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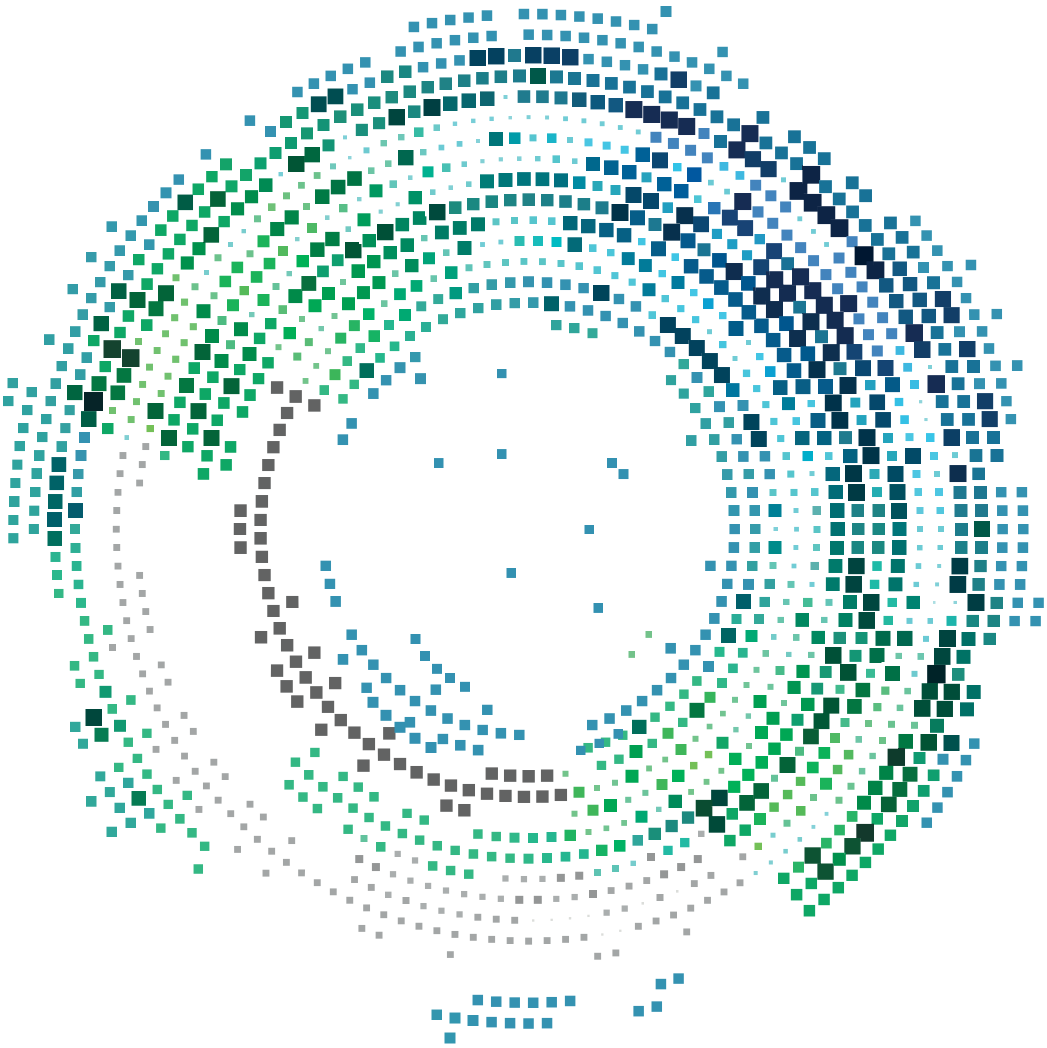

PGH Afrika Holding ApS

Robert Jacobsens Vej 76
2300 Copenhagen East
CVR No. 39764164

Annual report 2021

The Annual General Meeting adopted the annual report on 24.05.2022

Torben Golsche Knappe
Chairman of the General Meeting

Contents

Entity details

Entity

PGH Afrika Holding ApS
Robert Jacobsens Vej 76
2300 Copenhagen East

Business Registration No.: 39764164
Registered office: Copenhagen
Financial year: 01.01.2021 - 31.12.2021

Board of Directors

Morten Pitzner, chairman
Flemming Horn Nielsen
Erik Schou Stavnstrup
Jørgen Janus Roijer Hillerup
Torben Golsche Knappe

Executive Board

Thomas Langbo Algreen Nielsen, director

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
2300 Copenhagen S

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of PGH Afrika Holding 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 consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2021 and of the results of their 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, 20.04.2022

