
Besko A/S

Logistikparken 24, DK-8220 Brabrand

Annual Report for 1 January - 31 December 2020

CVR No 20 86 21 81

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
6 /5 2021

Axel Kierkegaard
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 Besko A/S for the financial year 1 January - 31 December 2020.

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 2020 of the Company and of the results of the Company operations for 2020.

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.

Brabrand, 6 May 2021

Executive Board

Thorsten Winterberg
Executive Officer

Board of Directors

Axel Kierkegaard
Chairman

Tobias Wiedeking

Martin Balthasar Tschappu

Independent Auditor's Report

To the Shareholder of Besko 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 2020 and of the results of the Company's operations for the financial year 1 January - 31 December 2020 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Besko A/S for the financial year 1 January - 31 December 2020, 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.

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 misstate-

Independent Auditor's Report

ment, 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.
- 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

Independent Auditor's Report

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.

Trekantområdet, 6 May 2021

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Poul Madsen
State Authorized Public Accountant
mne10745

Jan Bunk Harbo Larsen
State Authorized Public Accountant
mne30224

Company Information

The Company

Besko A/S
Logistikparken 24
DK-8220 Brabrand

Telephone: + 45 8794 1700
Website: www.besko.dk

CVR No: 20 86 21 81
Financial period: 1 January - 31 December
Municipality of reg. office: Aarhus

Board of Directors

Axel Kierkegaard, Chairman
Tobias Wiedeking
Martin Balthasar Tschappu

Executive Board

Thorsten Winterberg

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Herredsvej 32
DK-7100 Vejle

Financial Highlights

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

	2020 TDKK	2019 TDKK	2018 TDKK	2017 TDKK	2016 TDKK
Key figures					
Profit/loss					
Gross profit/loss	57.069	56.933	57.063	55.542	52.549
Operating profit/loss	11.797	1.539	10.702	11.328	9.070
Net financials	-24.153	-21.156	-7.796	-7.458	-5.735
Net profit/loss for the year	-14.621	-19.782	898	1.736	1.546
Balance sheet					
Balance sheet total	157.411	178.113	136.747	137.397	129.497
Equity	67.337	81.957	67.702	66.792	65.058
Investment in property, plant and equipment	-681	-468	-896	-743	-93
Ratios					
Return on assets	7,6%	0,8%	7,9%	8,3%	7,0%
Solvency ratio	42,8%	46,0%	49,5%	48,6%	50,2%
Return on equity	-19,6%	-26,4%	1,3%	2,6%	2,4%

For definitions, see under accounting policies.

Management's Review

Key activities

The main activity of the company is selling components, spare parts and coachwork accessories for trailers, heavy vehicles and busses. Some of these components are imported from abroad.

Development in the year

It is the view of the management that all important statements for judging the financial position and the result of the year appear from the annual report and this statement.

At the German market there have been structural changes in the subsidiary Besko Nutzfahrzeugteile GmbH following the merger in 2019 with the acquired company Herz Nutzfahrzeugteile GmbH. At the long run the merger will strengthen the position of the company at the German market, however it has influenced the accounts for 2020 in a negative way.

In the financial year there is a deficit after taxes of TDKK 14,621 compared with a deficit of TDKK 19,782 in 2019.

The equity end 2020 is TDKK 67,337 corresponding a solidity of 43 %, and the company is thus well equipped to deal with the challenges of the future.

Market risks

Covid-19 pandemic still has an impact on the Danish society however, it is not expected to have a general negative influence on the 2021 result of the company.

Foreign exchange risks

The company imports some of its products and the purchase amount is mainly paid in Euro. Almost the whole sale turnover is paid in DKK. No special activities are made to cover the possible Euro risk, as this is estimated to be limited.

Targets and expectations for the year ahead

In the budget for 2021 an improvement of the result compared to 2020 is expected – due to an improvement in the result from the German activities of the company. However, the German activities are also in 2021 expected to have a negative impact on the result for the year.

External environment

The management currently brings focus on unnecessary resource consumption and the general job satisfaction.

Management's Review

Intellectual capital resources

The management considers that the company is not vulnerable concerning this issue.

