Deloitte.

Meyers Group ApS

Dampfærgevej 10, 1.
2100 København Ø
CVR No. 42988731

Annual report 05.01.2022 - 31.12.2022

The Annual General Meeting adopted the annual report on 07.03.2023

Lizette Kjellerup
Chairman of the General Meeting

Contents

Entity details

Entity

Meyers Group ApS
Dampfærgevej 10, 1.
2100 København Ø

Business Registration No.: 42988731
Registered office: København
Financial year: 05.01.2022 - 31.12.2022

Board of Directors

Per Harkjær
Christopher Patric Masek
Mads Ryum Larsen

Executive Board

Jesper Uggerhøj, CEO
Lizette Kjellerup, CFO

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 Meyers Group ApS for the financial year 05.01.2022 - 31.12.2022.

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 31.12.2022 and of the results of their operations and the consolidated cash flows for the financial year 05.01.2022 - 31.12.2022.

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, 07.03.2023

Executive Board

Jesper Uggerhøj
CEO

Lizette Kjellerup
CFO

Board of Directors

Per Harkjær

Christopher Patric Masek

Mads Ryum Larsen

Independent auditor's report

To the shareholders of Meyers Group ApS

Opinion

We have audited the consolidated financial statements and the parent financial statements of Meyers Group ApS for the financial year 05.01.2022 - 31.12.2022, 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, and the consolidated cash flow statement. 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 31.12.2022 and of the results of their operations and the consolidated cash flows for the financial year 05.01.2022 - 31.12.2022 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, 07.03.2023

Deloitte
Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Bill Haudal Pedersen
State Authorised Public Accountant
Identification No (MNE) mne30131

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

Management commentary

Financial highlights

	2022 DKK'000
Key figures	
Revenue	724,516
Gross profit/loss	376,148
Operating profit/loss	(16,379)
Net financials	(1,684)
Profit/loss for the year	(15,765)
Balance sheet total	601,527
Investments in property, plant and equipment	195,478
Equity	288,814
Cash flows from operating activities	(27,094)
Cash flows from investing activities	(11,547)
Cash flows from financing activities	51,930
Ratios	
Gross margin (%)	51.92
Net margin (%)	(2.18)
Equity ratio (%)	48.01

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

Gross margin (%):
Gross profit/loss * 100
Revenue

Net margin (%):
Profit/loss for the year * 100
Revenue

Equity ratio (%):
Equity * 100
Balance sheet total

Primary activities
Meyers is a Danish food company working as an active producer of quality foods, which also facilitates gastronomic courses, counseling, and education alongside offering customers tasteful experiences through wholesome and healthy meals ranging from ready-mades to catering, canteens, restaurants and bakeries.

Business areas
Meyers operates within a broad spectrum of activities, all centred around the joy of a good meal. Activities include retail sales, wholesale and canteen operations, workplace lunch delivery and catering for special occasions to private consumers and companies alike. Furthermore, the company operates a range of craft bakeries and restaurants. Finally, Madhuset in the bustling capital district of Nørrebro offers cooking classes and gastronomic teambuilding sessions, while also publishing cookbooks and handling food consultancy services for several public and private partners.

Head office
The head office is located at Dampfærgevej in Copenhagen.

Ownership and subsidiaries
The company Meyers Group ApS was established 5th January 2022 as a part of a separation plan, where Meyers Group ApS from 5th January became 100% owner of the Meyers A/S and the subsidiaries Meyers Contract Catering A/S, Massive Catering A/S and Hahnemann Køkken ApS.

Development in activities and finances
After two years with abnormal business with regards to the COVID-19 situation, year 2022 was a year where COVID-19 in in the beginning of the year rapidly loosen its grip and business bounce back to more normal activities.

Revenue was DKK 725 million. The development can be traced to sales within canteens, catering, restaurants, bakeries and the activities in Madhuset's food counselling, cooking classes and teambuilding sessions.

Operating Profit (EBITDA) was DKK 34.6 million and a loss for the year of DKK 15.8 million. At 31 December 2022 the balance sheet shows equity of DKK 289 million.

Outlook
The company experienced a strong momentum for Meyers activities heading into 2023 and expects a revenue in 2023 of DKK 800 – 850 million and an operating profit (EBITDA) of DKK 45-50 million.

