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# ***DANX A/S***

Vejleåvej 9, DK-2635 Ishøj

## **Annual Report for 1 July 2018 - 30 June 2019**

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CVR No 20 40 68 44

The Annual Report was  
presented and adopted at  
the Annual General  
Meeting of the Company on  
30/10 2019

Sadik El Mahdaoui  
Chairman of the General  
Meeting



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# Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of DANX A/S for the financial year 1 July 2018 - 30 June 2019.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 30 June 2019 of the Company and of the results of the Company operations for 2018/19.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Ishøj, 30 October 2019

## Executive Board

Søren Byder Gønge  
CEO

Bob Thorhauge

## Board of Directors

Marianne Johanne Gottfried  
Gønge  
Chairman

Sadik El Mahdaoui

Gert Philipsen

Bob Thorhauge

Søren Byder Gønge

# Independent Auditor's Report

To the Shareholder of DANX A/S

## Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 30 June 2019 and of the results of the Company's operations for the financial year 1 July 2018 - 30 June 2019 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of DANX A/S for the financial year 1 July 2018 - 30 June 2019, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

## 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' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## 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.

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 Financials Statements Act.

Based on the work we have performed, in our view, Management's Review 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 in Management's Review.

# Independent Auditor's Report

## 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 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

## Independent Auditor's Report

- 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.

Hellerup, 30 October 2019

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Flemming Eghoff  
State Authorised Public Accountant  
mne30221

Thomas Baunkjær Andersen  
State Authorised Public Accountant  
mne35483

## Company Information

### The Company

DANX A/S  
Vejeåvej 9  
DK-2635 Ishøj

CVR No: 20 40 68 44  
Financial period: 1 July - 30 June  
Incorporated: 30 June 1997  
Financial year: 22nd financial year  
Municipality of reg. office: Ishøj

### Board of Directors

Marianne Johanne Gottfried Gønge, Chairman  
Sadik El Mahdaoui  
Gert Philipsen  
Bob Thorhauge  
Søren Byder Gønge

### Executive Board

Søren Byder Gønge  
Bob Thorhauge

### Auditors

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Strandvejen 44  
DK-2900 Hellerup

## Financial Highlights

Seen over a five-year period, the development of the Company is described by the following financial highlights:

	<u>2018/19</u>	<u>2017/18</u>	<u>2016/17</u>	<u>2015/16</u>	<u>2014/15</u>
	TDKK	TDKK	TDKK	TDKK	TDKK
<b>Key figures</b>					
<b>Profit/loss</b>					
Profit/loss before financial income and expenses	9.101	4.505	-26	4.635	1.102
Net financials	-51	461	1.149	257	-237
Net profit/loss for the year	7.027	3.833	828	3.736	606
<b>Balance sheet</b>					
Balance sheet total	33.579	28.598	80.737	56.277	28.577
Investment in property, plant and equipment	1.779	1.270	2.302	1.260	1.615
Equity	11.535	4.508	10.675	9.846	6.111
Number of employees	60	63	68	69	69
<b>Ratios</b>					
Solvency ratio	34,4%	15,8%	13,2%	17,5%	21,4%

For definitions of Financial Highlights, see under accounting policies.



# Management's Review

## Key activities

DANX A/S is a leading and highly respected provider of customised transportation and logistics solutions within the niche of Service Logistics.

Our prime activity is efficient and highly reliable in-night distribution of spare parts to technician vans and workshops in the Nordics and the Baltics from both local and European warehouses.

It is the intention to perform any activity which the Board of Directors find suitable to achieve the above target.

## Development in the year

The income statement of the Company for 2018/19 shows a profit of TDKK 7,027, and at 30 June 2019 the balance sheet of the Company shows equity of TDKK 11,535.

The result is satisfactory.

## The past year and follow-up on development expectations from last year

The financial development and result is in line with expectations and with the communicated in the annual report for 2017/18.

## *Special risks - operating risks and financial risks*

DANX A/S sales and purchases are mainly effected in DKK, EUR, SEK and NOK. Financial risks are therefore limited to the listed currencies. These foreign exchange risks are not hedged; however, Management assesses the exposure on a current basis and considers whether any exposure should be hedged by means of forward exchange contracts.

