BEIERHOLM
VI SKABER BALANCE

# Saxe Polyfa System A/S

Walgerholm 17, 3500 Værløse
CVR no. 33 03 91 66

## Annual report for 2024

Årsrapporten er godkendt på den
ordinære generalforsamling, d. 30.06.25

Ulrik Gert Nielsen
Dirigent

# Table of contents


| | |
|---|---|
| Company information etc. | 3 |
| Statement by the Executive Board and Board of Directors on the annual report | 4 |
| Independent auditor's report | 5 - 8 |
| Management's review | 9 - 11 |
| Income statement | 12 |
| Balance sheet | 13 - 14 |
| Statement of changes in equity | 15 |
| Notes | 16 - 25 |

# Company information etc.

## The company

Saxe Polyfa System A/S
Walgerholm 17
3500 Værløse
CVR no.: 33 03 91 66
Financial year: 01.01 - 31.12

## Executive Board

Ulrik Gert Nielsen

## Board of Directors

Ulrik Gert Nielsen
Pernille Saxe Nielsen
Flemming Juel Jensen

## Auditors

Beierholm
Godkendt Revisionspartnerselskab

# Statement by the Executive Board and Board of Directors on the annual report

We have on this day presented the annual report for the financial year 01.01.24 - 31.12.24 for Saxe Polyfa System A/S.

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 company's assets, liabilities and financial position as at 31.12.24 and of the results of the company's activities for the financial year 01.01.24 - 31.12.24.

We believe that the management's review includes a fair review of the matters dealt with in the management's review.

The annual report is submitted for adoption by the general meeting.

Værløse, June 30, 2025

**Executive Board**

Ulrik Gert Nielsen

**Board of Directors**

Ulrik Gert Nielsen | Pernille Saxe Nielsen | Flemming Juel Jensen

## To the shareholder of Saxe Polyfa System A/S

### Opinion

We have audited the financial statements of Saxe Polyfa System A/S for the financial year 01.01.24 - 31.12.24, which comprise income statement, balance sheet, statement of changes in equity and notes to the financial statements, including material accounting policy information. 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 company's financial position at 31.12.24 and of the results of the company's operations for the financial year 01.01.24 - 31.12.24 in accordance with the Danish Financial Statements Act.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the 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 our report. We are independent of the company 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 company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

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

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

a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report 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 judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

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

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

- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, 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's review**

Management is responsible for the management's review.

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

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

Moreover, it is our responsibility to consider whether management's review provides the information required by law and regulations.

# Independent auditor's report

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

Soeborg, Copenhagen, June 30, 2025

**Beierholm**
Godkendt Revisionspartnerselskab
CVR no. 32 89 54 68

Jan Lundqvist
State Authorised Public Accountant
MNE-no. mne19740

## FINANCIAL HIGHLIGHTS

### Key figures

| Figures in DKK '000 | 2024 | 2023 |
|---|---|---|
| *Profit/loss* | | |
| Gross profit | 5,637 | 6,185 |
| Index | 91 | 100 |
| Operating profit | 347 | 943 |
| Index | 37 | 100 |
| Total net financials | -530 | 117 |
| Index | -453 | 100 |
| Profit/loss for the year | -145 | 837 |
| Index | -17 | 100 |
| *Balance* | | |
| Total assets | 18,145 | 16,035 |
| Index | 113 | 100 |
| Investments in property, plant and equipment | 326 | 259 |
| Index | 126 | 100 |
| Equity | 2,687 | 2,832 |
| Index | 95 | 100 |

### Ratios

| | 2024 | 2023 |
|---|---|---|
| *Profitability* | | |
| Return on equity | -5% | 35% |
| *Equity ratio* | | |
| Solvency ratio | 15% | 18% |
| *Liquidity and financing* | | |

| | | |
|---|---|---|
| Liquidity ratio | 119% | 129% |

*Others*

| | | |
|---|---|---|
| Number of employees (average) | 7 | 7 |

*Ratios definitions*

Return on equity: $\frac{\text{Profit/loss for the year x 100}}{\text{Average equity}}$

Solvency ratio: $\frac{\text{Equity, end of year x 100}}{\text{Total assets}}$

Liquidity ratio: $\frac{\text{Current assets x 100}}{\text{Short-term payables}}$

## Primary activities

The company specializes in polyurethane (PUR) machinery and solutions. With over 40 years of experience, the company design and produce highly specialized machines and complete turnkey installations for PUR foam production, used in items like furniture, car parts, technical components, and insulation all over the world.