Executive Board

Thomas Langbo Algreen Nielsen
director

Board of Directors

Morten Pitzner
chairman

Flemming Horn Nielsen

Erik Schou Stavnstrup

Jørgen Janus Roijer Hillerup

Torben Golsche Knappe

Independent auditor's report

To the shareholders of PGH Afrika Holding ApS

Opinion

We have audited the consolidated financial statements and the parent financial statements of PGH Afrika Holding 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, for the Group as well as the Parent. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2021 and of the results of their 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 consolidated financial statements and the parent financial statements" section of this auditor's report. 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 financial statements

Management is responsible for the preparation of consolidated financial statements and parent 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 consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent financial statements, Management is responsible for assessing the Group's and 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 consolidated financial statements and the parent 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 consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent 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 parent 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 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 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 consolidated financial statements and the parent 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 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 consolidated financial statements and the parent 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 Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent 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 the management commentary

Management is responsible for the management commentary.

Our opinion on the consolidated financial statements and the parent 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 consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent 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 consolidated financial statements and the parent 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, 20.04.2022

Deloitte
Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Henrik Jacob Vilmann Wellejus
State Authorised Public Accountant
Identification No (MNE) mne24807

Hans Tauby
State Authorised Public Accountant
Identification No (MNE) mne44339

Management commentary

Primary activities

The Groups main activities are international trade including solar equipment with installations, various supplies for international organizations and marine equipment.

In the financial year 2021, the Group realized a loss for the year of DKK 29,784k compared to DKK 25,482k prior year.

The result was effected negatively due to the ongoing outbreak of coronavirus/COVID-19. The result is considered unsatisfactory.

The consolidated financial statement, consists of the following companies:
PGH Afrika Holding ApS
Johs. Gram-Hanssen A/S, owned 100%

Events after the balance sheet date

The war in Ukraine which started at the end of February 2022 have initially a significant impact on availability of supplies and the price of supplies. The war has resulted in a series of precautions, that affects the daily operations, both for the Company, suppliers, customers and other business partners. The economic effect cannot be measured at this time.

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

Consolidated income statement for 2021

	Notes	2021 DKK'000	2020 DKK'000
Revenue		97,632	120,010
Other operating income		0	312
Cost of sales		(88,959)	(111,512)
Other external expenses		(13,166)	(7,919)
Gross profit/loss		**(4,493)**	**891**
Staff costs	2	(18,633)	(18,264)
Depreciation, amortisation and impairment losses	3	(7,676)	(7,500)
Operating profit/loss		**(30,802)**	**(24,873)**
Other financial income	4	1,683	817
Other financial expenses	5	(6,862)	(6,573)
Profit/loss before tax		**(35,981)**	**(30,629)**
Tax on profit/loss for the year	6	6,197	5,147
Profit/loss for the year		**(29,784)**	**(25,482)**
Proposed distribution of profit and loss			
Retained earnings		(29,784)	(25,482)
Proposed distribution of profit and loss		**(29,784)**	**(25,482)**

Consolidated balance sheet at 31.12.2021

Assets

	Notes	2021 DKK'000	2020 DKK'000
Acquired intangible assets		1,335	1,340
Goodwill		119,972	127,206
Intangible assets	7	**121,307**	**128,546**
Other fixtures and fittings, tools and equipment		237	164
Property, plant and equipment	8	**237**	**164**
Fixed assets		**121,544**	**128,710**
Prepayments for goods		9,751	7,329
Inventories		**9,751**	**7,329**
Trade receivables		17,526	24,536
Contract work in progress	9	21,148	51,642
Other receivables		854	1,323
Joint taxation contribution receivable		6,299	5,685
Prepayments		336	1,051
Receivables		**46,163**	**84,237**
Cash		**331**	**272**
Current assets		**56,245**	**91,838**
Assets		**177,789**	**220,548**

Equity and liabilities

	Notes	2021 DKK'000	2020 DKK'000
Contributed capital		100	100
Retained earnings		1,366	31,150
Equity		**1,466**	**31,250**
Deferred tax		276	267
Provisions		**276**	**267**
Subordinate loan capital		57,800	0
Bank loans		35,000	42,500
Other payables		0	948
Non-current liabilities other than provisions	10	**92,800**	**43,448**
Current portion of non-current liabilities other than provisions	10	12,500	12,500
Bank loans		35,128	39,073
Prepayments received from customers		5,889	1,444
Trade payables		11,982	8,442
Payables to group enterprises		15,230	81,790
Other payables		2,518	2,334
Current liabilities other than provisions		**83,247**	**145,583**
Liabilities other than provisions		**176,047**	**189,031**
Equity and liabilities		**177,789**	**220,548**
Events after the balance sheet date	1		
Unrecognised rental and lease commitments	11		
Assets charged and collateral	12		
Subsidiaries	13		

Consolidated statement of changes in equity for 2021

	Contributed capital DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	100	31,150	31,250
Profit/loss for the year	0	(29,784)	(29,784)
Equity end of year	**100**	**1,366**	**1,466**

Notes to consolidated financial statements

1 Events after the balance sheet date

The war in Ukraine which started at the end of February 2022 have initially a significant impact on availability of supplies and the price of supplies. The war has resulted in a series of precautions, that affects the daily operations, both for the Group, suppliers, customers and other business partners. The economic effect cannot be measured at this time.