DANX is not significantly affected by other financial or operational risks, which not are common for industries in which DANX operates.

## Targets and expectations for the year ahead

The positive development is expected to continue in the financial year 2019/20. Due to a continued high intake of new customers, there are very positive expectations in terms of increase in revenue and EBITDA as well as the result for the year 2019/20.

The growth in the above parameters is expected to be between 5-10%, compared with the in 2018/2019 financial year realised.

# Management's Review

## Research and development

The company has no significant research and development activities.

## External environment

As a service logistics provider, DANX acknowledges that we impact the environment in terms of CO<sub>2</sub> emission and waste creation. Consequently, the biggest risks derived from our activities are emission of CO<sub>2</sub> from the transport of goods and creation of waste, mainly due to large quantities of packaging materials. To mitigate these risks, we have implemented an environmental management system in accordance with ISO 14001:2015 and we, amongst other things, have undertaken to reduce our CO<sub>2</sub> emissions and waste creation.

All employees in DANX are committed to protecting the environment, including prevention of pollution and we are determined to continually improve our environmental performance in regards to our carbon footprint.

In 2018/2019 we have had focus on improvement of CO<sub>2</sub> emission reduction, electricity usage, waste management and recycling of materials.

DANX takes action to constantly optimize the kilometres we drive, and we ask all drivers to take ECO – Driving Education. Also, our internal company cars in Norway have been changed to 100 % electric cars. In relation to waste management, we have several sites in the Nordic countries, which this year have had focus on the sorting process and have good control of the different waste fractions, e.g. wood, plastic, packing materials. We have gotten a very high degree of re-usage of pallets, which further reduces our carbon footprint because we transport less waste to recycling plants and generally have reduced our need for producing new pallets. The recycling of printer cartridges from both large and small sites in the Nordic region is close to 100 %. Our large terminals have been, or are in the process of, changing the classical lighting to more efficient LED light.

Finally, we have reduced our CO<sub>2</sub> emission with 5% per parcel.

For further information regarding corporate social responsibility a reference is made to the management review in the annual report for the ultimate parent, DANX Holding I ApS.

## Uncertainty relating to recognition and measurement

Recognition and measurement in the Annual Report have not been subject to any uncertainty.

## Unusual events

The financial position at 30 June 2019 of the Company and the results of the activities of the Company for the financial year for 2018/19 have not been affected by any unusual events.

## **Management's Review**

### **Subsequent events**

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

## Income Statement 1 July - 30 June

	Note	2018/19 TDKK	2017/18 TDKK
<b>Gross profit/loss</b>		<b>43.917</b>	<b>37.432</b>
Staff expenses	1	-33.497	-31.711
Depreciation, property, plant and equipment		-1.319	-1.357
Other operating expenses		0	141
<b>Profit/loss before financial income and expenses</b>		<b>9.101</b>	<b>4.505</b>
Financial income	2	79	1.665
Financial expenses	3	-130	-1.204
<b>Profit/loss before tax</b>		<b>9.050</b>	<b>4.966</b>
Tax on profit/loss for the year	4	-2.023	-1.133
<b>Net profit/loss for the year</b>		<b>7.027</b>	<b>3.833</b>

## Balance Sheet 30 June

### Assets

	Note	2019 TDKK	2018 TDKK
Other fixtures and fittings, tools and equipment		3.348	2.495
Leasehold improvements		0	622
<b>Property, plant and equipment</b>	5	<b>3.348</b>	<b>3.117</b>
Deposits		151	238
<b>Fixed asset investments</b>	6	<b>151</b>	<b>238</b>
<b>Fixed assets</b>		<b>3.499</b>	<b>3.355</b>
Trade receivables		21.066	21.074
Other receivables		887	2.643
Deferred tax asset	9	116	142
Prepayments	7	712	557
<b>Receivables</b>		<b>22.781</b>	<b>24.416</b>
<b>Cash at bank and in hand</b>		<b>7.299</b>	<b>827</b>
<b>Currents assets</b>		<b>30.080</b>	<b>25.243</b>
<b>Assets</b>		<b>33.579</b>	<b>28.598</b>

