



## **Shopbox ApS**

Tranevej 16, 1.  
2400 København NV  
CVR No. 33964544

## **Annual report 2021**

The Annual General Meeting adopted the  
annual report on 08.08.2022

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**Andreas Borreskov Iversen**

Chairman of the General Meeting

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# Entity details

## Entity

Shopbox ApS

Tranevej 16, 1.

2400 København NV

Business Registration No.: 33964544

Registered office: København

Financial year: 01.01.2021 - 31.12.2021

## Board of Directors

Jens Christian Oxholm Zigler

Bjarne Søballe

Ebbe Groes

Christian Riewe

## Executive Board

Andreas Borreskov Iversen

Christian Obling Elbek

## Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

# Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Shopbox ApS for the financial year 01.01.2021 - 31.12.2021.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2021 and of the results of its operations for the financial year 01.01.2021 - 31.12.2021.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 08.08.2022

## Executive Board

**Andreas Borreskov Iversen**

**Christian Obling Elbek**

## Board of Directors

**Jens Christian Oxholm Zigler**

**Bjarne Søballe**

**Ebbe Groes**

**Christian Riewe**

# Independent auditor's report

## To the shareholders of Shopbox ApS

### Opinion

We have audited the financial statements of Shopbox ApS for the financial year 01.01.2021 - 31.12.2021, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2021 and of the results of its operations for the financial year 01.01.2021 - 31.12.2021 in accordance with the Danish Financial Statements Act.

### Basis for opinion

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

### Material uncertainty related to going concern

We refer to note 1 to the financial statements, which states that negotiations are in progress with potential new and existing investors in order to obtain a cash capital increase of DKK 6 million. The going concern of the company is contingent on such funding. The outcome of these negotiations is not expected before end August/early September 2022. In presenting the financial statements, Management assumed that the financing will be obtained, for which reason the financial statements have been presented under the assumption of going concern. As stated in note 1, this indicates that a material uncertainty exists that may cast doubt on the Entity's ability to continue as a going concern. Our opinion has not been modified with respect to this matter.

### Management's responsibilities for the financial statements

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

In preparing the financial statements, Management is responsible for assessing the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

#### **Statement on the management commentary**

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with

the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Copenhagen, 08.08.2022

**Deloitte**

Statsautoriseret Revisionspartnerselskab  
CVR No. 33963556

**Jens Sejer Pedersen**

State Authorised Public Accountant  
Identification No (MNE) mne14986

**Torben Mortensen**

Registered Public Accountant  
Identification No (MNE) mne18040

# Management commentary

## Primary activities

Shopbox is a Danish-based fintech company that offers Point of Sale (POS) software with integrated payment as a core system for small and medium-sized stores and chains across the Nordic region. The solution makes it easy and simple to create a full product catalog, serve customers and accept payments in both physical and digital channels.

## Development in activities and finances

Shopbox launched a new version of its tablet based cash register system in 2020 and have during 2021 experienced an increased number of subscribers. Moreover, the Company's business foundation has been given a boost by way of a non-cash contribution of the entity Sofier A/S which also develops and sells tablet based cash registers. After the acquisition, Sofier A/S and Shopbox ApS have merged with accounting effect as of 1 January 2021. The company is in a continuing development phase, also focusing on streamlining the joint activities.

Loss of the year 2021 amounts to DKK 9.928 thousand. The deficit must be seen in the context of continued product and business development and also investing in marketing and sales for growing the business. The balance sheet shows total assets of DKK 15,375 thousand and equity of DKK 5,383 thousand.

During the year 2021 a cash capital increase of DKK 5 million has strengthened the Company's capital base.

Continued development activities and market-building activities, with investment in marketing and sales, are expected to be carried out in 2022, and the company is expected to be loss-making in 2022.

Loans of DKK 3 million have been obtained in the first part of 2022 to finance the company's activities. In order to secure the company's continued funding basis, work is according to note 1 being done on a cash capital increase of DKK 6 million to be implemented at the end of August/early September 2022, which are expected to secure the company's liquidity readiness for the remainder of 2022. Hereafter, the plan is to raise additional capital to secure growth capital for 2023.

## Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.



