



Klarlund A/S

Østergade 22, 4.
1100 København K
CVR No. 75636717

Annual report 2022

The Annual General Meeting adopted the
annual report on 31.03.2023

Guido Michael Zumbühl
Chairman of the General Meeting

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Entity details

Entity

Klarlund A/S
Østergade 22, 4.
1100 København K

Business Registration No.: 75636717
Registered office: København
Financial year: 01.01.2022 - 31.12.2022

Board of Directors

Guido Michael Zumbühl, chairman
Claire Hansted
Kilian Paul Müller

Executive Board

Ronni Hetoft Sørensen, CEO
Malene Gybel

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
2300 Copenhagen S

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Klarlund A/S for the financial year 01.01.2022 - 31.12.2022.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2022 and of the results of its operations for the financial year 01.01.2022 - 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, 31.03.2023

Executive Board

Ronni Hetoft Sørensen
CEO

Malene Gybel

Board of Directors

Guido Michael Zumbühl
chairman

Claire Hansted

Kilian Paul Müller

Independent auditor's report

To the shareholder of Klarlund A/S

Opinion

We have audited the financial statements of Klarlund A/S for the financial year 01.01.2022 - 31.12.2022, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2022 and of the results of its operations for the financial year 01.01.2022 - 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 financial statements" section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

Statement on the management commentary

Management is responsible for the management commentary.

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

In connection with our audit of the financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

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

Copenhagen, 31.03.2023

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Hans Tauby

State Authorised Public Accountant
Identification No (MNE) mne44339

Management commentary

Financial highlights

| | 2022 DKK'000 | 2021 DKK'000 | 2020 DKK'000 | 2019 DKK'000 | 2018 DKK'000 |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|
| Key figures | | | | | |
| Gross profit/loss | 82,529 | 79,144 | 60,291 | 66,656 | 53,274 |
| Operating profit/loss | 39,209 | 47,285 | 31,718 | 36,804 | 22,004 |
| Net financials | (285) | (297) | (456) | (671) | (1,011) |
| Profit/loss for the year | 30,345 | 36,648 | 24,379 | 28,169 | 16,356 |
| Total assets | 167,947 | 198,964 | 177,547 | 167,121 | 154,669 |
| Investments in property, plant and equipment | 778 | 2,284 | 5,652 | 2,375 | 2,772 |
| Equity | 111,490 | 159,869 | 133,221 | 128,842 | 120,674 |
| Ratios | | | | | |
| Return on equity (%) | 22.37 | 25.01 | 18.61 | 22.58 | 13.63 |
| Equity ratio (%) | 66.38 | 80.35 | 75.03 | 77.10 | 78.02 |
| Liquidity ratio (%) | 243.26 | 418.33 | 340.20 | 308.39 | 322.39 |

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

Return on equity (%):

$\frac{\text{Profit/loss for the year} * 100}{\text{Average equity}}$

Average equity

Equity ratio (%):

$\frac{\text{Equity} * 100}{\text{Total assets}}$

Total assets

Liquidity ratio (%):

$\frac{\text{Current assets} * 100}{\text{Current liabilities}}$

Current liabilities

Primary activities

Klarlund A/S is a fully owned subsidiary of Pitzner Gruppen Holding A/S. Klarlund retails watches and jewellery in 2 multiband stores based in Copenhagen, and operate the largest watchmaking workshop in the Nordics.

Development in activities and finances

The gross profit for the year total TDKK 82,529 against TDKK 79,144 last year and the income from ordinary activities after tax totals TDKK 30,345 against TDKK 36,648 last year.

Realized activities and result are higher than estimated due to lower negative effect on the market than expected.

The Management considers the results of the financial year 2022 satisfactory.

Profit/loss for the year in relation to expected developments

The Management expected a gross profit for the fiscal year 2022 of around TDKK 80.000 - TDKK 85.000 and the company realized a gross profit of TDKK 83.000, which is in the expected range.

Outlook

The Management expects investments in development of the business activities, but regardless of that the gross profit for the coming year is expected to be at the same level as 2022 in the range TDKK 75,000 - 83,000.

