
DANX A/S

Vejleåvej 9, DK-2635 Ishøj

Annual Report for 2023

CVR No. 20 40 68 44

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 26/6 2024

Klaus Rud Sejling
Chairman of the
general meeting



Contents

	<u>Page</u>
Management's Statement and Auditor's Report	
Management's Statement	1
Independent Auditor's Report	2
Management's Review	
Company information	4
Financial Highlights	5
Management's Review	6
Financial Statements	
Income Statement 1 January - 31 December	8
Balance sheet 31 December	9
Statement of changes in equity	11
Notes to the Financial Statements	12

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 January - 31 December 2023.

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 31 December 2023 of the Company and of the results of the Company operations for 2023.

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, 26 June 2024

Executive Board

Lars Bo Larsen
CEO

Board of Directors

Ulrik Find
Chairman

Kasper Mahon Andreasen

Sadik El Mahdaoui

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 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of DANX A/S for the financial year 1 January - 31 December 2023, 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' 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.

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 Financial 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.

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.

Independent Auditor's report

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.
- 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, 26 June 2024

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Thomas Baunkjær Andersen
State Authorised Public Accountant
mne35483

Oliver Svane
State Authorised Public Accountant
mne49837

Company information

The Company	DANX A/S Vejleåvej 9 2635 Ishøj CVR No: 20 40 68 44 Financial period: 1 January - 31 December Incorporated: 30 June 1997 Financial year: 26th financial year Municipality of reg. office: Ishøj
Board of Directors	Ulrik Find, chairman Kasper Mahon Andreasen Sadik El Mahdaoui
Executive Board	Lars Bo Larsen
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup

Financial Highlights

Seen over a 5-year period, the development of the Company is described by the following financial highlights:

	2023	2021/22	2020/21	2019/20	2018/19
	TDKK 12 months	TDKK 18 months	TDKK 12 months	TDKK 12 months	TDKK 12 months
Key figures					
Profit/loss					
Profit/loss of primary operations	38,982	41,511	28,054	11,004	9,101
Profit/loss of financial income and expenses	-1,133	-1,189	54	-506	-51
Net profit/loss for the year	29,397	31,341	21,937	8,161	7,027
Balance sheet					
Balance sheet total	72,913	72,150	63,903	45,583	33,579
Investment in property, plant and equipment	5,618	4,218	1,800	0	1,779
Equity	30,871	13,474	31,633	19,696	11,535
Number of employees	105	89	74	62	63
Ratios					
Solvency ratio	42.3%	18.7%	49.5%	43.2%	34.4%

For definitions of ratios, 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 focus in 2023 continued to be the successful integration of the businesses into the new DANX Carousel Group whilst continuing to offer excellent service to existing clients; and at the same time continuing to attract and onboard new business. The income statement of the company for 2023 shows revenue of TDKK 238,080 (2021/22 TDKK 304,163) and an EBITDA of TDKK 41,582 (2021/22 TDKK 45,361). The balance sheet of the company shows equity of TDKK 30,871 (2021/22 TDKK 13,474).

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

The financial development and result is in line with expectations and with that communicated in the Annual Report for 2021/22. The expectations were an increase in revenue of 10-15% with an EBITDA margin in the range of 7-8%.

Special risks - operating risks and financial risks

DANX A/S sales and purchases are mainly transacted 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, in line with industries in which DANX operates.

Targets and expectations for the year ahead

The target for FY24, resulting from the above strategy, is an increase in revenue of 8-10% with an EBITDA margin in the range of 7-8%. The focus in 2024 is the ongoing successful integration of the businesses whilst continuing to offer excellent service to existing clients; and at the same time continuing to attract and onboard new business.

Research and development

The company has no significant research and development activities.

Management's review

External environment

As a service logistics provider, DANX acknowledges that we impact the environment in terms of CO2 emission and waste creation. Consequently, the biggest risks derived from our activities are emission of CO2 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 CO2 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 2023 we continue to have had a focus on improvement of CO2 emission reduction, electricity usage, waste management and recycling of materials.

DANX takes action to constantly optimise the kilometres we drive through efficient route planning, 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 continue to sort waste, e.g. wood, plastic, packing materials for recycling wherever possible. We have 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 terminals have been, or are in the process of, changing the classical lighting to more efficient LED light.

Finally, we continue to focus on reducing CO2 emissions overall and at a shipment level. For further information regarding corporate social responsibility a reference is made to the Management Review in the Annual Report for the ultimate parent, AX VI INV5 Holding ApS.

Uncertainty relating to recognition and measurement

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

Subsequent events

On 14 June 2024, DANX A/S entered into a Share Transfer Agreement to purchase the shares of a Danish company operating in Denmark and Sweden in the logistics industry with approximate annual turnover of DKK 100 million. At the date of signing the annual report, the transaction has not yet completed.