# Income statement for 2021

	Notes	2021 DKK	2020 DKK
<b>Gross profit/loss</b>		<b>367,318</b>	<b>(891,910)</b>
Staff costs	2	(7,825,387)	(4,727,671)
Depreciation, amortisation and impairment losses	3	(3,202,151)	(1,343,957)
<b>Operating profit/loss</b>		<b>(10,660,220)</b>	<b>(6,963,538)</b>
Income from financial assets		7	0
Other financial expenses	4	(400,528)	(502,386)
<b>Profit/loss before tax</b>		<b>(11,060,741)</b>	<b>(7,465,924)</b>
Tax on profit/loss for the year	5	1,132,367	435,475
<b>Profit/loss for the year</b>		<b>(9,928,374)</b>	<b>(7,030,449)</b>
<b>Proposed distribution of profit and loss</b>			
Retained earnings		(9,928,374)	(7,030,449)
<b>Proposed distribution of profit and loss</b>		<b>(9,928,374)</b>	<b>(7,030,449)</b>

# Balance sheet at 31.12.2021

## Assets

	Notes	2021 DKK	2020 DKK
Completed development projects	7	8,583,939	3,183,100
Acquired intangible assets		22,500	0
Goodwill		2,681,401	0
<b>Intangible assets</b>	6	<b>11,287,840</b>	<b>3,183,100</b>
Other fixtures and fittings, tools and equipment		141,104	78,369
Leasehold improvements		7,976	12,532
<b>Property, plant and equipment</b>	8	<b>149,080</b>	<b>90,901</b>
Investments in group enterprises		0	0
Deposits		180,816	175,400
<b>Financial assets</b>	9	<b>180,816</b>	<b>175,400</b>
<b>Fixed assets</b>		<b>11,617,736</b>	<b>3,449,401</b>
Manufactured goods and goods for resale		351,653	302,887
<b>Inventories</b>		<b>351,653</b>	<b>302,887</b>
Trade receivables		1,066,960	1,435,721
Receivables from group enterprises		40,000	40,000
Other receivables		1,250,204	1,764,756
Income tax receivable		431,722	435,475
Prepayments		151,618	121,664
<b>Receivables</b>		<b>2,940,504</b>	<b>3,797,616</b>
<b>Cash</b>		<b>464,837</b>	<b>2,819,068</b>
<b>Current assets</b>		<b>3,756,994</b>	<b>6,919,571</b>
<b>Assets</b>		<b>15,374,730</b>	<b>10,368,972</b>

**Equity and liabilities**

	<b>Notes</b>	<b>2021 DKK</b>	<b>2020 DKK</b>
Contributed capital		365,592	301,560
Reserve for development expenditure		6,695,472	2,482,818
Retained earnings		(1,678,314)	(296,430)
<b>Equity</b>		<b>5,382,750</b>	<b>2,487,948</b>
Debt to other credit institutions		4,498,133	5,191,346
Convertible and dividend-yielding debt instruments		106,382	106,382
Other payables		480,467	307,610
<b>Non-current liabilities other than provisions</b>	<b>10</b>	<b>5,084,982</b>	<b>5,605,338</b>
Current portion of non-current liabilities other than provisions	10	1,057,500	335,000
Bank loans		10,802	0
Prepayments received from customers		93,045	0
Trade payables		896,676	627,993
Payables to shareholders and management		81,088	0
Other payables	11	2,323,066	1,122,641
Deferred income		444,821	190,052
<b>Current liabilities other than provisions</b>		<b>4,906,998</b>	<b>2,275,686</b>
<b>Liabilities other than provisions</b>		<b>9,991,980</b>	<b>7,881,024</b>
<b>Equity and liabilities</b>		<b>15,374,730</b>	<b>10,368,972</b>
Going concern	1		
Unrecognised rental and lease commitments	12		
Assets charged and collateral	13		

# Statement of changes in equity for 2021

	Contributed capital DKK	Share premium DKK	Reserve for development expenditure DKK	Retained earnings DKK	Total DKK
Equity beginning of year	301,560	0	2,482,818	(296,430)	2,487,948
Increase of capital	64,032	12,759,144	0	0	12,823,176
Transfer to reserves	0	(12,759,144)	4,212,654	8,546,490	0
Profit/loss for the year	0	0	0	(9,928,374)	(9,928,374)
<b>Equity end of year</b>	<b>365,592</b>	<b>0</b>	<b>6,695,472</b>	<b>(1,678,314)</b>	<b>5,382,750</b>

# Notes

## 1 Going concern

As described in the management commentary the company expect to continued development activities and market building activities investing in marketing and sales in 2022. Management expect that the Company will be loss-making in 2022.