Environmental performance

Klarlund is environmentally conscious and works continuously to reduce the environmental impacts of the company's operations.

Events after the balance sheet date

Bucherer Denmark ApS has acquired all the shares in Klarlund A/S in January 2023 and Klarlund is now a fully owned company in the Bucherer Group. The transaction has no effect on Klarlund's financial position.

Income statement for 2022

| | Notes | 2022 DKK | 2021 DKK |
|--|-------|-------------------|-------------------|
| Gross profit/loss | | 82,528,680 | 79,144,132 |
| Staff costs | 2 | (37,421,972) | (26,066,967) |
| Depreciation, amortisation and impairment losses | 3 | (5,898,060) | (5,791,781) |
| Operating profit/loss | | 39,208,648 | 47,285,384 |
| Other financial income | 4 | 921,605 | 550,960 |
| Other financial expenses | 5 | (1,207,011) | (847,515) |
| Profit/loss before tax | | 38,923,242 | 46,988,829 |
| Tax on profit/loss for the year | 6 | (8,578,000) | (10,341,265) |
| Profit/loss for the year | 7 | 30,345,242 | 36,647,564 |

Balance sheet at 31.12.2022

Assets

| | Notes | 2022 DKK | 2021 DKK |
|--|-------|--------------------|--------------------|
| Acquired intangible assets | | 1,586,050 | 1,821,250 |
| Intangible assets | 8 | 1,586,050 | 1,821,250 |
| Other fixtures and fittings, tools and equipment | | 6,614,695 | 7,769,449 |
| Leasehold improvements | | 19,167,680 | 22,897,663 |
| Property, plant and equipment | 9 | 25,782,375 | 30,667,112 |
| Deposits | | 1,681,192 | 4,493,977 |
| Deferred tax | 11 | 1,559,553 | 1,061,000 |
| Financial assets | 10 | 3,240,745 | 5,554,977 |
| Fixed assets | | 30,609,170 | 38,043,339 |
| Manufactured goods and goods for resale | | 97,783,771 | 90,599,880 |
| Inventories | | 97,783,771 | 90,599,880 |
| Trade receivables | | 3,405,038 | 2,322,583 |
| Receivables from group enterprises | | 0 | 45,442,608 |
| Other receivables | | 919,349 | 584,502 |
| Prepayments | 12 | 299,344 | 22,817 |
| Receivables | | 4,623,731 | 48,372,510 |
| Cash | | 34,930,456 | 21,948,477 |
| Current assets | | 137,337,958 | 160,920,867 |
| Assets | | 167,947,128 | 198,964,206 |

Equity and liabilities

| | Notes | 2022 DKK | 2021 DKK |
|--|-------|--------------------|--------------------|
| Contributed capital | | 500,000 | 500,000 |
| Retained earnings | | 110,989,614 | 109,368,875 |
| Proposed dividend | | 0 | 50,000,000 |
| Equity | | 111,489,614 | 159,868,875 |
| Prepayments received from customers | | 2,627,506 | 4,016,293 |
| Trade payables | | 34,691,387 | 13,294,884 |
| Joint taxation contribution payable | | 9,076,553 | 11,409,265 |
| Other payables | | 9,049,468 | 10,276,729 |
| Deferred income | 13 | 1,012,600 | 98,160 |
| Current liabilities other than provisions | | 56,457,514 | 39,095,331 |
| Liabilities other than provisions | | 56,457,514 | 39,095,331 |
| Equity and liabilities | | 167,947,128 | 198,964,206 |

| | |
|---|----|
| Events after the balance sheet date | 1 |
| Unrecognised rental and lease commitments | 14 |
| Contingent liabilities | 15 |
| Assets charged and collateral | 16 |
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| Non-arm's length related party transactions | 18 |
| Group relations | 19 |