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

2 Staff costs

	2021 DKK'000	2020 DKK'000
Wages and salaries	16,776	16,970
Pension costs	878	552
Other social security costs	0	25
Other staff costs	979	717
	18,633	**18,264**
Average number of full-time employees	**25**	**22**

3 Depreciation, amortisation and impairment losses

	2021 DKK'000	2020 DKK'000
Amortisation of intangible assets	7,548	7,419
Depreciation on property, plant and equipment	128	81
	7,676	**7,500**

4 Other financial income

	2021 DKK'000	2020 DKK'000
Other interest income	16	50
Exchange rate adjustments	1,667	767
	1,683	**817**

5 Other financial expenses

	2021 DKK'000	2020 DKK'000
Financial expenses from group enterprises	1,981	1,496
Other interest expenses	2,112	3,503
Other financial expenses	2,769	1,574
	6,862	**6,573**

6 Tax on profit/loss for the year

	2021 DKK'000	2020 DKK'000
Change in deferred tax	46	538
Adjustment concerning previous years	56	0
Refund in joint taxation arrangement	(6,299)	(5,685)
	(6,197)	**(5,147)**

7 Intangible assets

	Acquired intangible assets DKK'000	Goodwill DKK'000
Cost beginning of year	1,542	144,688
Additions	309	0
Cost end of year	**1,851**	**144,688**
Amortisation and impairment losses beginning of year	(202)	(17,482)
Amortisation for the year	(314)	(7,234)
Amortisation and impairment losses end of year	**(516)**	**(24,716)**
Carrying amount end of year	**1,335**	**119,972**

8 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK'000
Cost beginning of year	277
Additions	201
Cost end of year	**478**
Depreciation and impairment losses beginning of year	(113)
Depreciation for the year	(128)
Depreciation and impairment losses end of year	**(241)**
Carrying amount end of year	**237**

9 Contract work in progress

	2021 DKK'000	2020 DKK'000
Contract work in progress	21,148	51,642
	21,148	**51,642**

10 Non-current liabilities other than provisions

	Due within 12 months 2021 DKK'000	Due within 12 months 2020 DKK'000	Due after more than 12 months 2021 DKK'000
Subordinate loan capital	0	0	57,800
Bank loans	12,500	12,500	35,000
	12,500	**12,500**	**92,800**

Outstanding after 5 years of Subordinate loan capital and Bank loans amounts to DKK 0.

11 Unrecognised rental and lease commitments

	2021 DKK'000	2020 DKK'000
Total liabilities under rental or lease agreements until maturity	2,135	1,187

12 Assets charged and collateral

The Group has a total framework for bank guarantees and letter of credit of DKK 31.364 thousand.

13 Subsidiaries

	Registered in	Corporate form	Ownership %
Johs. Gram Hanssen A/S	København	A/S	100

Parent income statement for 2021

	Notes	2021 DKK'000	2020 DKK'000
Other external expenses		(92)	(46)
Gross profit/loss		**(92)**	**(46)**
Income from investments in group enterprises		(27,391)	(23,591)
Other financial expenses	1	(2,976)	(2,379)
Profit/loss before tax		**(30,459)**	**(26,016)**
Tax on profit/loss for the year	2	675	534
Profit/loss for the year		**(29,784)**	**(25,482)**
Proposed distribution of profit and loss			
Retained earnings		(29,784)	(25,482)
Proposed distribution of profit and loss		**(29,784)**	**(25,482)**

Parent balance sheet at 31.12.2021

Assets

	Notes	2021 DKK'000	2020 DKK'000
Investments in group enterprises		125,910	153,301
Financial assets	3	**125,910**	**153,301**
Fixed assets		**125,910**	**153,301**
Joint taxation contribution receivable		675	534
Receivables		**675**	**534**
Cash		**163**	**164**
Current assets		**838**	**698**
Assets		**126,748**	**153,999**