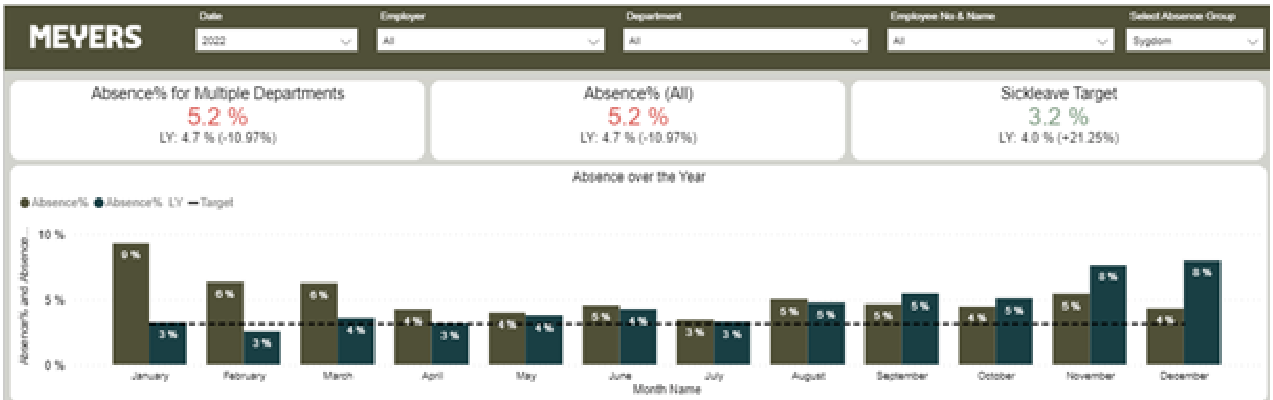
Statutory report on corporate social responsibility
Social and labor aspects
Meyers wants to be a workplace with an ability to attract, retain and develop the talents and passionate souls needed to accomplish the company's vision and mission. We insist on being a safe place to work with a goal of zero accidents; at healthy place to work, where good work-life balance and a general sound way of working is promoted. Likewise, we strive to be a company with a large degree of freedom under responsibility - and good options for professional development and personal growth.

Overall goals
Throughout 2022, we have established a stronger working environment organization and gained better tools to monitor our efforts, so that we work increasingly data based.
Our superior concrete goals for safety, health, and job happiness are:

- Safety is measured by - Accidents = 0
- Healthy is measured by – illness absence < 3,2 %
- Happiness is measured by – job happiness survey > score 4 or above.

During 2022 we put an effort on improved monitoring of accidents, which resulted in 37 accidents. This is both a result of better registration and having the operation fully back after the covid closed periods in 2021. Most accidents (12/37) are falls. This is followed by cutting and fire accidents (7/37 and 7/37). We have worked with corrective efforts in relation to these three areas and will continue the efforts into 2023. From 2023, our goal is to reduce the number by 10%.

Health is measured by sick leave < 3.2%. In 2022, we had a total of 5.2%, among other things due to a high level of absences, especially January, February, and March, where corona still affected us. As of September, we have a decreasing sickness absence in relation to sick leave for the same period in 2021.



Finally, in 2022 (after 2 years without employee surveys) we have launched a new employee survey, which we refer to as 'job satisfaction survey'. It was introduced in September and the first results give a satisfactory average score of 4.2 (5 scale)

	OFFICE (10/57)	CANTEENS (37/197)	LARGE KITCHENS (3/46)
Average	4,2	4,2	4,3

Employee situation

Unfortunately, throughout 2022, we have experienced a shortage of employees, especially in operations. This has affected our canteens seriously, which due to their staffing size (most have 1 - 5 employees) are vulnerable to illness or terminations. This is amongst the risks we experience when it comes to social and labour aspects, and one of the reasons we prioritize to secure and maintain a healthy work environment to retain current employees and attract new employees. Towards the end of the year, however, the situation has stabilized at a less critical level. Our efforts to address the problem are focused on spreading awareness of Meyers as an attractive workplace for chefs and unskilled workers - and at the same time efforts to retain existing employees through close dialogue and development.

Other employee groups have also been affected by the general labor shortage. Among other things, we have experienced that recruitments have taken up to 3 times as long as before, and that several new employees have withdrawn before joining due to outbidding from previous employers. A method we have also used ourselves.

Overall, 2022 has been positively marked by being back in 'normal everyday life' again. We have landed in a stable daily life with each other - and for office employees a flexible and valued use of homework and digital meeting forms.

Respect, diversity, and well-being
Meyers has adopted a workforce policy stating that:
We view diversity as a strength. This means we aim to have an equal balance between men and women in our organization, and in all other areas, we want to have equal opportunities for current and future employees regardless of ethnic background, religion, sexual orientation, or possible disabilities.

Our target is a 50:50 gender balance at any time, although never at the expense of skills. In 2022, 42% of all employees are women, which is 6% less compared to 2021. Especially our Lunch Catering and Event operation struggles with few female employees.

#Action
In relation to employee replacements or new appointments within salary paid employees, we ensure to the best of our ability that the field of candidates includes both female and male candidates to achieve the goal of equal gender representation. However, this ambition may never overshadow candidate capabilities and the experience needed.

Human rights
Meyers respects internationally recognized human rights, and we aim not to violate them. Inspired by the UN Guidelines for Human Rights and Business, we regularly monitor which human rights Meyers might struggle to adhere to regarding our different business activities – in addition to what is already expected from us by law.