Statement of changes in equity for 2022

| | Contributed capital DKK | Retained earnings DKK | Proposed extraordinary dividend DKK | Proposed dividend DKK | Total DKK |
|-----------------------------|-------------------------------|-----------------------------|--|-----------------------------|--------------------|
| Equity beginning of year | 500,000 | 109,368,875 | 0 | 50,000,000 | 159,868,875 |
| Ordinary dividend paid | 0 | 0 | 0 | (50,000,000) | (50,000,000) |
| Extraordinary dividend paid | 0 | 0 | (28,724,503) | 0 | (28,724,503) |
| Profit/loss for the year | 0 | 1,620,739 | 28,724,503 | 0 | 30,345,242 |
| Equity end of year | 500,000 | 110,989,614 | 0 | 0 | 111,489,614 |

Notes

1 Events after the balance sheet date

Bucherer Denmark ApS has January 2023 acquired all the shares in Klarlund A/S and Klarlund is now a fully owned company in the Bucherer Group. The transaction has no effect on Klarlund's financial position.

2 Staff costs

| | 2022 | 2021 |
|---------------------------------------|-------------------|-------------------|
| | DKK | DKK |
| Wages and salaries | 33,936,514 | 23,282,475 |
| Pension costs | 2,024,137 | 1,576,854 |
| Other social security costs | 431,084 | 341,257 |
| Other staff costs | 1,030,237 | 866,381 |
| | 37,421,972 | 26,066,967 |
| Average number of full-time employees | 60 | 50 |

| | Remuneration of Management 2022 DKK | Remuneration of Management 2021 DKK |
|--|--|--|
| Total amount for management categories | 5,161,880 | 1,956,000 |
| | 5,161,880 | 1,956,000 |

3 Depreciation, amortisation and impairment losses

| | 2022 | 2021 |
|---|------------------|------------------|
| | DKK | DKK |
| Amortisation of intangible assets | 235,200 | 403,578 |
| Depreciation of property, plant and equipment | 5,662,860 | 5,388,203 |
| | 5,898,060 | 5,791,781 |

4 Other financial income

| | 2022 | 2021 |
|---|----------------|----------------|
| | DKK | DKK |
| Financial income from group enterprises | 832,521 | 442,608 |
| Other financial income | 89,084 | 108,352 |
| | 921,605 | 550,960 |

5 Other financial expenses

| | 2022 DKK | 2021 DKK |
|---------------------------|------------------|----------------|
| Other interest expenses | 102,579 | 88,204 |
| Exchange rate adjustments | 1,104,432 | 759,311 |
| | 1,207,011 | 847,515 |

6 Tax on profit/loss for the year

| | 2022 DKK | 2021 DKK |
|------------------------|------------------|-------------------|
| Current tax | 9,076,553 | 11,409,265 |
| Change in deferred tax | (498,553) | (1,068,000) |
| | 8,578,000 | 10,341,265 |

7 Proposed distribution of profit and loss

| | 2022 DKK | 2021 DKK |
|--|-------------------|-------------------|
| Ordinary dividend for the financial year | 0 | 50,000,000 |
| Extraordinary dividend distributed in the financial year | 28,724,503 | 0 |
| Retained earnings | 1,620,739 | (13,352,436) |
| | 30,345,242 | 36,647,564 |

8 Intangible assets

| | Acquired intangible assets DKK |
|---|---|
| Cost beginning of year | 3,024,307 |
| Cost end of year | 3,024,307 |
| Amortisation and impairment losses beginning of year | (1,203,057) |
| Amortisation for the year | (235,200) |
| Amortisation and impairment losses end of year | (1,438,257) |
| Carrying amount end of year | 1,586,050 |

The capitalized costs relate to an IT project and other intellectual property rights to support future operations.