Equity and liabilities

	Notes	2021 DKK'000	2020 DKK'000
Contributed capital		100	100
Retained earnings		1,366	31,150
Equity		**1,466**	**31,250**
Subordinate loan capital		57,800	0
Bank loans		35,000	42,500
Non-current liabilities other than provisions	4	**92,800**	**42,500**
Current portion of non-current liabilities other than provisions	4	12,500	12,500
Bank loans		313	370
Trade payables		31	29
Payables to group enterprises		19,607	67,336
Other payables		31	14
Current liabilities other than provisions		**32,482**	**80,249**
Liabilities other than provisions		**125,282**	**122,749**
Equity and liabilities		**126,748**	**153,999**
Contingent liabilities	5		
Assets charged and collateral	6		

Parent statement of changes in equity for 2021

	Contributed capital DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	100	31,150	31,250
Profit/loss for the year	0	(29,784)	(29,784)
Equity end of year	**100**	**1,366**	**1,466**

Notes to parent financial statements

1 Other financial expenses

	2021 DKK'000	2020 DKK'000
Financial expenses from group enterprises	1,669	1,023
Other financial expenses	1,307	1,356
	2,976	**2,379**

2 Tax on profit/loss for the year

	2021 DKK'000	2020 DKK'000
Refund in joint taxation arrangement	(675)	(534)
	(675)	**(534)**

3 Financial assets

	Investments in group enterprises DKK'000
Cost beginning of year	195,991
Disposals	(42,149)
Cost end of year	**153,842**
Impairment losses beginning of year	(42,690)
Addition through business combinations etc	9,879
Amortisation of goodwill	(7,234)
Share of profit/loss for the year	(20,157)
Reversal regarding disposals	32,270
Impairment losses end of year	**(27,932)**
Carrying amount end of year	**125,910**

A specification of investments in subsidiaries is evident from the notes to the consolidated financial statements.

In investments in group enterprises goodwill is included with DKK 119,972k.

4 Non-current liabilities other than provisions

	Due within 12 months 2021 DKK'000	Due within 12 months 2020 DKK'000	Due after more than 12 months 2021 DKK'000
Subordinate loan capital	0	0	57,800
Bank loans	12,500	12,500	35,000
	12,500	**12,500**	**92,800**

Outstanding after 5 years of Subordinate loan capital and Bank loans amounts to DKK 0.

5 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement in which Pitzner Gruppen Holding A/S serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc. for the jointly taxed entities, and also for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

6 Assets charged and collateral

The bank holds security for all outstanding amounts between the bank and the Company. The bank has pawned the Stock Capital in Johs. Gram Hanssen A/S.

The Company has provided Security for Johs. Gram Hanssen A/S for all outstanding amounts between the companies and the bank.

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 consolidated financial statements and parent 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.

Consolidated financial statements

The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence.

Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the takeover date, with net assets having been calculated at fair value.

Income statement

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.

Contract work in progress is included in revenue based on the stage of completion so that revenue corresponds to the selling price of the work performed in the financial year (the percentage-of-completion method).

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

Cost of sales

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

Other external expenses

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

Staff costs

Staff costs comprise wages and salaries, 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 investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets, and tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and 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 goodwill, useful life has been determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long-term earnings profile and whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets. Useful lives are reassessed annually. The amortisation periods used are 20 years.

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

Intellectual property rights etc.

Intangible assets comprise development projects completed.

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 on a straight-line basis 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.

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

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 recognised and measured in the parent financial statements according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value.

Group enterprises with negative equity value are measured at DKK 0. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation will involve a loss, a provision is recognised that is measured at present value of the costs necessary to settle the obligations at the balance sheet date.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to reserve for net revaluation according to the equity method in equity.

Investments in group enterprises 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.

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.

Contract work in progress
Contract work in progress is measured at the selling price of the work carried out at the balance sheet date.

The selling price is measured based on the stage of completion and the total estimated income from the individual contracts in progress. Usually, the stage of completion is determined as the ratio of actual to total budgeted consumption of resources.

If the selling price of a contract in progress cannot be made up reliably, it is measured at the lower of costs incurred and net realisable value.

Each contract in progress is recognised in the balance sheet under receivables or liabilities other than provisions, depending on whether the net value, calculated as the selling price less prepayments received, is positive or negative.

Costs of sales work and of securing contracts, and finance costs are recognised in the income statement as incurred.

Joint taxation contributions payable or receivable
Current joint taxation contributions payable or receivable are recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

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

Cash
Cash comprises cash in hand and bank deposits.

Deferred tax
Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

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

Deferred tax relating to retaxation of previously deducted losses in foreign subsidiaries is recognised on the basis of an actual assessment of the purpose of each subsidiary.

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.