility, sufficient resources and a potential future market or development opportunity in the enterprise can be demonstrated, and where it is the intention to manufacture, market or use the project, are recognised as intangible assets. This applies if sufficient certainty exists that the value in use of future earnings can cover cost of sales, distribution and administrative expenses involved as well as the development costs.

Development projects that do not meet the criteria for recognition in the balance sheet are recognised as expenses in the income statement as incurred.

Capitalised development costs are measured at cost less accumulated amortisation and impairment losses or at a lower recoverable amount. An amount corresponding to the recognised development costs is allocated to the equity item 'Reserve for development costs'. The reserve comprises only development costs recognised in financial years beginning on or after 1 January 2016. The reserve is reduced by amortisation of and impairment losses on the development projects on a continuing basis.

As of the date of completion, capitalised development costs are amortised on a straight-line basis over the period of the expected economic benefit from the development work. The amortisation period is 3 year.

Other intangible fixed assets

Patents are measured at cost less accumulated amortisation and less any accumulated impairment losses or at a lower value in use.

Patents are amortised over the remaining patent period or a shorter useful life. The amortisation period is 3 years.

Property, plant and equipment

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

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

Land and buildings	20-50 years
Plant and machinery	3-10 years
Other fixtures and fittings, tools and equipment	3-5 years

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Land is not depreciated

Notes to the Financial Statements

Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expense.

Impairment of fixed assets

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

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

Investments in subsidiaries

Investments in subsidiaries are recognised and measured under the equity method.

The item “Investments in subsidiaries” in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with addition of the remaining value of any increases in value and goodwill calculated at the time of acquisition of the enterprises.

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to “Reserve for net revaluation under the equity method“ under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

Subsidiaries with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

Inventories

Inventories are measured at the lower of cost based on weighted average prices and net realisable value.

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

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

The cost of finished goods and work in progress comprises the cost of raw materials, consumables and direct labour.

The cost of finished goods and work in progress includes the cost of raw materials, consumables, direct labour and indirect production overheads.

Indirect production overheads include the indirect cost of material and labour as well as maintenance and depreciation of production machinery, buildings and equipment and expenses relating to plant administration and management. Borrowing costs are not recognised in the sales price.

Receivables

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

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables.

Notes to the Financial Statements

Contract work in progress

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

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

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

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

Prepayments

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

Cash

Cash comprise cash.

Equity

Reserve for net revaluation according to the equity method
The net revaluation reserve according to the equity method includes net revaluations of investments in subsidiaries and associates relative to cost. The reserve can be eliminated in case of losses, realization of investments or a change in accounting estimates. The reserve cannot be recognised at a negative amount.

Translation reserve
The translation reserve comprises the share of foreign exchange differences arising on translation of financial statements of entities that have a functional currency other than DKK, foreign exchange adjustments of assets and liabilities considered part of the Company's net investments in such entities and foreign exchange adjustments regarding hedging transactions that hedge the Company's net investments in such entities. The reserve is dissolved on the sale of foreign entities or if the conditions for effective hedging no longer exist. When equity investments in subsidiaries and associates in the parent company financial statements are subject to the limitation requirement in the net revaluation reserve according to the equity method, foreign exchange adjustments will be included in this equity reserve instead.

Hedging reserve
The hedging reserve comprises the cumulative net change in the fair value of hedging transactions that qualify for recognition as a cash flow hedge and where the hedged transaction has not yet been realised. The reserve is dissolved when the hedged transaction is realised, if the hedged cash flows are no longer expected to be realised or if the hedging relationship is no longer effective. The reserve does not represent a limitation under company law and may therefore be negative.

Provisions

Provisions are recognised when - in consequence of an event occurred before or on the balance sheet date - the Group has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation.

Other provisions include warranty obligations in respect of repair work within the warranty period of 1-5 years. Provisions are measured and recognised based on experience with guarantee work.

Deferred tax assets and liabilities

Deferred tax is recognised in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised in respect of temporary differences concerning goodwill not deductible for tax purposes and other items - apart from business acquisitions - where temporary differences have arisen at the time of acquisition without affecting the profit for the year or the taxable income.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. In cases where the computation of the tax base may be made according to alternative tax rules, deferred tax is measured on the basis of the intended use of the asset and settlement of the liability, respectively.

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

Deferred tax assets and liabilities are offset within the same legal tax entity.

Current tax receivables and liabilities

Current tax receivables and liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on taxable incomes for prior years. Tax receivables and liabilities are offset if there is a legally enforceable right of set-off and an intention to settle on a net basis or simultaneously.

Financial liabilities

Loans, such as mortgage loans and loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Mortgage loans are measured at amortised cost, which for cash loans corresponds to the remaining loan. Amortised cost of debenture loans corresponds to the remaining loan calculated as the underlying cash value of the loan at the date of raising the loan adjusted for depreciation of the price adjustment of the loan made over the term of the loan at the date of raising the loan.

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

The Company has chosen IAS 39 as interpretation for recognition and measurement of liabilities.

Fair Value

The fair value measurement is based on the principal market. If no principal market exists, the measurement is based on the most advantageous market, i.e. the market that maximises the price of the asset or liability less transaction and/ or transport costs. All assets and liabilities which are measured at fair value, or whose fair value is disclosed, are classified based on the fair value hierarchy, see below:

Level 1: Value in an active market for similar assets/ liabilities
Level 2: Value based on recognised valuation methods on the basis of observable market information
Level 3: Value based on recognised valuation methods and reasonable estimates (non-observable market information).

Cash Flow Statement

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

Notes to the Financial Statements

Cash flows from operating activities

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

Cash flows from investing activities

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

Cash flows from financing activities

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

Cash and cash equivalents

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

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

Financial Highlights

Explanation of financial ratios

Solvency ratio	Equity at year end x 100 / Total assets at year end
Return on equity	Net profit for the year x 100 / Average equity