## Development in activities and financial affairs

The income statement for the period 01.01.24 - 31.12.24 shows a profit of DKK -145,347 against DKK 836,543 for the period 01.01.23 - 31.12.23. The balance sheet shows equity of DKK 2,686,949.

## Subsequent events

No important events have occurred after the end of the financial year.

# Income statement

| Note | | 2024<br>DKK | 2023<br>DKK |
|---|---|---|---|
| | **Gross profit** | **5,636,675** | **6,184,633** |
| 1 | Staff costs | -5,134,398 | -5,175,161 |
| | **Profit before depreciation, amortisation, write-downs and impairment losses** | **502,277** | **1,009,472** |
| | Depreciation and impairments losses of property, plant and equipment | -155,255 | -66,295 |
| | **Operating profit** | **347,022** | **943,177** |
| 2 | Financial income | 4,667 | 287,222 |
| 3 | Financial expenses | -534,659 | -170,239 |
| | **Profit/loss before tax** | **-182,970** | **1,060,160** |
| 4 | Tax on profit or loss for the year | 37,623 | -223,617 |
| | **Profit/loss for the year** | **-145,347** | **836,543** |

**Proposed appropriation account**

| | | |
|---|---|---|
| Retained earnings | -145,347 | 836,543 |
| **Total** | **-145,347** | **836,543** |

# Balance sheet

## ASSETS

| Note | | 31.12.24<br>DKK | 31.12.23<br>DKK |
|---|---|---|---|
| | Other fixtures and fittings, tools and equipment | 509,356 | 338,868 |
| | **Total property, plant and equipment** | **509,356** | **338,868** |
| | Deposits | 155,894 | 136,788 |
| | **Total investments** | **155,894** | **136,788** |
| | **Total non-current assets** | **665,250** | **475,656** |
| | Manufactured goods and goods for resale | 5,398,591 | 5,569,061 |
| | **Total inventories** | **5,398,591** | **5,569,061** |
| 5 | Work in progress for third parties | 9,077,675 | 3,235,542 |
| | Trade receivables | 2,196,831 | 3,941,817 |
| | Receivables from group enterprises | 77 | 702,912 |
| | Other receivables | 134,477 | 987,994 |
| | Prepayments | 213,779 | 37,155 |
| | **Total receivables** | **11,622,839** | **8,905,420** |
| | **Cash** | **458,408** | **1,084,497** |
| | **Total current assets** | **17,479,838** | **15,558,978** |
| | **Total assets** | **18,145,088** | **16,034,634** |

# Balance sheet

## EQUITY AND LIABILITIES

| Note | | 31.12.24<br>DKK | 31.12.23<br>DKK |
|---|---|---|---|
| | Share capital | 500,000 | 500,000 |
| | Retained earnings | 2,186,949 | 2,332,296 |
| | **Total equity** | **2,686,949** | **2,832,296** |
| | Provisions for deferred tax | 129,183 | 600,701 |
| 6 | Other provisions | 462,000 | 462,000 |
| | **Total provisions** | **591,183** | **1,062,701** |
| 7 | Other payables | 119,379 | 115,790 |
| | **Total long-term payables** | **119,379** | **115,790** |
| | Payables to other credit institutions | 2,999,520 | 0 |
| 5 | Prepayments received from work in progress for third parties | 2,192,468 | 5,001,177 |
| | Trade payables | 1,077,727 | 6,333,451 |
| | Payables to group enterprises | 7,646,697 | 0 |
| | Income taxes | 433,895 | 254,518 |
| | Other payables | 397,270 | 434,701 |
| | **Total short-term payables** | **14,747,577** | **12,023,847** |
| | **Total payables** | **14,866,956** | **12,139,637** |
| | **Total equity and liabilities** | **18,145,088** | **16,034,634** |

