



CHRISTENSEN  
KJÆRULFF

PERSONLIGT ENGAGEMENT

STATSAUTORISERET  
REVISIONSAKTIESELSKAB

CVR 15 21 56 41

TLF 33 30 15 15

ØSTBANEGADE 123  
2100 KØBENHAVN Ø

E-MAIL CK@CK.DK  
WEB WWW.CK.DK

# Bergen Engines (Denmark) A/S

Amalienborgvej 39, 9400 Nørresundby

Company reg. no. 33 96 57 02

## Annual report

1 January - 31 December 2022

The annual report was submitted and approved by the general meeting on the 24 May 2023.



---

Jim Rise  
Chairman of the meeting





## Contents

---

	<u>Page</u>
<b>Reports</b>	
Management's statement	1
Independent auditor's report	2
<b>Management's review</b>	
Company information	5
Management's review	6
<b>Financial statements 1 January - 31 December 2022</b>	
Income statement	7
Balance sheet	8
Statement of changes in equity	10
Notes	11
Accounting policies	14

Notes:

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



## **Management's statement**

---

Today, the Board of Directors and the Managing Director have approved the annual report of Bergen Engines (Denmark) A/S for the financial year 1 January - 31 December 2022.

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

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January – 31 December 2022.

Further, in our opinion, the Management's review gives a true and fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the Annual General Meeting.

Nørresundby, 24 May 2023

### **Managing Director**

Jim Rise

### **Board of directors**

Jon Erik Røv

Jim Rise

Knut Berg



## **Independent auditor's report**

---

**To the Shareholders of Bergen Engines (Denmark) A/S**

### **Opinion**

We have audited the financial statements of Bergen Engines (Denmark) A/S for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies, for the Company. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2022, and of the results of the Company's operations for the financial year 1 January - 31 December 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 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.



## Independent auditor's report

---

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism 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 Management's Review

Management is responsible for Management's Review.

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



## **Independent auditor's report**

---

In connection with our audit of the financial statements, 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 under the Danish Financial Statements Act.

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

Copenhagen, 24 May 2023

**Christensen Kjarulff**

Statsautoriseret Revisionsaktieselskab  
Company reg. no. 15 91 56 41

**Iver Haugsted**  
State Authorised Public Accountant  
mne10678



## Company information

---

<b>The company</b>	Bergen Engines (Denmark) A/S Amalienborgvej 39 9400 Nørresundby
	Company reg. no. 33 96 57 02 Established: 14 October 2011 Domicile: Financial year: 1 January - 31 December
<b>Board of directors</b>	Jon Erik Røv Jim Rise Knut Berg
<b>Managing Director</b>	Jim Rise
<b>Auditors</b>	Christensen Kjærulff Statsautoriseret Revisionsaktieselskab Østbanegade 123 2100 København Ø
<b>Parent company</b>	Bergen Engines AS



## **Management's review**

---

### **Description of key activities of the company**

The Company acts as agent in Denmark for the sale of products for the Bergen Engines Group and is, furthermore, engaged in trading services and repairs.

### **Development in activities and financial matters**

The gross profit for the year totals DKK 33.895.993 against DKK 37.088.418 last year. Income or loss from ordinary activities after tax totals DKK 12.702.908 against DKK 16.186.132 last year. Management considers the net profit or loss for the year satisfactory.



## Income statement 1 January - 31 December

---

All amounts in DKK.

<u>Note</u>	<u>2022</u>	<u>2021</u>
<b>Gross profit</b>	<b>33.895.993</b>	<b>37.088.418</b>
Staff costs	-16.678.470	-14.419.536
Depreciation and impairment of non-current assets	-314.950	-1.329.975
<b>Operating profit</b>	<b>16.902.573</b>	<b>21.338.907</b>
Other financial income	14.843	56.977
Other financial expenses	-629.311	-548.687
<b>Pre-tax net profit or loss</b>	<b>16.288.105</b>	<b>20.847.197</b>
Tax on net profit or loss for the year	-3.585.197	-4.661.065
<b>Net profit or loss for the year</b>	<b>12.702.908</b>	<b>16.186.132</b>
<b>Proposed distribution of net profit:</b>		
Dividend for the financial year	11.049.000	33.000.000
Transferred to retained earnings	1.653.908	0
Allocated from retained earnings	0	-16.813.868
<b>Total allocations and transfers</b>	<b>12.702.908</b>	<b>16.186.132</b>



## Balance sheet at 31 December

All amounts in DKK.