The Meyers Group's code of conduct for suppliers and business partners establishes that, as a business, we work according to and support the UN Global Compact Principles for Human Rights and that we expect our business partners to do the same and to demonstrate the same level of honesty and integrity as we do. We have not identified any violation of human rights by our company in the financial year of 2022.

The supplier is obliged to show social responsibility and comply with all applicable national and international legislation as well as the conventions of the United Nations on social, environmental and ethical challenges. All our suppliers sign our Code of Conduct when we enter into agreements.

All our employees are employed in Denmark, where there is strong regulation in all human rights related areas. The risk of violation of human rights is consequently considered to be very limited/none. In addition, we are covered by collective agreements, which supplements with rules for additional insurance (pay, discrimination, child labor, etc.). In 2022, we have updated our anti-violation / anti-corruption policy and conducted mandatory training of most existing and new managers related to our policy for rollout 2022.

We will continuously monitor potential risks related to human rights and take the necessary actions if we see any indications of violations hereof.

Anti-corruption
In 2021 we updated our staff policy regarding anti-bribery and anti-corruption and launched a Group Whistleblower Scheme to live up to new directives from the EU. To provide extended professional and neutral evaluation, we have chosen to let the Whistleblower system be handled externally by Lundgren Law firm. The company's risks related to combatting corruption primarily centers around our supply chain, which we estimate to contain a potential risk of corruption – particularly in our cooperation with foreign suppliers. One could also

point to potential anti-competitive activities in connection with our public procurement procedures.

At the end of 2022 we still had an outstanding job establishing the required training in anti-corruption. We train employees ad hoc and without consistent registration. Our first plan to expand our communication platform to include the courses and recurring controls became too expensive. We aim to instead implement this in the coming year and thereby reaching our goal by 2023.

Fortunately, our whistleblower scheme system has not revealed any violation cases in 2022.

Climate and Environment
The world's food systems have an enormous environmental and climate footprint. For example, approximately 20% of our total climate footprint in Denmark stems from the food we consume. Therefore, as a food company, we here see some of the greatest risks related to the climate and environment, and we have a responsibility to carefully weigh all our choices from a sustainability perspective and take an active position.

In 2021 we presented an ambitious sustainability strategy stating to significantly reduce our climate footprint. The footprint of the raw ingredients we use must be reduced by 50% by 2030 and 30% by 2025 per kilo of food using 2018 as the starting point. By 2022, we have already managed to reduce the climate footprint by 20%. Moreover, the operation of our kitchens, restaurants, bakeries, and other facilities must be CO2-neutral by 2025. Additionally, we have set goals concerning biodiversity, organic produce, animal welfare, local food production and food culture as well as educational, social and research partnership projects.

The following examples are some of our current sustainability initiatives:

- We have established KPIs and salary bonusses for head chefs, who manage to reduce the use of meat as long as it doesn't compromise guest satisfaction.
- We have developed strict guidelines for the use of sustainable packaging.
- We bake 100% organic bread and pastry in our bakeries.
- We collaborate with producers and farmers on the islands of Lolland and Bornholm to bring some of the most interesting old Nordic legumes back into the soil. The first few tons are harvested and will now be used in our canteens.
- We have ensured that all electricity comes from renewable sources.
- We have implemented a CO2 reporting system enabling a continuous and close collaboration with our customers to reduce their climate footprint.

In December 2022, we achieved a B Corp certification, which is a global standard for the difference a company makes in society. As a certified B Corp, we will be committed to comply with high standards socially, environmentally and in terms of transparency, and to document the actions behind our words.

Reducing food waste results in a decreased climate footprint as well as an increased awareness of food scarcity and overconsumption. We work purposefully to reduce food waste, for example, through four annual measurements in our canteens, which are translated into efforts to reduce serving waste, plate waste and production waste. Other initiatives include participation in 'Denmark against food waste', a voluntary agreement whose goal is to cut food waste in the Danish food industry in half by 2030.

We are careful not to misrepresent our sustainability efforts and we participate in a working group on fair climate communication on food together with authorities, organizations, research institutions and businesses to mitigate potential greenwashing in the food and retail industry.

Food quality
– a special focus on organic produce, animal welfare and unique products.

We continually work to improve the levels of e.g. organic produce, locally sourced goods and animal welfare. We aim to develop and promote new products and concepts with enough impact and innovation to inspire not only our own employees, but consumers and retail partners alike. Current efforts encompass the following examples:

- Maintaining and strengthening ambitious minimum levels for organic produce and animal welfare.
- All canteens and production kitchens operate at levels of organic procurement corresponding with national labeling standards = 30.000 daily meals served with organic certification.
- Partnership with WWF focusing on sustainable fishing.
- Partnership with 'frontrunner' suppliers such as Fiskerikajen (certified by new national sustainable fishing program), Livø (biodynamic free-range cattle) and Birkemosegaard (biodynamic produce).