9 Property, plant and equipment

| | Other fixtures and fittings, tools and equipment DKK | Leasehold improvements DKK |
|---|--|----------------------------------|
| Cost beginning of year | 17,851,134 | 43,451,504 |
| Additions | 394,777 | 383,346 |
| Disposals | (1,046,088) | (287,504) |
| Cost end of year | 17,199,823 | 43,547,346 |
| Depreciation and impairment losses beginning of year | (10,081,685) | (20,553,841) |
| Depreciation for the year | (1,549,531) | (4,113,329) |
| Reversal regarding disposals | 1,046,088 | 287,504 |
| Depreciation and impairment losses end of year | (10,585,128) | (24,379,666) |
| Carrying amount end of year | 6,614,695 | 19,167,680 |

10 Financial assets

| | Deposits DKK | Deferred tax DKK |
|------------------------------------|------------------|---------------------|
| Cost beginning of year | 4,493,977 | 1,061,000 |
| Additions | 974,685 | 498,553 |
| Disposals | (3,787,470) | 0 |
| Cost end of year | 1,681,192 | 1,559,553 |
| Carrying amount end of year | 1,681,192 | 1,559,553 |

11 Deferred tax

| | 2022 DKK | 2021 DKK |
|------------------------------------|---------------------|---------------------|
| Intangible assets | (127,366) | (105,000) |
| Property, plant and equipment | 1,752,774 | 1,171,000 |
| Receivables | (65,855) | (5,000) |
| Deferred tax | 1,559,553 | 1,061,000 |
| | 2022 DKK | 2021 DKK |
| Changes during the year | | |
| Beginning of year | 1,061,000 | (7,000) |
| Recognised in the income statement | 498,553 | 1,068,000 |
| End of year | 1,559,553 | 1,061,000 |

Deferred tax assets

Deferred tax assets is recognized in the balance sheet at the value at which the asset is expected to be realized, either by way of offset in Deferred tax liabilities or as net tax assets.

12 Prepayments

Prepayments under assets consist of expenses relating to the following financial year.

13 Deferred income

Deferred income comprise accrued income related to gift certificates issued and receivables.

14 Unrecognised rental and lease commitments

| | 2022 | 2021 |
|---|-------------|-------------|
| | DKK | DKK |
| Liabilities under rental or lease agreements until maturity in total | 95,877,809 | 74,692,212 |
| Liabilities under rental agreements or leases with group enterprises until expiry | 77,109,608 | 63,864,556 |

15 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where 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 for obligations, if any, relating to the withholding of tax on interest, royalties and dividend 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.

16 Assets charged and collateral

Bank loans are secured by way of a deposited mortgage deed of kr. 10,000,000 registered to the mortgagor on simple claims and inventory with a book value as of 31.12.2022 amounting to kr. 101,188,809.

17 Related parties with controlling interest

Pitzner Gruppen Holding A/S, Copenhagen, owns all shares in the Entity, thus exercising control.

Axel Pitzner Fonden, Copenhagen, owns all shares in Pitzner Gruppen Holding A/S, thus having indirect exercising control of the Entity.

18 Non-arm's length related party transactions

In accordance with the Danish Financial Statements Act §98c, 7, only related party transactions not conducted on an arm's length basis are disclosed in the annual report. No such transactions have been conducted in the financial year.

19 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group:
Axel Pitzner Fonden, Copenhagen

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:
Axel Pitzner Fonden, Copenhagen

Accounting policies

Reporting class

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

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

Recognition and measurement

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

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

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

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

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

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, other operating income, cost of sales and other external expenses.

Revenue

Revenue from the sale of 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 salaries and wages, and social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

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

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.

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.

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 Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet**Intellectual property rights etc**

Intellectual property rights etc comprise acquired intellectual property rights for software.

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. The depreciating period is 3-10 years.

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:

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

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.

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.

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.

Prepayments

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

Cash

Cash comprises cash in hand and bank deposits.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity. Extraordinary dividend adopted in the financial year is recognised directly in equity when distributed and disclosed as a separate item in Management's proposal for distribution of profit/loss.

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.

Joint taxation contributions payable or receivable

Current joint taxation contributions receivable or joint taxation contributions payable are recognised in the balance sheet, calculated as tax computed on the taxable income of the year, which has been adjusted for prepaid tax.

Deferred income

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

Cash flow statement

Referring to section 86(4) of the Danish Financial Statements Act, the Entity has prepared no cash flow statement as such statement is included in the consolidated cash flow statement of Axel Pitzner Fonden.