<b>Assets</b>			
<u>Note</u>		<u>2022</u>	<u>2021</u>
<b>Non-current assets</b>			
2	Plant and machinery	736.325	308.271
3	Other fixtures, fittings, tools and equipment	72.790	133.167
	Total property, plant, and equipment	<u>809.115</u>	<u>441.438</u>
4	Deposits	<u>286.851</u>	<u>279.582</u>
	Total investments	<u>286.851</u>	<u>279.582</u>
	<b>Total non-current assets</b>	<b><u>1.095.966</u></b>	<b><u>721.020</u></b>
<b>Current assets</b>			
	Raw materials and consumables	<u>22.614.896</u>	<u>15.099.128</u>
	Total inventories	<u>22.614.896</u>	<u>15.099.128</u>
	Trade receivables	19.230.012	13.405.391
	Contract work in progress	11.143.485	12.603.525
	Receivables from group enterprises	2.445.690	420.231
	Deferred tax assets	69.160	0
	Income tax receivables	1.177.476	0
	Other receivables	20.573	0
	Prepayments	<u>261.320</u>	<u>133.668</u>
	Total receivables	<u>34.347.716</u>	<u>26.562.815</u>
	Cash and cash equivalents	<u>5.434.421</u>	<u>19.733.651</u>
	<b>Total current assets</b>	<b><u>62.397.033</u></b>	<b><u>61.395.594</u></b>
	<b>Total assets</b>	<b><u>63.492.999</u></b>	<b><u>62.116.614</u></b>



## Balance sheet at 31 December

All amounts in DKK.

Equity and liabilities		
Note	2022	2021
<b>Equity</b>		
Contributed capital	581.000	581.000
Retained earnings	8.896.969	7.243.061
Proposed dividend for the financial year	11.049.000	33.000.000
<b>Total equity</b>	<b>20.526.969</b>	<b>40.824.061</b>
<b>Provisions</b>		
Provisions for deferred tax	0	768.153
<b>Total provisions</b>	<b>0</b>	<b>768.153</b>
<b>Liabilities other than provisions</b>		
Prepayments received from customers	9.775.201	11.486.932
Trade payables	314.389	1.805.278
Payables to group enterprises	26.633.565	2.879.091
Income tax payable	0	601.396
Other payables	6.242.875	3.751.703
Total short term liabilities other than provisions	42.966.030	20.524.400
<b>Total liabilities other than provisions</b>	<b>42.966.030</b>	<b>20.524.400</b>
<b>Total equity and liabilities</b>	<b>63.492.999</b>	<b>62.116.614</b>

5 Contingencies

6 Related parties



## Statement of changes in equity

---

All amounts in DKK.

	<b>Contributed capital</b>	<b>Retained earnings</b>	<b>Proposed dividend for the financial year</b>	<b>Total</b>
Equity 1 January 2021	581.000	24.056.929	16.000.000	40.637.929
Distributed dividend	0	0	-16.000.000	-16.000.000
Retained earnings for the year	0	-16.813.868	33.000.000	16.186.132
Equity 1 January 2022	581.000	7.243.061	33.000.000	40.824.061
Distributed dividend	0	0	-33.000.000	-33.000.000
Retained earnings for the year	0	1.653.908	11.049.000	12.702.908
	<b>581.000</b>	<b>8.896.969</b>	<b>11.049.000</b>	<b>20.526.969</b>



## Notes

All amounts in DKK.