Health and social change
– a special focus on children's food education and social equilibrium

We know from many past and present initiatives that food and meals have a unique potential when it comes to releasing hidden resources in people who feel left out. We aim to contribute to positive social change through projects that focus on food, community and entrepreneurship and we see it as a crucial task to give children a good start to their food life.

Statutory report on the underrepresented gender

In 2021 the Group joined 'The Gender Diversity Pledge'; 16 principles for promoting gender diversity launched by national organization Danish Industry. By signing the pledge, we have committed ourselves to working together to ensure that the business community as a whole reaches a goal of a 40/60 gender distribution by 2030.

We view diversity as a strength. This means that we aim to have an equal balance between men and women in our organization, and in all other areas, we want to have equal opportunities for current and future employees regardless of ethnic background, religion, sexual orientation, or possible disabilities.

In relation to employee replacements or new appointments within Group and other Meyers leadership posts, procedures are being established to ensure that candidate proposals will include relevant female candidates to achieve the goal of equal gender representation. However, this ambition may never overshadow the candidate capabilities and experience needed.

The Executive Board of Meyers Group ApS represents gender equality with a male CEO and female CFO. The board of Meyers Group ApS consist of three members, all males.

We aim for gender equality in the general composition of both boards by 2027 at the latest - in time to meet the UN Sustainable Development Goal nr. 5.

Statutory report on data ethics policy

Data ethics is generally about good practice when collecting, using and sharing data.

The company do not currently have a data ethics handbook for users, but asks all employees to sign a declaration that in their employment they will comply with guidelines for the collection of personal data, and only use these data for what they are submitted for, in the IT systems apply to this handling.

In addition, employees is trained in data security, and the company monitors and limits the use of personal and purchased data to only be used and stored for what the company is required to, in order to ensure proper accounting procedures and/or data processing.

The company does not use advanced artificial intelligence or algorithms to classify or segment data, nor do we record data for social, ethnic, religious or political purposes. Therefore, the company has so far not found it necessary to have a specific policy for data ethics.

Due to the major COVID-19 impact on the business, the number of in-house employees have been reduced thus requiring an increased focusing on maintenance, operations, and data security. Therefore, the company now resumes education and training within the aera of data ethics, personal data use and IT security. Moreover, the company expects to form a policy for data ethics during 2023/2024.

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.

Consolidated income statement for 2022

	Notes	2022 DKK'000
Revenue	2	724,516
Other operating income	3	1,327
Cost of sales		(283,763)
Other external expenses	4	(65,932)
Gross profit/loss		**376,148**
Staff costs	5	(341,595)
Depreciation, amortisation and impairment losses	6	(50,932)
Operating profit/loss		**(16,379)**
Other financial income	7	29
Other financial expenses	8	(1,713)
Profit/loss before tax		**(18,063)**
Tax on profit/loss for the year	9	2,298
Profit/loss for the year	10	**(15,765)**

Consolidated balance sheet at 31.12.2022

Assets

	Notes	2022 DKK'000
Completed development projects	12	7,948
Acquired intangible assets		2,406
Acquired trademarks		55,226
Acquired rights		1,712
Goodwill		40,177
Intangible assets	11	**107,469**
Plant and machinery		5,298
Other fixtures and fittings, tools and equipment		6,050
Leasehold improvements		18,749
Leased assets		32,780
Property, plant and equipment in progress		2,875
Property, plant and equipment	13	**65,752**
Other investments		100
Deposits		2,952
Financial assets	14	**3,052**
Fixed assets		**176,273**
Raw materials and consumables		8,523
Manufactured goods and goods for resale		4,437
Inventories		**12,960**
Trade receivables		95,573
Receivables from group enterprises		256,072
Receivables from associates		391
Other receivables		36,107
Joint taxation contribution receivable		5,042
Prepayments	15	5,820
Receivables		**399,005**

Cash	**13,289**
Current assets	**425,254**
Assets	**601,527**

Equity and liabilities

	Notes	2022 DKK'000
Contributed capital		40
Reserve for development costs		6,200
Retained earnings		282,574
Equity		**288,814**
Deferred tax	16	1,705
Provisions		**1,705**
Lease liabilities		24,585
Deposits		236
Other payables		27,952
Non-current liabilities other than provisions	17	**52,773**
Current portion of non-current liabilities other than provisions	17	9,098
Prepayments received from customers		2,020
Trade payables		74,076
Payables to group enterprises		113,145
Other payables		58,831
Deferred income	18	1,065
Current liabilities other than provisions		**258,235**
Liabilities other than provisions		**311,008**
Equity and liabilities		**601,527**
Events after the balance sheet date	1	
Assets charged and collateral	20	
Transactions with related parties	21	
Group relations	22	
Subsidiaries	23	