8 Contingent liabilities
9 Related parties

# Statement of changes in equity

| Figures in DKK | Share capital | Retained earnings | Total equity |
|---|---|---|---|
| Statement of changes in equity for 01.01.24 - 31.12.24 | | | |
| Balance as at 01.01.24 | 500,000 | 2,332,296 | 2,832,296 |
| Net profit/loss for the year | 0 | -145,347 | -145,347 |
| Balance as at 31.12.24 | 500,000 | 2,186,949 | 2,686,949 |

| | 2024<br>DKK | 2023<br>DKK |
|---|---|---|

## 1. Staff costs

| | | |
|---|---|---|
| Wages and salaries | 4,782,709 | 4,872,200 |
| Pensions | 275,106 | 226,467 |
| Other social security costs | 76,583 | 76,494 |
| Total | 5,134,398 | 5,175,161 |
| Average number of employees during the year | 7 | 7 |

## 2. Financial income

| | | |
|---|---|---|
| Interest, group enterprises | 0 | 264,168 |
| Other interest income | 1,167 | 23,054 |
| Other financial income | 3,500 | 0 |
| Total | 4,667 | 287,222 |

## 3. Financial expenses

| | | |
|---|---|---|
| Interest, group enterprises | 318,966 | 0 |
| Other interest expenses | 196,832 | 118,978 |
| Foreign currency translation adjustments | 672 | 8,291 |
| Other financial expenses | 18,189 | 42,970 |
| Total | 534,659 | 170,239 |

## 4. Tax on profit or loss for the year

| | | |
|---|---|---|
| Current tax for the year | 433,895 | 254,518 |
| Adjustment of deferred tax for the year | -471,518 | -30,901 |
| Total | -37,623 | 223,617 |

## 5. Work in progress for third parties

| | | |
|---|---|---|
| Work in progress for third parties | 9,498,605 | 23,100,489 |
| On-account invoicing | -2,613,398 | -24,866,124 |
| Total work in progress for third parties | 6,885,207 | -1,765,635 |
| Work in progress for third parties | 9,077,675 | 3,235,542 |
| Prepayments received from work in progress for third parties, short-term payables | -2,192,468 | -5,001,177 |
| Total | 6,885,207 | -1,765,635 |

## 6. Other provisions

Other provisions are expected to be distributed as follows:

| | | |
|---|---|---|
| Current liabilities | 462,000 | 462,000 |
| Total | 462,000 | 462,000 |

## 7. Long-term payables

| Figures in DKK | Outstanding debt after 5 years | Total payables at 31.12.24 | Total payables at 31.12.23 |
|---|---|---|---|
| Other payables | 119,379 | 119,379 | 115,790 |
| Total | 119,379 | 119,379 | 115,790 |

## 8. Contingent liabilities

*Lease commitments*

The company has concluded lease agreements with terms to maturity of 96 months and total lease payments of t.DKK 3,168. This includes lease agreements concluded with group enterprises , but the agreements are also specified separately below.

The company has concluded lease agreements with group enterprises with terms to maturity of 96 months and total lease payments of t.DKK 3,168.

*Recourse guarantee commitments*

The company has provided a self-guarantee for any obligations the other group companies, P. Saxe Nielsen Holding ApS and Saxe Hansen A/S, may have with financial institutions. The debt to the covered financial institutions amounts to t.DKK 17,193 on the balance sheet date.

*Other contingent liabilities*

The company is part of the national joint taxation with P. Saxe Nielsen Holding ApS, CVR no. 28 10 49 28, which is the administrative company and is liable without limitation and jointly with the other jointly taxed companies for the total corporate tax.

The company is liable without limitation and jointly with the other jointly taxed companies for any obligations to withhold withholding tax on interest, royalties, and dividends.

Any subsequent corrections of corporate taxes or withholding taxes, etc., may result in the company's liability amounting to a different amount.

## 9. Related parties

The company is included in the consolidated financial statements of the parent P. Saxe Nielsen Holding ApS, Furesø.

## 10. Accounting policies

### GENERAL

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act (*Årsregnskabsloven*) for enterprises in reporting class B with application of provisions for a higher reporting class.

The accounting policies have been applied consistently with previous years.

### Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including depreciation, amortisation, impairment losses and write-downs, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company, and the value of such assets can be measured reliably. Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company, and the value of such liabilities can be measured reliably. On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

On recognition and measurement, account is taken of foreseeable losses and risks arising before the date at which the annual report is presented and proving or disproving matters arising on or before the balance sheet date.