	<u>2022</u>	<u>2021</u>
<b>1. Staff costs</b>		
Salaries and wages	14.913.284	12.928.021
Pension costs	1.563.275	1.362.418
Other costs for social security	201.911	129.097
	<u>16.678.470</u>	<u>14.419.536</u>
Average number of employees	<u>17</u>	<u>16</u>
<b>2. Plant and machinery</b>		
Cost 1 January 2022	647.125	647.125
Additions during the year	<u>682.627</u>	<u>0</u>
<b>Cost 31 December 2022</b>	<u>1.329.752</u>	<u>647.125</u>
Depreciation and write-down 1 January 2022	-338.854	-338.854
Amortisation and depreciation for the year	<u>-254.573</u>	<u>0</u>
<b>Depreciation and write-down 31 December 2022</b>	<u>-593.427</u>	<u>-338.854</u>
<b>Carrying amount, 31 December 2022</b>	<u>736.325</u>	<u>308.271</u>
<b>3. Other fixtures, fittings, tools and equipment</b>		
Cost 1 January 2022	360.990	5.192.896
Correction due to changes in accounting policies	<u>0</u>	<u>-4.831.906</u>
<b>Cost 31 December 2022</b>	<u>360.990</u>	<u>360.990</u>
Depreciation and write-down 1 January 2022	-227.823	-2.701.852
Correction due to changes in accounting policies	0	2.474.029
Amortisation and depreciation for the year	<u>-60.377</u>	<u>0</u>
<b>Depreciation and write-down 31 December 2022</b>	<u>-288.200</u>	<u>-227.823</u>
<b>Carrying amount, 31 December 2022</b>	<u>72.790</u>	<u>133.167</u>



## Notes

---

All amounts in DKK.

	<u>31/12 2022</u>	<u>31/12 2021</u>
<b>4. Deposits</b>		
Cost 1 January 2022	279.582	279.582
Additions during the year	<u>7.269</u>	<u>0</u>
<b>Cost 31 December 2022</b>	<u><b>286.851</b></u>	<u><b>279.582</b></u>
<b>Carrying amount, 31 December 2022</b>	<u><b>286.851</b></u>	<u><b>279.582</b></u>

## 5. Contingencies

### Contingent liabilities

	<u>DKK in thousands</u>
Lease liabilities	1.613
Other contingent liabilities	<u>634</u>
<b>Total contingent liabilities</b>	<u><b>2.247</b></u>

### Joint taxation

The company acts as administration company for the group of companies subject to the Danish scheme of joint taxation and is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, to pay the total corporation tax.

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

The total tax payable under the joint taxation scheme totals DKK 0.

The liability relating to obligations in connection with withholding tax on dividends, interest, and royalties represents an estimated maximum of DKK 0.

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



## Notes

---

All amounts in DKK.

### 6. Related parties

#### Consolidated financial statements

The company is included in the consolidated financial statements of Bergen Engines AS, Hordvikneset 125, 5108 Hordvik, Norway, which is the smallest group in which the Company is included as a subsidiary.



## Accounting policies

---

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

### Change of accounting policies for leases

The enterprise has chosen not to apply IFRS 16 as the basis for interpretation in relation to the classification and recognition of leases. This is due to the fact that the company is now part of a new group where IFRS 16 in terms of leases is not applied in the consolidated financial statements.

As of 31 December 2022, the accumulated effects of the changes in accounting policies are:

- Profit for the year before tax is increased by t.DKK 64
- Profit for the year after tax is increased by t.DKK 50
- The total of the statement of financial position is reduced by t.DKK 2,124
- Equity is increased by t.DKK 42

For 2021, profit for the year after tax was affected by t.DKK 0, the total of the statement of financial position reduced by t.DKK 2,358, and equity affected by t.DKK 0.

## Income statement

### Gross profit

Gross profit comprises the revenue, changes in inventories of finished goods, and work in progress, own work capitalised, other operating income, and external costs.