Consolidated statement of changes in equity for 2022

	Contributed capital DKK'000	Reserve for development costs DKK'000	Retained earnings DKK'000	Total DKK'000
Effect of mergers and business combinations	40	0	304,540	304,580
Transfer to reserves	0	6,200	(6,200)	0
Profit/loss for the year	0	0	(15,765)	(15,765)
Equity end of year	**40**	**6,200**	**282,574**	**288,814**

Consolidated cash flow statement for 2022

	Notes	2022 DKK'000
Operating profit/loss		(16,379)
Amortisation, depreciation and impairment losses		50,932
Working capital changes	19	(59,961)
Cash flow from ordinary operating activities		**(25,408)**
Financial income received		29
Financial expenses paid		(1,715)
Cash flows from operating activities		**(27,094)**
Acquisition etc. of intangible assets		(1,358)
Sale of intangible assets		227
Acquisition etc. of property, plant and equipment		(11,329)
Sale of property, plant and equipment		1,037
Acquisition of fixed asset investments		(651)
Sale of fixed asset investments		527
Cash flows from investing activities		**(11,547)**
Free cash flows generated from operations and investments before financing		**(38,641)**
Incurrence of debt to group enterprises		60,840
Lease repayment		(8,910)
Cash flows from financing activities		**51,930**
Increase/decrease in cash and cash equivalents		**13,289**
Cash and cash equivalents end of year		**13,289**
Cash and cash equivalents at year-end are composed of:		
Cash		13,289
Cash and cash equivalents end of year		**13,289**

Notes to consolidated financial statements

1 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.

2 Revenue

	2022 DKK'000
Denmark	724,323
Abroad	193
Total revenue by geographical market	**724,516**
Canteen services	454,154
Production	245,021
Retail	25,341
Total revenue by activity	**724,516**

3 Other operating income

	2022 DKK'000
Wage compensation	1,077
Compensation related to fixed costs	250
	1,327

4 Fees to the auditor appointed by the Annual General Meeting

	2022 DKK'000
Statutory audit services	509
Other assurance engagements	203
Tax services	47
	759

5 Staff costs

	2022 DKK'000
Wages and salaries	307,673
Pension costs	21,199
Other social security costs	7,209
Other staff costs	5,514
	341,595

Average number of full-time employees	**691**

The management is remunerated in other Group companies, thus no management remuneration is incurred in the Group.

6 Depreciation, amortisation and impairment losses

	2022 DKK'000
Amortisation of intangible assets	29,229
Depreciation on property, plant and equipment	21,720
Profit/loss from sale of intangible assets and property, plant and equipment	(17)
	50,932

7 Other financial income

	2022 DKK'000
Other interest income	15
Exchange rate adjustments	14
	29

8 Other financial expenses

	2022 DKK'000
Other interest expenses	755
Exchange rate adjustments	55
Other financial expenses	903
	1,713

9 Tax on profit/loss for the year

	2022 DKK'000
Change in deferred tax	2,744
Refund in joint taxation arrangement	(5,042)
	(2,298)

10 Proposed distribution of profit/loss

	2022 DKK'000
Retained earnings	(15,765)
	(15,765)

11 Intangible assets

	Completed development projects DKK'000	Acquired intangible assets DKK'000	Acquired trademarks DKK'000	Acquired rights DKK'000	Goodwill DKK'000
Addition through business combinations etc	26,102	4,313	73,396	5,542	69,349
Transfers	0	205	0	0	0
Additions	227	1,131	0	0	0
Disposals	(227)	0	0	0	0
Cost end of year	**26,102**	**5,649**	**73,396**	**5,542**	**69,349**
Addition through business combinations etc	(12,887)	(2,425)	(2,295)	(3,625)	(22,108)
Amortisation for the year	(5,267)	(818)	(15,875)	(205)	(7,064)
Amortisation and impairment losses end of year	**(18,154)**	**(3,243)**	**(18,170)**	**(3,830)**	**(29,172)**
Carrying amount end of year	**7,948**	**2,406**	**55,226**	**1,712**	**40,177**

12 Development projects

Development projects relate to software and it projects. The projects contribute to improving processes in the company and are therefore capitalized. As part of the demerger development projects have been acquired.

13 Property, plant and equipment

	Plant and machinery DKK'000	Other fixtures and fittings, tools and equipment DKK'000	Leasehold improvements DKK'000	Leased assets DKK'000	Property, plant and equipment in progress DKK'000
Addition through business combinations etc	32,092	20,220	62,082	48,545	0
Transfers	1,483	832	3,641	0	(6,161)
Additions	644	1,092	117	21,211	9,475
Disposals	(9,040)	(659)	(3,261)	(8,366)	(439)
Cost end of year	**25,179**	**21,485**	**62,579**	**61,390**	**2,875**
Addition through business combinations etc	(25,103)	(13,476)	(40,083)	(19,736)	0
Depreciation for the year	(3,436)	(2,553)	(6,857)	(8,874)	0
Reversal regarding disposals	8,658	594	3,110	0	0
Depreciation and impairment losses end of year	**(19,881)**	**(15,435)**	**(43,830)**	**(28,610)**	**0**
Carrying amount end of year	**5,298**	**6,050**	**18,749**	**32,780**	**2,875**

The Company has implemented IFRS 16 'leases' using the modified retrospective approach, see accounting policies. Leases comprises properties, cars and equipment. Carrying amount end of year includes properties (DKK 31,583 thousand) and cars (DKK 1,196 thousand).

