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Oreco A/S

Oldvej 1 A, 3540 Lynge

Company reg. no. 37 25 94 62

Annual report

1 January - 31 December 2020

The annual report was submitted and approved by the general meeting on the 13 April 2021.

Birgitte Brinch Madsen
Chairman of the meeting

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

Contents

Management's report

Today, the board of directors and the managing director have presented the annual report of Oreco A/S for the financial year 1 January - 31 December 2020.

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

We consider the accounting policies appropriate and, in our opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 December 2020 and of the company's results of activities in the financial year 1 January – 31 December 2020.

We are of the opinion that the management commentary presents a fair account of the issues dealt with.

We recommend that the annual report be approved by the general meeting.

Lynge, 13 April 2021

Managing Director

Kåre Wessel Wetlesen

Board of directors

Birgitte Brinch Madsen Chairman	Per Høholt	Michael Jørgen Peytz
Nina Christiane Movin	Bent Anders Lund Hansen	

Independent auditor's report

To the shareholders of Oreco A/S

Opinion

We have audited the financial statements of Oreco A/S for the financial year 1 January - 31 December 2020, which comprise income statement, statement of financial position, notes and accounting policies. The financial statements have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements present a fair view of the company's assets, equity and liabilities, and financial position at 31 December 2020 and of the results of the company's activities for the financial year 1 January - 31 December 2020 in accordance with the Danish Financial Statements Act.

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 section "Auditor's responsibilities for the audit of the financial statements". We are independent of the company in accordance with international ethical requirements for auditors (IESBA's Code of Ethics), and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report including an 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 financial statements.

Independent auditor's report

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

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

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

- Evaluate the overall presentation, structure, and contents of the financial statements, including disclosures in notes, and whether the financial statements reflect the underlying transactions and events in a manner that presents a 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 the 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 express no assurance opinion thereon.

Independent auditor's report

In connection with our audit of the financial statements, it is our responsibility to read the management commentary and to consider whether the management commentary is materially inconsistent with the financial statements or the evidence obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, 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 believe that management commentary is consistent with the financial statements and that it has been prepared in accordance with the provisions of the Danish Financial Statement Act. We did not discover any material misstatement in the management commentary.

Copenhagen, 13 April 2021

Grant Thornton
State Authorised Public Accountants
Company reg. no. 34 20 99 36

Claus Koskelin
State Authorised Public Accountant
mne30140

Casper Christiansen
State Authorised Public Accountant
mne44100

Company information

The company	Oreco A/S Oldvej 1 A 3540 Lynge	
	Web site	www.oreco.com
	Company reg. no.	37 25 94 62
	Established:	26 November 2015
	Domicile:	Lynge
	Financial year:	1 January - 31 December
Board of directors	Birgitte Brinch Madsen, Chairman Per Høholt Michael Jørgen Peytz Nina Christiane Movin Bent Anders Lund Hansen	
Managing Director	Kåre Wessel Wetlesen	
Auditors	Grant Thornton, Statsautoriseret Revisionspartnerselskab Stockholmsgade 45 2100 København Ø	
Parent company	A/S Dansk Erhvervsinvestering	

Management commentary

The principal activities of the company

The principal activities of the company are to develop, manufacture and globally market mobile, turnkey systems for automated waste oil recovery and storage tank cleaning in the oil and petrochemical industries as well as develop, manufacture and globally market Pressure Swing Adsorption (PSA) Oxygen and Nitrogen producing systems for the general industry in addition to the oil and Petrochemical industry.

Oreco's tank cleaning and waste oil treatment systems offers a combination of oil tank cleaning with simultaneous or standalone separation of the cleaned-out sludge and waste. While Oreco's PSA gas producing systems offers onsite and on-demand production of Nitrogen or Oxygen gasses both to the Oil and petrochemical industry, but also into several other large sectors such as aqua culture, glass industry, paper, and pulp industry and beyond.

Market overview

The worldwide impact by Covid-19 both in regard to travel restrictions, oil price drop and general uncertainties in the markets have affected Oreco negatively throughout 2020. Covid-19 have directly resulted in several large Tank Cleaning contracts being postponed or cancelled by clients. The Tank Cleaning market is expected to gradually return in 2021 as the world emerges from lock downs and general uncertainties.