# Balance Sheet 30 June

## Liabilities and equity

	Note	2019 TDKK	2018 TDKK
Share capital		500	500
Retained earnings		11.035	4.008
<b>Equity</b>		<b>11.535</b>	<b>4.508</b>
Corporation tax		1.997	0
<b>Long-term debt</b>	10	<b>1.997</b>	<b>0</b>
Credit institutions		62	71
Trade payables		13.804	13.177
Payables to group enterprises		1.831	6.757
Corporation tax		1.140	1.140
Other payables		3.210	2.945
<b>Short-term debt</b>		<b>20.047</b>	<b>24.090</b>
<b>Debt</b>		<b>22.044</b>	<b>24.090</b>
<b>Liabilities and equity</b>		<b>33.579</b>	<b>28.598</b>
Distribution of profit	8		
Contingent assets, liabilities and other financial obligations	11		
Related parties	12		
Accounting Policies	13		

## Statement of Changes in Equity

	Share capital	Retained earnings	Total
	TDKK	TDKK	TDKK
Equity at 1 July 2018	500	4.008	4.508
Net profit/loss for the year	0	7.027	7.027
<b>Equity at 30 June 2019</b>	<b>500</b>	<b>11.035</b>	<b>11.535</b>

# Notes to the Financial Statements

	2018/19 <u>TDKK</u>	2017/18 <u>TDKK</u>
<b>1 Staff expenses</b>		
Wages and salaries	32.032	30.277
Pensions	1.166	1.178
Other social security expenses	299	256
	<u><b>33.497</b></u>	<u><b>31.711</b></u>
 Including remuneration to the Executive Board of: Executive Board	 <u>3.646</u>	 <u>4.488</u>
	<u><b>3.646</b></u>	<u><b>4.488</b></u>
 <b>Average number of employees</b>	 <u><b>60</b></u>	 <u><b>63</b></u>
 <b>2 Financial income</b>		
Interest received from group enterprises	0	636
Other financial income	79	51
Exchange adjustments	0	978
	<u><b>79</b></u>	<u><b>1.665</b></u>
 <b>3 Financial expenses</b>		
Interest paid to group enterprises	22	888
Other financial expenses	51	316
Exchange adjustments, expenses	57	0
	<u><b>130</b></u>	<u><b>1.204</b></u>
 <b>4 Tax on profit/loss for the year</b>		
Current tax for the year	1.997	1.140
Deferred tax for the year	26	-7
	<u><b>2.023</b></u>	<u><b>1.133</b></u>



# Notes to the Financial Statements

## 5 Property, plant and equipment

	Other fixtures and fittings, tools and equipment <u>TDKK</u>	Leasehold improvements <u>TDKK</u>
Cost at 1 July 2018	15.194	4.827
Additions for the year	1.779	0
Disposals for the year	<u>-426</u>	<u>0</u>
Cost at 30 June 2019	<u>16.547</u>	<u>4.827</u>
Impairment losses and depreciation at 1 July 2018	12.078	4.827
Depreciation for the year	1.318	0
Reversal of impairment and depreciation of sold assets	<u>-197</u>	<u>0</u>
Impairment losses and depreciation at 30 June 2019	<u>13.199</u>	<u>4.827</u>
<b>Carrying amount at 30 June 2019</b>	<b><u>3.348</u></b>	<b><u>0</u></b>

## 6 Fixed asset investments

	<u>Deposits</u> TDKK
Cost at 1 July 2018	238
Disposals for the year	<u>-87</u>
Cost at 30 June 2019	<u>151</u>
<b>Carrying amount at 30 June 2019</b>	<b><u>151</u></b>

## 7 Prepayments

Prepayments consist of prepaid expenses concerning rent, insurance premiums, subscriptions and interest as well.