14 Financial assets

	Other investments DKK'000	Deposits DKK'000
Addition through business combinations etc	100	2,829
Additions	0	650
Disposals	0	(527)
Cost end of year	**100**	**2,952**
Carrying amount end of year	**100**	**2,952**

15 Prepayments

Prepayments comprise prepaid expenses concerning rent and other prepayments

16 Deferred tax

Changes during the year	2022 DKK'000
Addition through business combinations etc.	(1,039)
Recognised in the income statement	2,744
End of year	**1,705**

17 Non-current liabilities other than provisions

	Due within 12 months 2022 DKK'000	Due after more than 12 months 2022 DKK'000	Outstanding after 5 years 2022 DKK'000
Lease liabilities	9,098	24,585	1,714
Deposits	0	236	0
Other payables	0	27,952	27,952
	9,098	**52,773**	**29,666**

18 Deferred income

Deferred income comprises incurred income for subsequent financial years.

19 Changes in working capital

	2022 DKK'000
Increase/decrease in inventories	(1,185)
Increase/decrease in receivables	(14,264)
Increase/decrease in trade payables etc.	(44,512)
	(59,961)

20 Assets charged and collateral

The Group's bank has pledge in all assets and has a registered ban on mortgaging.

21 Non-arm's length related party transactions

Only related party transactions not conducted on an arm's length basis are disclosed in the annual report.
During the financial year, related party transactions have been conducted on an arm's length basis besides the following transactions:
The Group does not recognize interest on intercompany balances.
Management fee incurred in the Group is not complete, as not all incurred cost in other Group entities is allocated appropriately.
The management is remunerated in other Group companies, thus no management remuneration is incurred in the Group.

22 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group:

Løgismose Meyers Holding ApS, Dampfærgevej 10, 1. tv., 2100 København Ø.

Name and registered office of the Parent preparing consolidated financial statements for the smallest group: Meyers Group ApS, Dampfærgevej 10, 1. tv., 2100 København Ø.

23 Subsidiaries

	Registered in	Corporate form	Ownership %
Meyers A/S	Denmark	A/S	100.00
Meyers Contract Catering A/S	Denmark	A/S	100.00
Hahnemanns Køkken ApS	Denmark	ApS	100.00
Massive Catering A/S	Denmark	A/S	100.00

Parent income statement for 2022

	Notes	2022 DKK'000
Other operating income	2	6,438
Other external expenses		(15)
Gross profit/loss		**6,423**
Depreciation, amortisation and impairment losses	3	(5,424)
Operating profit/loss		**999**
Income from investments in group enterprises		(19,017)
Other financial expenses	4	(3)
Profit/loss before tax		**(18,021)**
Tax on profit/loss for the year	5	2,256
Profit/loss for the year	6	**(15,765)**

Parent balance sheet at 31.12.2022

Assets

	Notes	2022 DKK'000
Completed development projects	8	7,901
Acquired rights		0
Development projects in progress	8	0
Intangible assets	7	**7,901**
Other fixtures and fittings, tools and equipment		363
Property, plant and equipment	9	**363**
Investments in group enterprises		272,874
Financial assets	10	**272,874**
Fixed assets		**281,138**
Receivables from group enterprises	11	8,033
Other receivables		21,525
Joint taxation contribution receivable		3,984
Receivables		**33,542**
Current assets		**33,542**
Assets		**314,680**

Equity and liabilities

	Notes	2022 DKK'000
Contributed capital		40
Reserve for development costs		6,163
Retained earnings		282,611
Equity		**288,814**
Deferred tax	12	1,728
Provisions		**1,728**
Trade payables		15
Payables to group enterprises		24,123
Current liabilities other than provisions		**24,138**
Liabilities other than provisions		**24,138**
Equity and liabilities		**314,680**
Events after the balance sheet date	1	
Contingent liabilities	13	
Assets charged and collateral	14	
Related parties with controlling interest	15	
Transactions with related parties	16	

Parent statement of changes in equity for 2022

	Contributed capital DKK'000	Reserve for development costs DKK'000	Retained earnings DKK'000	Total DKK'000
Effect of mergers and business combinations	40	0	304,539	304,579
Transfer to reserves	0	6,163	(6,163)	0
Profit/loss for the year	0	0	(15,765)	(15,765)
Equity end of year	**40**	**6,163**	**282,611**	**288,814**

Notes to parent financial statements

1 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.

2 Other operating income

The Company has not received public grants relating to Covid-19.