Strong growth within our PSA division of 255% from first to second half of 2020 have been observed. Growth within the PSA segment is expected to continue throughout 2021.

Development in activities and financial matters

Oreco have continued to implement the identified strategy during 2020 and is well positions to benefit from it in the years to come.

The financial result of 2020 has been negatively impacted by precautionary write downs on global debtors facilitated by the general market uncertainty created by covid-19

The Company realized in 2020 an EBITDA of tDKK -2.703.

Subsequent events

In the opinion of the Board of Executives and the Board of Directors there are no post balance sheet events that affect the financial position of the Company materially as of 31 December 2020.

Income statement 1 January - 31 December

All amounts in DKK.

Note		2020	2019
	Gross profit	**10.032.829**	**10.759.888**
1	Staff costs	-12.736.189	-11.899.279
	Depreciation, amortisation, and impairment	-3.128.085	-3.400.087
	Operating profit	**-5.831.445**	**-4.539.478**
	Other financial income	617.781	412.581
	Other financial costs	-684.545	-859.724
	Pre-tax net profit or loss	**-5.898.209**	**-4.986.621**
	Tax on net profit or loss for the year	-426.839	455.675
	Net profit or loss for the year	**-6.325.048**	**-4.530.946**
	Proposed appropriation of net profit:		
	Allocated from retained earnings	-6.325.048	-4.530.946
	Total allocations and transfers	**-6.325.048**	**-4.530.946**

Statement of financial position at 31 December

All amounts in DKK.

Note	Assets	2020	2019
	Non-current assets		
	Completed development projects, including patents and similar rights arising from development projects	2.707.737	3.205.607
	Concessions, patents, licenses, trademarks, and similar rights acquired	3.196.690	3.875.585
	Goodwill	8.458.342	10.010.728
	Development projects in progress and prepayments for intangible assets	2.740.834	2.497.023
	Total intangible assets	17.103.603	19.588.943
	Plant and machinery	9.290	82.462
	Other fixtures and fittings, tools and equipment	773.210	917.950
	Total property, plant, and equipment	782.500	1.000.412
	Deposits	442.847	442.847
	Total investments	442.847	442.847
	Total non-current assets	**18.328.950**	**21.032.202**
	Current assets		
	Raw materials and consumables	2.318.199	772.991
	Work in progress	266.596	201.255
	Manufactured goods and trade goods	869.833	893.131
	Total inventories	3.454.628	1.867.377
	Trade receivables	11.881.626	20.908.694
2	Work in progress for the account of others	626.162	1.351.122
	Deferred tax assets	841.204	841.204
	Income tax receivables	535.666	580.595
	Other receivables	930.630	2.315.376
	Prepayments and accrued income	347.683	606.497
	Total receivables	15.162.971	26.603.488
	Cash on hand and demand deposits	39.142	4.681.219
	Total current assets	**18.656.741**	**33.152.084**
	Total assets	**36.985.691**	**54.184.286**

Statement of financial position at 31 December

All amounts in DKK.

Note	Equity and liabilities	2020	2019
	Equity		
3	Contributed capital	1.846.866	1.846.866
4	Reserve for development costs	4.249.885	4.344.779
5	Retained earnings	13.193.623	19.423.778
	Total equity	**19.290.374**	**25.615.423**
	Provisions		
	Other provisions	1.482.218	1.517.857
	Total provisions	**1.482.218**	**1.517.857**
	Liabilities other than provisions		
	Other debts	1.048.284	1.343.064
6	Total long term liabilities other than provisions	1.048.284	1.343.064
	Bank loans	4.463.595	41.476
2	Prepayments received from customers concerning work in progress for the account of others	3.280.992	15.579.149
	Trade creditors	2.256.372	5.102.402
	Other Debts	3.168.350	3.717.423
	Accruals and deferred income	1.995.506	1.267.492
	Total short term liabilities other than provisions	15.164.815	25.707.942
	Total liabilities other than provisions	**16.213.099**	**27.051.006**
	Total equity and liabilities	**36.985.691**	**54.184.286**

7 Mortgage and securities

8 Contingencies

Notes

All amounts in DKK.