Income statement 1 January - 31 December

	Note	2023	2021/22
		TDKK 12 months	TDKK 18 months
Gross profit		106,886	121,297
Staff expenses	1	-65,304	-75,936
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment		-2,600	-3,850
Profit/loss before financial income and expenses		38,982	41,511
Financial income	2	739	956
Financial expenses	3	-1,872	-2,145
Profit/loss before tax		37,849	40,322
Tax on profit/loss for the year	4	-8,452	-8,981
Net profit/loss for the year	5	29,397	31,341

Balance sheet 31 December

Assets

	Note	2023	2021/22
		TDKK	TDKK
Goodwill		3,292	3,482
Intangible assets	6	3,292	3,482
Other fixtures and fittings, tools and equipment		8,831	5,677
Property, plant and equipment	7	8,831	5,677
Investments in subsidiaries	8	0	0
Deposits	9	1,252	1,161
Fixed asset investments		1,252	1,161
Fixed assets		13,375	10,320
Trade receivables		36,748	42,464
Receivables from group enterprises		18,536	12,636
Other receivables		975	3,590
Deferred tax asset	10	168	464
Prepayments	11	2,169	2,035
Receivables		58,596	61,189
Cash at bank and in hand		942	641
Current assets		59,538	61,830
Assets		72,913	72,150

Balance sheet 31 December

Liabilities and equity

	Note	2023	2021/22
		TDKK	TDKK
Share capital		500	500
Retained earnings		371	974
Proposed dividend for the year		30,000	12,000
Equity		30,871	13,474
Other payables		3,605	2,975
Long-term debt	12	3,605	2,975
Credit institutions		75	9,963
Trade payables		25,960	32,476
Payables to group enterprises relating to corporation tax		8,277	9,279
Deposits		4	4
Other payables	12	4,121	3,979
Short-term debt		38,437	55,701
Debt		42,042	58,676
Liabilities and equity		72,913	72,150
Contingent assets, liabilities and other financial obligations	13		
Related parties	14		
Accounting Policies	15		

Statement of changes in equity

	Share capital	Retained earnings	Proposed dividend for the year	Total
	TDKK	TDKK	TDKK	TDKK
Equity at 1 January	500	974	12,000	13,474
Ordinary dividend paid	0	0	-12,000	-12,000
Net profit/loss for the year	0	-603	30,000	29,397
Equity at 31 December	500	371	30,000	30,871

Notes to the Financial Statements

	2023 TDKK 12 months	2021/22 TDKK 18 months
1. Staff Expenses		
Wages and salaries	59,947	69,749
Pensions	2,690	3,098
Other social security expenses	665	1,173
Other staff expenses	2,002	1,916
	65,304	75,936
Including remuneration to the Executive Board and Board of Directors	1,850	2,232
Average number of employees	105	89
	2023 TDKK 12 months	2021/22 TDKK 18 months
2. Financial income		
Interest received from group enterprises	731	896
Other financial income	8	60
	739	956
	2023 TDKK 12 months	2021/22 TDKK 18 months
3. Financial expenses		
Other financial expenses	1,188	784
Exchange adjustments, expenses	684	1,361
	1,872	2,145

Notes to the Financial Statements

	2023	2021/22
	TDKK	TDKK
	12 months	18 months
4. Income tax expense		
Current tax for the year	8,276	9,279
Deferred tax for the year	296	-298
Adjustment of tax concerning previous years	-120	0
	<u>8,452</u>	<u>8,981</u>

	2023	2021/22
	TDKK	TDKK
5. Profit allocation		
Extraordinary dividend paid	0	29,500
Proposed dividend for the year	30,000	12,000
Retained earnings	-603	-10,159
	<u>29,397</u>	<u>31,341</u>

	Goodwill
	TDKK
6. Intangible fixed assets	
Cost at 1 January	<u>3,672</u>
Cost at 31 December	<u>3,672</u>
Impairment losses and amortisation at 1 January	190
Amortisation for the year	<u>190</u>
Impairment losses and amortisation at 31 December	<u>380</u>
Carrying amount at 31 December	<u>3,292</u>
Amortised over	<u>20 years</u>

Notes to the Financial Statements

7. Property, plant and equipment

	Other fixtures and fittings, tools and equipment
	TDKK
Cost at 1 January	24,738
Additions for the year	5,618
Disposals for the year	-590
Cost at 31 December	<u>29,766</u>
Impairment losses and depreciation at 1 January	19,061
Depreciation for the year	2,410
Reversal of impairment and depreciation of sold assets	-536
Impairment losses and depreciation at 31 December	<u>20,935</u>
Carrying amount at 31 December	<u>8,831</u>
Amortised over	<u>2-8 years</u>