### CURRENCY

The annual report is presented in Danish kroner (DKK).

On initial recognition, transactions denominated in foreign currencies are translated using the exchange rates applicable at the transaction date. Exchange rate differences between the exchange rate applicable at the transaction date and the exchange rate at the date of payment are recognised in the income statement as a financial item. Receivables, payables and other monetary items denominated in foreign currencies are translated using the exchange rates applicable at the balance sheet date. The difference between the exchange rate applicable at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest annual report is recognised under financial income or expenses in the income statement. Fixed assets, inventories and other non-monetary assets acquired in foreign currencies are translated using historical exchange rates.

**10. Accounting policies** - continued -

**LEASES**

Lease payments relating to operating leases are recognised in the income statement on a straight-line basis over the lease term.

**INCOME STATEMENT**

**Gross profit**

Gross profit comprises revenue and raw materials and consumables and other external expenses.

**Revenue**

Income from the sale of goods is recognised in the income statement if delivery has taken place and the risk has passed to the buyer before the end of the financial year and where the selling price can be determined reliably and is expected to be paid. Revenue is measured at fair value and is determined exclusive of VAT and other taxes collected on behalf of third parties and less discounts.

Income from construction contracts involving the delivery of highly customised assets are recognised in the income statement as revenue according to the stage of completion. Accordingly, revenue corresponds to the selling price of work performed during the year (percentage of completion method).

**Costs of raw materials and consumables**

Costs of raw materials and consumables comprise raw materials and consumables used for the year as well as any changes in inventories, including any inventory wastage.

Write-downs of inventories of raw materials and consumables are also recognised under raw materials and consumables to the extent that these do not exceed normal write-downs.

**Other external expenses**

Other external expenses comprise costs relating to distribution, sales and advertising and administration, premises and bad debts to the extent that these do not exceed normal write-downs.

**10. Accounting policies** - continued -

### Staff costs

Staff costs comprise wages and salaries as well as other staff-related costs.

### Depreciation and impairment losses

The depreciation of property, plant and equipment aim at systematic depreciation over the expected useful lives of the assets. Assets are depreciated according to the straight-line method based on the following expected useful lives and residual values:

| | Useful life, year | Residual value, per cent |
|---|---|---|
| Other plant, fixtures and fittings, tools and equipment | 3-5 | 0-20 |

The basis of depreciation is the cost of the asset less the expected residual value at the end of the useful life. Moreover, the basis of depreciation is reduced by any impairment losses. The useful life and residual value are determined when the asset is ready for use and reassessed annually.

Property, plant and equipment are impaired in accordance with the accounting policies referred to in the 'Impairment losses on fixed assets' section.

### Other net financials

Interest income and interest expenses, foreign exchange gains and losses on transactions denominated in foreign currencies etc. are recognised in other net financials.

### Tax on profit/loss for the year

The current and deferred tax for the year is recognised in the income statement as tax on the profit/loss for the year with the portion attributable to the profit/loss for the year, and directly in equity with the portion attributable to amounts recognised directly in equity.

The company is jointly taxed with Danish consolidated enterprises.

In connection with the settlement of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed enterprises in proportion to their taxable incomes. This means that enterprises with a tax loss receive joint taxation contributions from enterprises which have been able to use this loss to reduce their own taxable profit.

**10. Accounting policies** - continued -

**BALANCE SHEET**

**Property, plant and equipment**

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal less any costs of disposal.

Property, plant and equipment are depreciated using the straight-line method based on useful lives and residual values, which are stated in the 'Depreciation and impairment losses' section.

Cost comprises the purchase price and expenses resulting directly from the purchase until the asset is ready for use. Interest on loans arranged to finance production is not included in the cost.

Property, plant and equipment are measured in the balance sheet at cost less accumulated depreciation and impairment losses.

Property, plant and equipment comprise other fixtures and fittings, tools and equipment.

Property, plant and equipment comprise other fixtures and fittings, tools and equipment.

Property, plant and equipment are measured in the balance sheet at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and expenses resulting directly from the purchase until the asset is ready for use. Interest on loans arranged to finance production is not included in the cost.