The enterprise will be applying IFRS 15 as its basis of interpretation for the recognition of revenue.

The revenue is recognised when the control of the identifiable individual performance obligations has been performed in respect of the customer whereby the customer gains control of the asset or the service. Sales remunerations are allocated proportionally to the individual performance obligations in the agreement.

Revenue from service contracts is recognised on a linear basis over the period during which the service is performed.

The enterprise will be applying IAS 11 and IAS 18 as its basis of interpretation for the recognition of revenue.

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



## Accounting policies

---

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

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

### **Staff costs**

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

### **Depreciation, amortisation, and write-down for impairment**

Depreciation, amortisation, and write-down for impairment comprise depreciation on, amortisation of, and write-down for impairment of intangible and tangible assets, respectively.

### **Financial income and expenses**

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

### **Tax on net profit or loss for the year**

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

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises. The company acts as an administration company in relation to the joint taxation. This means that the total Danish tax payable by the Danish consolidated companies is paid to the tax authorities by the company.

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

## Statement of financial position

### **Property, plant, and equipment**

Property, plant, and equipment are measured at cost less accrued depreciation and write-down for impairment.

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



## Accounting policies

---

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

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

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

Depreciation is done on a straight-line basis according to an assessment of the expected useful life and the residual value of the individual assets:

	Useful life	Residual value
Plant and machinery	5 years	0-20 %
Other fixtures and fittings, tools and equipment	3-5 years	0-20 %

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

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

### Right-of-use assets

The enterprise will be applying IFRS 16 as its basis of interpretation for the recognition of classification and recognition of leases.

Leases pertaining to property, plant, and equipment for which the enterprise has the right-of-use are recognised in the statement of financial position as right-of-use assets. The assets are, at initial recognition, measured at imputed cost, consisting of:

- The imputed lease liability
- Any lease payments paid prior to – or on – the starting date, less any lease incentives received
- Any direct start-up costs
- Any restoring costs

Hereafter, recognised leased assets are treated like the enterprise's remaining property, plant, and equipment.



## Accounting policies

---

Lease liabilities are recognised in the statement of financial position as liabilities other than provision and are measured, at initial recognition, at the present value of lease payments payable over the lease term. This includes a purchase option in the event that the enterprise expects to purchase the right-of-use asset. When determining the present value, the internal rate of return or, alternatively, the enterprise's borrowing rate is applied as discount rate.

Hereafter, the lease liability is treated like the remaining financial liabilities, i.e. at amortised cost.

The interest element of the lease payments is recognised in the income statement over the contractual term.

The following leases are not recognised as assets and liabilities in the statement of financial position:

- Leases with a duration of twelve months or less (short leases)
- Leases where the replacement value of the asset is less than DKK 30,000. (low-value assets)

For such leases, the lease payment is recognised in the income statement as an expense on a linear basis over the lease term.

Leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract. The company's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

### **Investments**

#### **Deposits**

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

#### **Impairment loss relating to non-current assets**

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

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

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

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



## Accounting policies

---

### **Inventories**

Inventories are measured at cost on the basis of weighted measured average prices. In cases when the net realisable value is lower than the cost, the latter is written down for impairment to this lower value.

Inventories are measured at cost, comprising purchase price.

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

### **Receivables**

Receivables are measured at amortised cost, which usually corresponds to nominal value.

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired. If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

Impairment losses are calculated as the difference between the carrying amount of accounts receivable and the present value of the expected cash flows, including the realisable value of any securities received. The effective interest rate for the individual account receivable or portfolio is used as the discount rate.

### **Contract work in progress**

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

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

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



## **Accounting policies**

---

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

### **Prepayments**

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

### **Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and on hand.

### **Equity**

#### **Dividend**

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

#### **Income tax and deferred tax**

As administration company, Bergen Engines (Denmark) A/S is liable to the tax authorities for the subsidiaries' corporate income taxes.

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

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

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

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

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

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



## **Accounting policies**

---

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

### **Liabilities other than provisions**

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