		2020	2019
1.	**Staff costs**		
	Salaries and wages	11.879.138	11.129.738
	Pension costs	823.157	740.570
	Other costs for social security	33.894	28.971
		12.736.189	**11.899.279**
	Average number of employees	15	13
2.	**Work in progress for the account of others**		
	Sales value of the production of the period	11.520.330	23.822.290
	Payments on account received	-14.175.160	-38.050.317
	Work in progress for the account of others, net	**-2.654.830**	**-14.228.027**
	The following is recognised:		
	Work in progress for the account of others (current assets)	626.162	1.351.122
	Work in progress for the account of others (prepayments received)	-3.280.992	-15.579.149
		-2.654.830	**-14.228.027**
3.	**Contributed capital**		
	Contributed capital 1 January 2020	1.846.866	1.484.606
	Capital increase	0	362.260
		1.846.866	**1.846.866**
4.	**Reserve for development costs**		
	Reserve for development costs 1 January 2020	4.344.779	2.529.782
	Transferred from results brought forward	-94.894	1.814.997
		4.249.885	**4.344.779**

Notes

All amounts in DKK.

	31/12 2020	31/12 2019
5. Retained earnings		
Retained earnings 1 January 2020	19.423.777	19.546.340
Profit or loss for the year brought forward	-6.325.048	-4.530.946
Share premium account for the year	0	6.223.381
Transferred to reserve for development costs	94.894	-1.814.997
	13.193.623	**19.423.778**

6. Liabilities other than provision

	Total payables 31 Dec 2020	Current portion of long term payables	Long term payables 31 Dec 2020	Outstanding payables after 5 years
Other debts	1.048.284	0	1.048.284	0
	1.048.284	**0**	**1.048.284**	**0**

7. Mortgage and securities

For bank debts, the company has provided company charge in company assets representing a nominal value of tDKK 5.000. This company charge comprises the below assets, stating the book values:

	tDKK
Inventories	3.455
Receivable from sales and services	11.882
Intangible fixed assets	17.104
Tangible fixed assets	783

8. Contingencies

Contingent liabilities

Leasing liabilities

The company has entered into operational lease contracts with remaining benefit of tDKK 281. The lease contracts has a remaining maturity of up to 19 months.

Rent obligations

The company has entered into interminable rental contracts of up to 50 months, corresponding to a outstanding liability of tDKK 4.565.

Notes

All amounts in DKK.

8. Contingencies (continued)

Joint taxation

With AKF Holding A/S, company reg. no 10363977 as administration company, the company is subject to the Danish scheme of joint taxation and unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for the total corporation tax.

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

Any subsequent adjustments of corporate taxes or withholding tax, etc., may result in changes in the company's liabilities.

Accounting policies

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

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

Recognition and measurement in general

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

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

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

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

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

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

Foreign currency translation

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

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

Accounting policies

Fixed assets acquired and paid for in foreign currency are measured at the exchange rate prevailing at the date of the transaction.

Income statement

Gross profit

Gross profit comprises the net turnover, changes in inventories of finished goods, and work in progress, work performed for own account and capitalised, other operating income, and external costs.

The net turnover is recognised in the profit and loss account if delivery and risk transfer to the buyer have taken place before the end of the year, and if the income can be determined reliably and is expected to be received. The net turnover is recognised exclusive of VAT and taxes and with the deduction of any discounts granted in connection with the sale.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Contract work in progress concerning construction contracts is recognised in the revenue concurrently with the production process. Thus, the revenue corresponds to the selling price of the total yearly production (the production method). The revenue is recognised when the total income and costs of the contract and the stage of completion on the reporting date can be reliably validated and it is deemed probable that the financial benefits will flow to the company.

When the results of a contract cannot be reliably validated, the revenue is recognised solely on a cost basis to the extent that it seems probable that the costs will be recovered.

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Other external costs comprise costs incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

Staff costs

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

Depreciation, amortisation, and writedown for impairment

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

Accounting policies

Financial income and expenses

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

Tax on net profit or loss for the year

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

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Statement of financial position

Intangible assets

Development projects, patents, and licences

Development costs and internally generated rights are recognised in the income statement as costs in the acquisition year.

Development projects are measured at cost with deduction of accrued amortisation. The amortisation period is maximum 10 years.

Patents and licenses are measured at cost with deduction of accrued amortisation. Patents are amortised on a straight-line basis over the remaining patent period, and licenses are amortised over the contract period, however, for a maximum of 10 years.