3 Depreciation, amortisation and impairment losses

	2022 **DKK'000**
Amortisation of intangible assets	5,251
Depreciation on property, plant and equipment	173
	5,424

4 Other financial expenses

	2022 **DKK'000**
Other financial expenses	3
	3

5 Tax on profit/loss for the year

	2022 **DKK'000**
Change in deferred tax	1,728
Refund in joint taxation arrangement	(3,984)
	(2,256)

6 Proposed distribution of profit and loss

	2022 **DKK'000**
Retained earnings	(15,765)
	(15,765)

7 Intangible assets

	Completed development projects DKK'000	Acquired rights DKK'000	Development projects in progress DKK'000
Addition through business combinations etc	25,749	46	0
Additions	227	0	2,369
Disposals	(227)	0	(2,369)
Cost end of year	**25,749**	**46**	**0**
Addition through business combinations etc	(12,606)	(37)	0
Amortisation for the year	(5,242)	(9)	0
Amortisation and impairment losses end of year	**(17,848)**	**(46)**	**0**
Carrying amount end of year	**7,901**	**0**	**0**

8 Development projects

Development projects relate to software and it projects. The projects contribute to improving processes in the company and are therefore capitalized. As part of the demerger development projects have been acquired.

9 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK'000
Addition through business combinations etc	741
Cost end of year	**741**
Addition through business combinations etc	(205)
Depreciation for the year	(173)
Depreciation and impairment losses end of year	**(378)**
Carrying amount end of year	**363**

10 Financial assets

	Investments in group enterprises DKK'000
Addition through business combinations etc	291,891
Cost end of year	**291,891**
Amortisation of goodwill	(14,855)
Share of profit/loss for the year	(4,162)
Impairment losses end of year	**(19,017)**
Carrying amount end of year	**272,874**

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

Goodwill recognized in investments in group enterprises amounts to DKK 53,441 thousand.

11 Receivables from group enterprises

The Company participates in a cash pool scheme with other companies within the Løgismose Meyers Group. Consequently, DKK 967 thousand of the Company's bank deposits is included in receivables from group enterprises. Meyers Group ApS is jointly and severally liable with other participating Group entities for the total debt of DKK 39,954 thousand within the cash pool scheme.

12 Deferred tax

Changes during the year	2022 DKK'000
Recognized in the income statement	1,728
End of year	**1,728**

13 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement in which Løgismose Meyers Holding ApS 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.

As a result of the demerger of Løgismose Group ApS in 2022, the contributing company Løgismose Group ApS and the new company Meyers Group ApS are jointly and severally liable for debt and liabilities arising after 5 January 2022, but relating to the period before 5 January 2022, which cannot be uniquely assigned to either Løgismose Group ApS or Meyers Group ApS.

14 Assets charged and collateral

The Company’s bank has pledge in all assets and has a registered ban on mortgaging.

15 Related parties with controlling interest

LM Group ApS, Dampfærgevej 10, 1., 2100 København Ø (immediate parent company)
Løgismose Meyers Holding ApS, Ny Vestergade 2 Vejle, 5672 Broby (immediate parent company)
L+M International S.à r.l., Luxembourg (ultimate parent company)

16 Non-arm’s length related party transactions

Only related party transactions not conducted on an arm’s length basis are disclosed in the annual report. During the financial year, related party transactions have been conducted on an arm’s length basis besides the following transactions:
The Group does not recognized interest on intercompany balances.
Management fee incurred in the Company is not complete, as not all incurred cost in other Group entities i allocated appropriately.
The management is remunerated in other Group companies, thus no management remuneration is incurred in the Company

Accounting policies

Reporting class
This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (large).

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. Enterprises in which the Group, directly or indirectly, holds between 20% and 50% of the voting rights and exercises significant, but not controlling, influence are regarded as associates.

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. Minority interests’ pro rata shares of the profit/loss and the net assets are disclosed as separate items in Management's proposal for the distribution of net profit/loss and equity, respectively.

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

Business combinations

The book-value method is applied on acquisition of enterprises, mergers, demergers, contributions of assets and exchanges of shares, etc. in which the enterprises concerned are controlled by the Parent, under which method the combination is considered completed at the date of acquisition without restatement of comparative figures. Under the book-value method, the acquiree's assets and liabilities are recognised at their carrying amounts, adjusted for any differences in accounting policies and accounting estimates. The difference between the consideration agreed and the carrying amount of the acquiree is recognised in equity.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

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.

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 premises, 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 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 and 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, 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.

The Entity is jointly taxed with all of its Danish group enterprises and other Danish consolidated companies. The current Danish income tax is allocated among the jointly taxed companies proportionally to their taxable income (full allocation with a refund concerning tax losses).

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. Useful life has benne 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 included intangible resources of a temporary nature that cannot be seperated and recognised as seperate assets. Useful lives are reassessed annually. The amortisation periods used is 20 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, acquired intellectual property rights and prepayments for intangible assets.