## Notes to the Financial Statements

	<u>2018/19</u> TDKK	<u>2017/18</u> TDKK
<b>8 Distribution of profit</b>		
Retained earnings	7.027	3.833
	<u>7.027</u>	<u>3.833</u>
	<u>2019</u> TDKK	<u>2018</u> TDKK
<b>9 Deferred tax asset</b>		
Deferred tax asset at 1 July 2018	142	0
Amounts recognised in the income statement for the year	-26	7
Amounts recognised in equity for the year	0	135
<b>Deferred tax asset at 30 June 2019</b>	<u>116</u>	<u>142</u>
Property, plant and equipment	-116	-142
Transferred to deferred tax asset	116	142
	<u>0</u>	<u>0</u>

Deferred tax has been provided at 22% corresponding to the expected current tax rate.

### Deferred tax asset

Calculated tax asset	116	142
<b>Carrying amount</b>	<u>116</u>	<u>142</u>

The recognised tax asset is primary attributable to temporary difference between value for accounting purposes and tax base.

# Notes to the Financial Statements

## 10 Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	2019 TDKK	2018 TDKK
<b>Corporation tax</b>		
Between 1 and 5 years	1.997	0
Long-term part	1.997	0
Within 1 year	0	0
	<b>1.997</b>	<b>0</b>

## 11 Contingent assets, liabilities and other financial obligations

### Rental and lease obligations

Lease obligations under operating leases. Total future lease payments:

Within 1 year	5.822	4.744
Between 1 and 5 years	21.987	17.957
After 5 years	15.944	16.745
	<b>43.753</b>	<b>39.446</b>

### Other contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of DANX Holding I ApS, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

The Company's equity interests in subsidiaries have been provided as security for bank loans in a subsidiary.

The Company's shares have been provided as security for bank loans in other group enterprises.

Group enterprises have provided surety in respect of bank loans of other group enterprises.

# Notes to the Financial Statements

## 12 Related parties

### Controlling interest

DANX GROUP A/S, 2635 Ishøj

Parent Company

### Transactions

The Company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(7) of the Danish Financial Statements Act.

### Consolidated Financial Statements

The company is a part of the consolidated financial statement mentioned below.

<u>Name</u>	<u>Place of registered office</u>
DANX Holding I ApS (ultimate parent)	Ishøj
DANX Group A/S (parent)	Ishøj

# Notes to the Financial Statements

## 13 Accounting Policies

The Annual Report of DANX A/S for 2018/19 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2018/19 are presented in TDKK.

With reference to a true and fair view, certain reclassifications have been made in the income statement, Balance sheet and notes for the company. Comparative figures are adjusted accordingly.

### Cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act and to the cash flow statement included in the consolidated financial statements of DANX Group A/S (parent), the Company has not prepared a cash flow statement.

### Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

### Leases

All leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

# Notes to the Financial Statements

## 13 Accounting Policies (continued)

### Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

## Income Statement

### Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

### Cost of sales

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve revenue for the year.

### Other external expenses

Other external expenses comprise expenses for premises, sales and distribution as well as office expenses, etc.

### Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, other operating income, expenses for raw materials and consumables and other external expenses.

# Notes to the Financial Statements

## 13 Accounting Policies (continued)

### Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

### Depreciation and impairment losses

Depreciation and impairment losses comprise amortisation, depreciation and impairment of property, plant and equipment.

### Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company, including gains and losses on the sale of property, plant and equipment.

### Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

### Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with wholly owned Danish Group Companies. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

## Balance Sheet

### Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	2-8	years
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# Notes to the Financial Statements

## 13 Accounting Policies (continued)

### **Impairment of fixed assets**

The carrying amounts of property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

### **Fixed asset investments**

Fixed asset investments consist of deposits.

### **Receivables**

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

### **Prepayments**

Prepayments comprise prepaid expenses concerning costs incurred in respect of subsequent financial year.

### **Equity**

#### ***Dividend***

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

### **Deferred tax assets and liabilities**

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.



# Notes to the Financial Statements

## 13 Accounting Policies (continued)

### Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

### Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.

## Financial Highlights

### Explanation of financial ratios

Solvency ratio

$$\frac{\text{Equity at year end} \times 100}{\text{Total assets at year end}}$$