Loans of DKK 3 million have been obtained in the first part of 2022 to finance the company's activities. In order to secure the company's continued funding basis, work is being done on a cash capital increase of DKK 6 million from new and existing investors to be implemented at the end of August/early September 2022, which are expected to secure the company's liquidity readiness for the remainder of 2022.

The outcome of these negotiations is not expected until at the August/early September. In presenting the financial statements, Management assumed capital increase are obtained, for which reason the financial statements have been presented on a going concern basis. As such negotiations are not finalized a material uncertainty exists that may cast uncertainty on the Entity's ability to continue as a going concern.

## 2 Staff costs

	<b>2021</b>	<b>2020</b>
	<b>DKK</b>	<b>DKK</b>
Wages and salaries	7,656,674	4,617,802
Pension costs	70,618	54,077
Other social security costs	98,095	55,792
	<b>7,825,387</b>	<b>4,727,671</b>
Average number of full-time employees	<b>16</b>	<b>11</b>

## 3 Depreciation, amortisation and impairment losses

	<b>2021</b>	<b>2020</b>
	<b>DKK</b>	<b>DKK</b>
Amortisation of intangible assets	3,112,874	1,319,730
Depreciation of property, plant and equipment	89,277	24,227
	<b>3,202,151</b>	<b>1,343,957</b>

## 4 Other financial expenses

	<b>2021</b>	<b>2020</b>
	<b>DKK</b>	<b>DKK</b>
Other interest expenses	390,562	456,654
Exchange rate adjustments	9,966	2,392
Other financial expenses	0	43,340
	<b>400,528</b>	<b>502,386</b>

## 5 Tax on profit/loss for the year

	2021 DKK	2020 DKK
Current tax	(431,722)	(435,475)
Change in deferred tax	(700,645)	0
	<b>(1,132,367)</b>	<b>(435,475)</b>

## 6 Intangible assets

	Completed development projects DKK	Acquired intangible assets DKK	Goodwill DKK
Cost beginning of year	8,869,336	0	0
Addition through business combinations etc	10,240,529	75,000	2,979,334
Additions	2,054,872	0	0
<b>Cost end of year</b>	<b>21,164,737</b>	<b>75,000</b>	<b>2,979,334</b>
Amortisation and impairment losses beginning of year	(5,686,236)	0	0
Addition through business combinations etc	(4,094,621)	(37,500)	0
Amortisation for the year	(2,799,941)	(15,000)	(297,933)
<b>Amortisation and impairment losses end of year</b>	<b>(12,580,798)</b>	<b>(52,500)</b>	<b>(297,933)</b>
<b>Carrying amount end of year</b>	<b>8,583,939</b>	<b>22,500</b>	<b>2,681,401</b>

Shopbox ApS has in 2021 acquired the Company Sofier A/S. Following the acquisition the two companies are merged. Based on the purchase price, an value of intangible assets of DKK 5,8 million exceeding other net assets was identified at acquisition. It is evaluated, that the value related to intangible assets related to the two financial line items "development projects" and "goodwill" in the split 50% / 50% as Sopier A/S at acquisition had developed software etc. which are used in the combined business, and that Sopier A/S at acquisition had some client base generating recurring revenue. By nature, such allocation and the value hereof are based on accounting estimates. lse

## 7 Development projects

Development costs consist of time spent directly and other costs for developing an electronic POS system, thus being the Company's primary product.

## 8 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost beginning of year	123,017	218,500
Addition through business combinations etc	39,101	0
Additions	143,468	0
Disposals	(4,254)	0
<b>Cost end of year</b>	<b>301,332</b>	<b>218,500</b>
Depreciation and impairment losses beginning of year	(44,648)	(205,967)
Addition through business combinations etc	(31,066)	0
Depreciation for the year	(84,720)	(4,557)
Reversal regarding disposals	206	0
<b>Depreciation and impairment losses end of year</b>	<b>(160,228)</b>	<b>(210,524)</b>
<b>Carrying amount end of year</b>	<b>141,104</b>	<b>7,976</b>

## 9 Financial assets

	Investments in group enterprises DKK	Deposits DKK
Cost beginning of year	40,048	180,768
Additions	0	48
<b>Cost end of year</b>	<b>40,048</b>	<b>180,816</b>
Impairment losses beginning of year	(40,048)	0
<b>Impairment losses end of year</b>	<b>(40,048)</b>	<b>0</b>
<b>Carrying amount end of year</b>	<b>0</b>	<b>180,816</b>