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

Goodwill

Acquired goodwill is measured at cost less accumulated amortisation. Given that it is impossible to make a reliable estimate of the useful life, the amortisation period is set at 10 years.

Property, plant and equipment

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

Accounting policies

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

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

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

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

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

	Useful life
Furnishing of rented premises	10 years
Technical plants and machinery	5 years
Other fixtures and fittings, tools and equipment	3 years

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

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

Investments

Deposits

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

Impairment loss relating to non-current assets

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

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

Accounting policies

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

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

Inventories

Inventories are measured at cost according to the FIFO method. In cases when the net realisable value of the inventories is lower than the cost, the latter is written down for impairment to this lower value.

Costs of goods for resale, raw materials, and consumables comprise acquisition costs plus delivery costs.

The net realisable value for inventories is recognised as the market price less costs of completion and selling costs. The net realisable value is determined with due consideration of negotiability, obsolescence, and the development of expected market prices.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value. In order to meet expected losses, writedown takes place at the net realisable value.

Contract work in progress

Contract work in progress is measured at the selling price of the work performed. The selling price is measured on the basis of the stage of completion on the reporting date and the total expected income from the individual work in progress. The stage of completion is calculated as the share of costs incurred in proportion to the estimated total costs of the individual work in progress.

When the selling price of the individual work in progress can not be determined reliably, the selling price is measured at the costs incurred or at net realisable value, if this is lower.

The individual work in progress is recognised in the statement of financial position under accounts receivables or liabilities. Net assets consist of the sum of the work in progress, where the selling price of the work performed exceeds invoicing on account. Net liabilities consist of the sum of the work in progress, where invoicing on account exceeds the selling price.

Costs in connection with sales work and the procurement of contracts are recognised in the income statement when incurred.

Prepayments and accrued income

Prepayments and accrued income recognised under assets comprise incurred costs concerning the following financial year.

Accounting policies

Cash on hand and demand deposits

Cash on hand and demand deposits comprise cash at bank and on hand.

Equity

Reserve for development costs

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

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

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

Dividend

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

Income tax and deferred tax

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

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as ”Income tax receivable” or “Income tax payable”.

According to the rules of joint taxation, Oreco A/S is unlimitedly, jointly, and severally liable to pay the Danish tax authorities the total income tax, including withholding tax on interest, royalties, and dividends, arising from the jointly taxed group of companies.

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

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany gains and losses.

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

Accounting policies

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

Provisions

Provisions comprise expected costs of warranty commitments, loss on work in progress, restructuring, etc. Provisions are recognised when the company has a legal or actual commitment resulting from a previously occurred event and when it is probable that the settlement of the liability will result in consumption of the financial resources of the company.

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

On the acquisition of entities, provisions for restructuring within the acquired entity are included in the acquisition cost, and thereby in the goodwill or the consolidated goodwill, to the extent that they have been recognised in the financial statements of the acquired entity in advance of the acquisition. Provisions for restructuring are included to the extent that they have been decided at the date of acquisition at the latest and that the process have been commenced.

When it is likely that the total costs will exceed the total income of contract work in progress, the total expected loss on the contract work in progress will be recognised as provisions for liabilities. The provision is recognised under production costs.

Liabilities other than provisions

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

Accruals and deferred income

Payments received concerning future income are recognised under accruals and deferred income.

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"Med min underskrift bekræfter jeg indholdet og alle datoer i dette dokument."

Nina Christiane Movin
Bestyrelsesmedlem
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Birgitte Brinch Madsen
Bestyrelsesformand
Serienummer: PID:9208-2002-2-907154696202
IP: 188.179.xxx.xxx
2021-04-15 07:19:14Z
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Per Høholt
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Serienummer: PID:9208-2002-2-051948187046
IP: 217.63.xxx.xxx
2021-04-18 15:22:13Z
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Casper Christiansen
Statsautoriseret revisor
Serienummer: CVR:34209936-RID:69383443
IP: 62.243.xxx.xxx
2021-04-19 05:12:58Z
NEM ID

Claus Koskelin
Statsautoriseret revisor
Serienummer: CVR:34209936-RID:33454146
IP: 62.243.xxx.xxx
2021-04-19 05:50:11Z
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Birgitte Brinch Madsen
Dirigent
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