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 in the 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.

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. If the useful life cannot be estimated reliably, it is fixed at 10 years. For development projects protected by intellectual property rights, the maximum period of amortisation is the remaining duration of the relevant rights. The amortisation periods used is 5 years.

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
Land and buildings, plant and machinery, and 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:

	Useful life
Plant and machinery	3-5 years
Other fixtures and fittings, tools and equipment	3-10 years
Leasehold improvements	5-10 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.

Leases
As of 1 January 2020 IFRS 16 'Leases' has been applied instead of the principles in The Danish Financial Statements Act. The Group has implemented IFRS 16 'Leases' using the modified retrospective approach. Under this method, the cumulative effect of initially applying the standard was recognized at 1 January 2020. Leaseassets and lease liabilities have been recognized for those leases previously classified as operating leases, except for short-term leases and leases of low value assets. The right-of-use assets have been recognized based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognized. Lease liabilities are recognized based on the present value of the remaining lease payments, discounted using the incremental borrowing rate.

The net profit and loss effect from implementing IFRS 16 'Leases' comprises to DKK 53k in gain.

The Company leases includes properties, cars and equipments. Lease contracts are identified as leases if the contract conveys the right to use a specified asset over a period of time in exchange for consideration. The leases are negotiated individually and contain a range of different terms, conditions and clauses.

Lease assets are ‘right-of-use assets’ from lease agreements. If, at inception, it is assessed that a contract contains a lease, a lease asset is recognized. Lease assets are initially measured at the present value of future lease payments, plus the cost of obligations to refurbish the asset. Payments include fixed payments, variable lease payments depending on an index or a rate, and the exercise price of purchase options that are reasonably certain to be exercised. The lease assets are depreciated using the straightline method over the shorter of the expected lease term and the useful life of the underlying asset. The lease assets are tested for impairment whenever there is an indication that the assets may be impaired.

Lease liabilities are initially recognized at the present value of future lease payments, including payments from extension or purchase options that are considered reasonably certain to be exercised. Lease liabilities are measured using the incremental borrowing rate, rather than the interest rate implicit in the leases, since these cannot easily be determined in the contracts. The incremental borrowing rate comprises of three parts:

- Reference rate
- Financing spread adjustment
- Lease specific adjustment

The discount rate used is derived from the Company's incremental borrowing rate, which is adjusted for the individual asset classes.

Depreciation and interest costs related to leases are recognised in the income statement under the items “amortisation, impairment and depreciation”, and “financial expenses”, respectively.

Lease term
The lease term is defined as the non-cancellable period of a lease. The non-cancellable period of a lease extends from contract start to contract end date extended by periods covered by possible extension options which are reasonably certain to be exercised or by periods covered by termination options which are not exercised with reasonable certainty. A number of leases contain extension and termination options in order to guarantee operational flexibility in managing the leases.

Exemptions in application of IFRS 16
The Company applies the recognition exemption for short-term leases, which are leases with a term less than one year and the recognition exemption for underlying assets of low value. Contracts covered by the exemptions amounts to DKK 437k in lease payments during the year.

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 plus unamortised goodwill and plus or minus unrealised intra-group profits or losses. Reference is made to the above section on business combinations for more details about the accounting policies applied to acquisitions of investments in group enterprises.

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 the reserve for net revaluation according to the equity method in equity.

Goodwill is the difference between cost of investments and fair value of the pro rata share 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. Useful life has benne 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 included intangible resources of a temporary nature that cannot be seperated and recognised as seperate assets. Useful lives are reassessed annually. The amortisation periods used is 20 years.

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

Other investments
Other investments comprise listed securities which are measured at fair value (market price) at the balance sheet date, and unlisted equity investments measured at the lower of cost and net realisable value.

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.

Indirect production costs comprise indirect materials and labour costs, costs of maintenance of, depreciation on machinery, factory buildings and equipment used in the manufacturing process, and costs of factory administration and management. Finance costs are not included in cost.

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

Cash pool
The Group is part of a cash pool scheme with other companies within the Løgismose Group. Consequently, a considerable portion of the Group's bank deposits and debt is included in receivables from group enterprises.

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

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.

Lease liabilities
Lease liabilities relating to assets held under finance leases are recognised in the balance sheet as liabilities other than provisions, and, at the time of inception of the lease, measured at the present value of future lease payments. Subsequent to initial recognition, lease liabilities are measured at amortised cost. The difference between present value and nominal amount of the lease payments is recognised in the income statement as a financial expense over the term of the leases.

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.

Cash flow statement
The cash flow statement shows cash flows from operating, investing and financing activities, and cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes, and financial income, financial expenses and income tax paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments, and purchase, development, improvement and sale, etc of intangible assets and property, plant and equipment.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs, and the raising of loans, repayments of interest-bearing debt, including lease liabilities, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash and short-term securities with an insignificant price risk.