Investments in subsidiaries	Registered in	Equity interest %
Shopbox POS Sverige AB	Sverige	100

### 10 Non-current liabilities other than provisions

	Due within 12 months 2021 DKK	Due within 12 months 2020 DKK	Due after more than 12 months 2021 DKK	Outstanding after 5 years 2021 DKK
Debt to other credit institutions	1,057,500	335,000	4,498,133	151,036
Convertible and dividend-yielding debt instruments	0	0	106,382	0
Other payables	0	0	480,467	0
	<b>1,057,500</b>	<b>335,000</b>	<b>5,084,982</b>	<b>151,036</b>

### 11 Other payables

	2021 DKK	2020 DKK
VAT and duties	41,516	42,268
Wages and salaries, personal income taxes, social security costs, etc payable	731,077	966,515
Holiday pay obligation	250,692	113,858
Other costs payable	1,299,781	0
	<b>2,323,066</b>	<b>1,122,641</b>

### 12 Unrecognised rental and lease commitments

	2021 DKK	2020 DKK
Liabilities under rental or lease agreements until maturity in total	<b>791,070</b>	<b>0</b>

### 13 Assets charged and collateral

Assets charged and collateral - Mortgage debt is secured by way of mortgage on properties. The mortgage also comprises the plant and machinery deemed part of the property.

Debt to other credit institutions are secured by way of a deposited mortgage deed registered to the mortgagor on Inventories, trade receivables, goodwill, other intangible fixed assets and other fixtures and fittings, tools and equipment of DKK 6.000.000 nominal.

The carrying amount of Inventories is T.DKK 352

The carrying amount of trade receivables is T.DKK 1.067.

The carrying amount of goodwill and other intangible fixed assets is T.DKK 11.288.

The carrying amount of other fixtures and fittings, tools and equipment is T.DKK 141.



# Accounting policies

## Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

## Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

## Business combinations

The company acquired in 2021 former company Sopier A/S. Following the acquisition the two companies are merged using the merger the uniting-of-interests method with accounting effect from 1 January 2021. No adjustment of the comparative figures are recognized, as the acquisition took place in 2021.

## Income statement

### Gross profit or loss

Gross profit or loss comprises revenue, changes in inventories of finished goods, cost of raw materials and external expenses.

### Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

### Own work capitalised

Own work capitalised comprises staff costs and other costs incurred in the financial year and recognised in cost for proprietary intangible assets and property, plant and equipment.

**Costs of raw materials and consumables**

Costs of raw materials and consumables comprise the consumption of raw materials and consumables for the financial year after adjustment for changes in inventories of these goods from the beginning to the end of the year. This item includes shrinkage, if any, and ordinary writedowns of the relevant inventories.

**Other external expenses**

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

**Staff costs**

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

**Depreciation, amortisation and impairment losses**

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of intangible assets and property, plant and equipment.

**Income from other fixed asset investments**

Income from other fixed asset investments comprises gains in the form of interest, dividends, etc on fixed asset investments which are not investments in group enterprises or associates.

**Other financial expenses**

Other financial expenses comprise interest expenses, net capital or exchange losses on securities, payables and transactions in foreign currencies as well tax surcharge under the Danish Tax Prepayment Scheme etc.

**Tax on profit/loss for the year**

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

**Balance sheet****Goodwill**

Goodwill is the positive difference between cost and fair value of assets and liabilities arising from acquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. For one amount of goodwill, it has not been possible to estimate useful life reliably, for which reason such useful life has been set at 5 years. Useful lives are reassessed annually. The amortisation periods used are 5 years.

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

**Intellectual property rights etc**

Intellectual property rights etc comprise development projects completed and in progress with related intellectual property rights.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise

can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity under Reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised on a straight-line basis over their remaining duration, and licences are amortised over the term of the agreement.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

### **Property, plant and equipment**

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

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

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

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

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

### **Investments in group enterprises**

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

### **Inventories**

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

Cost consists of purchase price plus delivery costs. Cost of manufactured goods and work in progress consists of costs of raw materials, consumables, direct labour costs and indirect production costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

**Receivables**

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

**Tax payable or receivable**

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

**Prepayments**

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

**Cash**

Cash comprises bank deposits.

**Other financial liabilities**

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

**Prepayments received from customers**

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

**Deferred income**

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.