Income Statement 1 January - 31 December

	Note	2020 TDKK	2019 TDKK
Gross profit/loss		57.069	56.933
Staff expenses	1	-42.818	-52.482
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-2.299	-2.912
Other operating expenses		0	-46
Profit/loss before financial income and expenses		11.952	1.493
Income from investments in subsidiaries		-23.092	-20.056
Financial income		183	179
Financial expenses	2	-1.244	-1.279
Profit/loss before tax		-12.201	-19.663
Tax on profit/loss for the year	3	-2.420	-119
Net profit/loss for the year		-14.621	-19.782

Balance Sheet 31 December

Assets

	Note	2020 TDKK	2019 TDKK
Completed development projects		324	478
Intangible assets	4	324	478
Land and buildings		25.380	26.730
Other fixtures and fittings, tools and equipment		1.539	1.187
Leasehold improvements		133	260
Property, plant and equipment	5	27.052	28.177
Investments in subsidiaries	6	8.362	6.187
Receivables from group enterprises	7	0	3.801
Other receivables	7	329	407
Fixed asset investments		8.691	10.395
Fixed assets		36.067	39.050
Inventories		72.973	78.985
Trade receivables		44.061	55.965
Receivables from group enterprises		1.061	507
Other receivables		2.467	2.043
Deferred tax asset	8	82	87
Prepayments	9	700	886
Receivables		48.371	59.488
Cash at bank and in hand		0	590
Currents assets		121.344	139.063
Assets		157.411	178.113

Balance Sheet 31 December

Liabilities and equity

	Note	2020 TDKK	2019 TDKK
Share capital		5.600	5.600
Retained earnings		61.737	76.357
Equity		67.337	81.957
Payables to group enterprises		0	11.000
Long-term debt	11	0	11.000
Trade payables		12.197	8.982
Payables to group enterprises	11	63.719	67.095
Corporation tax		2.415	303
Other payables		11.743	8.776
Short-term debt		90.074	85.156
Debt		90.074	96.156
Liabilities and equity		157.411	178.113
Distribution of profit	10		
Contingent assets, liabilities and other financial obligations	12		
Related parties	13		
Subsequent events	14		
Accounting Policies	15		

Statement of Changes in Equity

	Share capital	Retained earnings	Total
	TDKK	TDKK	TDKK
Equity at 1 January	5.600	76.357	81.957
Exchange adjustments	0	1	1
Net profit/loss for the year	0	-14.621	-14.621
Equity at 31 December	5.600	61.737	67.337

Notes to the Financial Statements

	2020 <u>TDKK</u>	2019 <u>TDKK</u>
1 Staff expenses		
Wages and salaries	36.075	44.974
Pensions	4.602	5.191
Other social security expenses	288	321
Other staff expenses	1.853	1.996
	<u>42.818</u>	<u>52.482</u>
Including remuneration to the Executive Board and Board of Directors	<u>2.757</u>	<u>3.196</u>
Average number of employees	<u>84</u>	<u>94</u>
2 Financial expenses		
Interest paid to group enterprises	255	431
Other financial expenses	989	824
Exchange adjustments, expenses	0	24
	<u>1.244</u>	<u>1.279</u>
3 Tax on profit/loss for the year		
Current tax for the year	2.415	303
Deferred tax for the year	5	-184
	<u>2.420</u>	<u>119</u>

Notes to the Financial Statements

4 Intangible assets

	Completed development projects <u>TDKK</u>
Cost at 1 January	1.280
Additions for the year	<u>183</u>
Cost at 31 December	<u>1.463</u>
Impairment losses and amortisation at 1 January	802
Amortisation for the year	<u>337</u>
Impairment losses and amortisation at 31 December	<u>1.139</u>
Carrying amount at 31 December	<u>324</u>

5 Property, plant and equipment

	Land and buildings <u>TDKK</u>	Other fixtures and fittings, tools and equipment <u>TDKK</u>	Leasehold improvements <u>TDKK</u>
Cost at 1 January	40.550	11.549	1.456
Additions for the year	<u>0</u>	<u>824</u>	<u>12</u>
Cost at 31 December	<u>40.550</u>	<u>12.373</u>	<u>1.468</u>
Impairment losses and depreciation at 1 January	13.820	10.362	1.196
Depreciation for the year	<u>1.350</u>	<u>472</u>	<u>139</u>
Impairment losses and depreciation at 31 December	<u>15.170</u>	<u>10.834</u>	<u>1.335</u>
Carrying amount at 31 December	<u>25.380</u>	<u>1.539</u>	<u>133</u>

Notes to the Financial Statements

	2020 <u>TDKK</u>	2019 <u>TDKK</u>
6 Investments in subsidiaries		
Cost at 1 January	46.994	24.595
Additions for the year	<u>25.266</u>	<u>22.399</u>
Cost at 31 December	<u>72.260</u>	<u>46.994</u>
Value adjustments at 1 January	-40.807	-20.769
Exchange adjustment	1	18
Net profit/loss for the year	<u>-23.092</u>	<u>-20.056</u>
Value adjustments at 31 December	<u>-63.898</u>	<u>-40.807</u>
Carrying amount at 31 December	<u>8.362</u>	<u>6.187</u>

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Votes and ownership
BESKO Nutzfahrzeuge GmbH	Büdelndorf	TEUR 4.000	100%

7 Other fixed asset investments

	Receivables from group enterprises <u>TDKK</u>	Other receiv- ables <u>TDKK</u>
Cost at 1 January	3.801	407
Additions for the year	0	47
Disposals for the year	<u>-3.801</u>	<u>-125</u>
Cost at 31 December	<u>0</u>	<u>329</u>
Carrying amount at 31 December	<u>0</u>	<u>329</u>