8. Investments in subsidiaries

	2023	2021/22
	TDKK	TDKK
Cost at 1 January	0	5,500
Disposals for the year	0	-5,500
Cost at 31 December	<u>0</u>	<u>0</u>
Value adjustments at 1 January	0	341
Disposals for the year	0	-341
Value adjustments at 31 December	<u>0</u>	<u>0</u>
Carrying amount at 31 December	<u>0</u>	<u>0</u>

Notes to the Financial Statements

9. Other fixed asset investments

	Deposits
	TDKK
Cost at 1 January	1,161
Additions for the year	91
Cost at 31 December	<u>1,252</u>
Carrying amount at 31 December	<u>1,252</u>

10. Deferred tax asset

	2023	2021/22
	TDKK	TDKK
Deferred tax asset at 1 January	464	238
Net effect from merger and acquisition	0	-72
Amounts recognised in the income statement for the year	<u>-296</u>	<u>298</u>
Deferred tax asset at 31 December	<u>168</u>	<u>464</u>

The recognised tax asset is primarily attributable to temporary difference between value for accounting purposes and tax base. The Company or the group of jointly taxed enterprises expect to realise the recognised deferred tax asset over a 3-5 year period. On that basis, the asset has been recognised at 31 December 2023.

11. Prepayments

Prepayments consist of prepaid expenses concerning rent, insurance premiums, subscriptions.

Notes to the Financial Statements

	2023	2021/22
	TDKK	TDKK

12. 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:

Other payables

After 5 years	3,605	2,975
Long-term part	3,605	2,975
Other short-term payables	4,121	3,979
	<u>7,726</u>	<u>6,954</u>

	2023	2021/22
	TDKK	TDKK

13. Contingent assets, liabilities and other financial obligations

Charges and security

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.

Rental and lease obligations

Lease obligations under operating leases. Total future lease payments:

Within 1 year	2,165	8,719
Between 1 and 5 years	28,550	25,534
	<u>30,715</u>	<u>34,253</u>

Notes to the Financial Statements

2023	2021/22
TDKK	TDKK

13. Contingent assets, liabilities and other financial obligations

Other contingent liabilities

The Danish 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 AX VI INV5 Holding III ApS, which is the management company of the joint taxation purposes. Moreover, the Danish 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.

14. Related parties and disclosure of consolidated financial statements

	<u>Basis</u>
Controlling interest	
DANX GROUP A/S, DK-2635 Ishøj	Parent Company
AX VI INV5 Holding III ApS, DK-2635 Ishøj	Ultimate 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 included in the Group Annual Report of the Parent Company of the largest and smallest group:

<u>Name</u>	<u>Place of registered office</u>
AX VI INV5 Holding III ApS	Denmark
AX VI INV5 Holding ApS	Denmark

The Group Annual Report of AX VI INV5 Holding III ApS may be obtained at the following address:
Vejleåvej 9, 2635 Ishøj, Denmark

The Group Annual Report of AX VI INV5 Holding ApS may be obtained at the following address:
Vejleåvej 9, 2635 Ishøj, Denmark

Notes to the Financial Statements

15. Accounting policies

The Annual Report of DANX A/S for 2023 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 2023 are presented in TDKK.

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 AX VI INV5 Holding ApS, 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.

Translation policies

Danish kroner is used as the presentation currency. All other currencies are regarded as foreign currencies.

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses 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.

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.

Notes to the Financial Statements

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

Expenses for raw materials and consumables

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

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.

Staff expenses

Staff costs include wages and salaries including compensated absence and pensions as well as other social security contributions etc. made to the entity's employees.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and 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 management fee and gains/losses on the sale of property, plant and equipment.

Income from investments in participating interests

Dividends from participating interests are recognised as income in the income statement when adopted at the General Meeting of the participating interest. However, dividends relating to earnings in the participating interest before it was acquired by the Parent Company are set off against the cost of the participating interest.

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 AX VI INV5 Holding III ApS and the Danish companies in the Group. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Balance sheet

Intangible fixed assets

Goodwill acquired is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over its useful life, which is assessed at 20 year.

Notes to the Financial Statements

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
Leasehold improvements	2-8 years

The fixed assets' residual values are determined at nil.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment and investments 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.

Investments in participating interests

Investments in participating interests are measured at cost. Where cost exceeds the recoverable amount, write-down is made to this lower value.

Other fixed asset investments

Other 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 Dividend 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.

Notes to the Financial Statements

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.

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 liabilities

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

Financial Highlights

Explanation of financial ratios

Solvency ratio $\text{Equity at year end} \times 100 / \text{Total assets at year end}$