Property, plant and equipment are depreciated using the straight-line method based on useful lives and residual values, which are stated in the 'Depreciation and impairment losses' section.

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal less any costs of disposal.

**Impairment losses on fixed assets**

The carrying amount of fixed assets which are not measured at fair value is assessed

**10. Accounting policies** - continued -

annually for indications of impairment over and above what is reflected in depreciation.

If the company's realised return on an asset or a group of assets is lower than expected, this is considered an indication of impairment.

If there are indications of impairment, an impairment test is conducted of individual assets or groups of assets.

The assets or groups of assets are impaired to the lower of recoverable amount and carrying amount.

The higher of net selling price and value in use is used as the recoverable amount. The value in use is determined as the present value of expected net cash flows from the use of the asset or group of assets as well as expected net cash flows from the sale of the asset or group of assets after the expiry of their useful lives.

Impairment losses are reversed when the reasons for the impairment no longer exist.

**Inventories**

Inventories are measured at cost calculated according to the FIFO-method. Inventories are written down to the lower of cost and net realisable value.

The cost of raw materials and consumables as well as goods for resale is determined as purchase prices plus expenses resulting directly from the purchase.

The net realisable value of inventories is determined as the selling price less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and the expected development in the selling price.

**Receivables**

Receivables are measured at amortised cost, which usually corresponds to the nominal value, less write-downs for bad debts.

Write-downs for bad debts are determined based on an individual assessment of each receivable if there is no objective evidence of individual impairment of a receivable.

Deposits recognised under assets comprise deposits paid to the lessor under leases entered into by the company.

**10. Accounting policies** - continued -

### Work in progress for third parties

Work in progress for third parties is measured at the selling price of the work performed less on-account invoicing made for each piece of work in progress.

The selling price is measured according to the stage of completion at the balance sheet date and total expected income from each piece of work in progress. The degree of completion for each piece of work in progress is normally calculated as the ratio between the resources spent and the total budgeted resource consumption. For some work in progress where the resource consumption cannot be used as a basis, the ratio between completed subactivities and the combined subactivities for the individual piece of work in progress is used instead.

When the selling price of a piece of work in progress cannot be determined reliably, the selling price is measured at the lower of costs incurred and net realisable value.

The individual piece of work in progress is recognised under receivables or payables in the balance sheet depending on whether the net value of the selling price less prepayments received is positive or negative.

When it is likely that the total costs of the individual piece of work in progress will exceed total sales income, the total expected loss is recognised as a provision.

### Prepayments

Prepayments recognised under assets comprise costs incurred in respect of subsequent financial years.

### Cash

Cash includes deposits in bank account.

### Provisions

Other provisions comprise expected expenses incidental to loss on work in progress, restructuring etc. and are recognised when the company has a legal or constructive obligation at the balance sheet date and it is probable that such obligation will draw on the financial resources of the company. Provisions are measured at net realisable value or fair value if the provision is expected to be settled over the longer term.

**10. Accounting policies** - continued -

### Current and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the basis of the taxable income for the year, adjusted for tax paid on account.

Joint taxation contributions payable and receivable are recognised as income tax under receivables or payables in the balance sheet.

Deferred tax liabilities and tax assets are recognised on the basis of all temporary differences between the carrying amounts and tax bases of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is non-amortisable for tax purposes and other items where temporary differences, except for acquisitions, have arisen at the date of acquisition without affecting the net profit or loss for the year or the taxable income. In cases where the tax value can be determined according to different taxation rules, deferred tax is measured on the basis of management's intended use of the asset or settlement of the liability.

Deferred tax assets are recognised, following an assessment, at the expected realisable value through offsetting against deferred tax liabilities or elimination in tax on future earnings.

Deferred tax is measured on the basis of the tax rules and at the tax rates which, according to the legislation in force at the balance sheet date, will be applicable when the deferred tax is expected to crystallise as current tax.

### Payables

Long-term payables are measured at cost at the time of contracting such liabilities (raising of the loan). The payables are subsequently measured at amortised cost where capital losses and loan expenses are recognised in the income statement as a financial expense over the term of the payable on the basis of the calculated effective interest rate in force at the time of contracting the liability.

Short-term financial payables are measured at amortised cost, normally corresponding to the nominal value of such payables. Other short-term payables are measured at net realisable value.