Notes to the Financial Statements

	2020 TDKK	2019 TDKK
8 Deferred tax asset		
Deferred tax asset at 1 January	87	-97
Amounts recognised in the income statement for the year	-5	184
Deferred tax asset at 31 December	82	87

9 Prepayments

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

	2020 TDKK	2019 TDKK
10 Distribution of profit		
Retained earnings	-14.621	-19.782
	-14.621	-19.782

11 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:

Payables to group enterprises

Between 1 and 5 years	0	11.000
Long-term part	0	11.000
Within 1 year	0	3.000
Other short-term debt to group enterprises	63.719	64.095
Short-term part	63.719	67.095
	63.719	78.095

Notes to the Financial Statements

	2020 TDKK	2019 TDKK
12 Contingent assets, liabilities and other financial obligations		
Rental and lease obligations		
Future lease and rent commitments until expiration	5.720	5.662
Other contingent liabilities		
<p>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 BPW Finans A/S, 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.</p>		
Including to group enterprises		
Rental and lease obligations	2.841	2.967

13 Related parties

	Basis
Controlling interest	
BPW Bergische Achsen, Wiehl, Germany	Ultimate parent
Other related parties	
Axel Kierkegaard	Board member
Tobias Wiedeking	Board member
Martin Balthasar Tschappu	Board member

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.

Notes to the Financial Statements

13 Related parties (continued)

Consolidated Financial Statements

The Company is included in the Group Annual Report of:

Name	Place of registered office
BPW Finans A/S	Kolding, Denmark

The Group Annual Report of BPW Finans A/S may be obtained at the following address:

BPW Finans A/S, Vranderupvej 2, 6000 Kolding, CVR-nr. 19 20 11 12

14 Subsequent events

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

Notes to the Financial Statements

15 Accounting Policies

The Annual Report of Besko A/S for 2020 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 2020 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 BPW Finans A/S, the Company has not prepared a cash flow statement.

Recognition and measurement

The Financial Statements have been prepared under the historical cost method.

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.

Business combinations

Uniting of interests

Intragroup business combinations are accounted for under the uniting-of-interests method. Under this method, the two enterprises are combined at carrying amounts, and no differences are identified. Any consideration which exceeds the carrying amount of the acquired enterprise is recognised directly in equity. The uniting-of-interests method is applied at the date of acquisition, and comparative figures have not been restated.

Notes to the Financial Statements

15 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.

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 indirect production costs and 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

15 Accounting Policies (continued)

Staff expenses

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

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 gains and losses on the sale of intangible assets and property, plant and equipment.

Income from investments in subsidiaries

The item "Income from investments in subsidiaries" in the income statement includes the proportionate share of the profit for the year.

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 danish group entities. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

Balance Sheet

Intangible assets

Patents and licences are measured at the lower of cost less accumulated amortisation and recoverable amount. Patents are amortised over the remaining patent period, and licences are amortised over the licence period; however not exceeding 5 years.

Notes to the Financial Statements

15 Accounting Policies (continued)

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.

Interest expenses on loans raised directly for financing the construction of property, plant and equipment are recognised in cost over the period of construction.

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:

Production buildings	25 years	
Other fixtures and fittings, tools and equipment	3-5	years
Leasehold improvements	5 years	

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of intangible assets and 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.

Investments in subsidiaries

Investments in subsidiaries are recognised and measured under the equity method.

The item "Investments in subsidiaries" in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with addition of the remaining value of any increases in value and goodwill calculated at the time of acquisition of the enterprises.

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to "Reserve for net revaluation under the equity method" under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

Subsidiaries with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation

Notes to the Financial Statements

15 Accounting Policies (continued)

of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

Other fixed asset investments

Other fixed asset investments consist of deposits.

Inventories

Inventories are measured at the lower of cost under the FIFO method and net realisable value.

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

The cost of goods for resale, raw materials and consumables equals landed cost.

The cost of finished goods and work in progress comprises the cost of raw materials, consumables and direct labour with addition of indirect production costs. Indirect production costs comprise the cost of indirect materials and labour as well as maintenance and depreciation of the machinery, factory buildings and equipment used in the manufacturing process as well as costs of factory administration and management.

Receivables

Receivables are recognised in the balance sheet at amortised cost, which substantially corresponds to nominal value. Provisions for estimated bad debts are made.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

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 legisla-

Notes to the Financial Statements

15 Accounting Policies (continued)

tion 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 debts

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

Financial Highlights

Explanation of financial ratios

Return on assets	$\frac{\text{Profit before financials} \times 100}{\text{Total assets}}$
Solvency ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total assets at year end}}$
Return on equity	$\frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$