
Copenhagen Merchants A/S

Klubiensvej 22, DK-2150 Nordhavn

Annual Report for 1 January - 31 December 2021

CVR No 31 49 50 91

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
23/6 2022

Klaus Ewald Madsen
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 Copenhagen Merchants A/S for the financial year 1 January - 31 December 2021.

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 2021 of the Company and of the results of the Company operations for 2021.

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.

Nordhavn, 23 June 2022

Executive Board

Simon Christensen
CEO

Lars Boel
Executive Officer

Indrek Aigro
Executive Officer

Board of Directors

Klaus Ewald Madsen
Chairman

Torben Herman Christensen

Bente Christensen

Simon Christensen

Independent Auditor's Report

To the Shareholder of Copenhagen Merchants 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 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Copenhagen Merchants A/S for the financial year 1 January - 31 December 2021, 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 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, 23 June 2022

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Ulrik Ræbild
statsautoriseret revisor
mne33262

Claus Damhave
statsautoriseret revisor
mne34166

Company Information

The Company

Copenhagen Merchants A/S
Klubiensvej 22
DK-2150 Nordhavn

CVR No: 31 49 50 91
Financial period: 1 January - 31 December
Incorporated: 16 June 2008
Financial year: 14th financial year
Municipality of reg. office: København

Board of Directors

Klaus Ewald Madsen, Chairman
Torben Herman Christensen
Bente Christensen
Simon Christensen

Executive Board

Simon Christensen
Lars Boel
Indrek Aigro

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:

	2021 TDKK	2020 TDKK	2019 TDKK	2018 TDKK	2017 TDKK
Key figures					
Profit/loss					
Gross profit/loss	28.515	14.841	13.754	24.565	24.478
Profit/loss before financial income and expenses	16.398	3.915	3.463	7.314	2.177
Net financials	7.666	1.099	1.332	-2.617	357
Net profit/loss for the year	20.358	3.824	4.540	3.013	1.204
Balance sheet					
Balance sheet total	50.826	47.139	44.447	43.604	41.707
Equity	40.140	28.857	32.228	16.413	14.735
Investment in property, plant and equipment	489	0	0	1.954	69
Number of employees	10	10	10	17	23
Ratios					
Return on assets	32,3%	8,3%	7,8%	16,8%	5,2%
Solvency ratio	79,0%	61,2%	72,5%	37,6%	35,3%
Return on equity	59,0%	12,5%	18,7%	19,3%	7,0%

The Financial Highlights are prepared in accordance with the accounting policies.

Management's Review

Key activities

The company's core activity consists of brokerage of grain and other bulk goods.

Development in the year

The income statement of the Company for 2021 shows a profit of DKK 20,358,461, and at 31 December 2021 the balance sheet of the Company shows equity of DKK 40,139,988.

The impact from the covid-19 pandemic has been very limited and indirect.

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

The pretax result was above expectations, driven by impact of transfer of the freight activity to Navi Merchants A/S coupled with generally better results in subsidiaries.

Operating risks and financial risks

Operating risks

It has been assessed, that there are no single significant risks to the operations of the company.

Foreign exchange risks

Activities abroad cause that net profit, cash flow and equity are influenced by exchange rate developments and interest rate trends for a number of currencies. The company does not hedge these risks.

Targets and expectations for the year ahead

For 2021, the Company expects to continue the growth in the remaining activities and expects a profit before tax of DKK 4-7 million.

External environment

The Company's activities are not considered to have an extensive impact on the external environment.

Uncertainty relating to recognition and measurement

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

Unusual events

During 2021, the freight activity was transferred to Navi Merchants A/S. The transaction yielded a pretax profit of DKK 9.6 mill in 2021.

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 January - 31 December

	Note	2021 DKK	2020 DKK
Gross profit/loss		28.515.362	14.840.747
Staff expenses	1	-12.097.326	-10.925.693
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-20.455	0
Profit/loss before financial income and expenses		16.397.581	3.915.054
Income from investments in subsidiaries		7.582.946	1.163.795
Financial income	2	224.759	275.694
Financial expenses	3	-141.347	-340.182
Profit/loss before tax		24.063.939	5.014.361
Tax on profit/loss for the year	4	-3.705.478	-1.190.171
Net profit/loss for the year		20.358.461	3.824.190

Balance Sheet 31 December

Assets

	Note	2021 DKK	2020 DKK
Goodwill		0	0
Intangible assets		0	0
Other fixtures and fittings, tools and equipment		3.557.270	3.088.299
Property, plant and equipment	5	3.557.270	3.088.299
Investments in subsidiaries	6	17.638.964	14.219.518
Fixed asset investments		17.638.964	14.219.518
Fixed assets		21.196.234	17.307.817
Inventories		0	1.851.623
Trade receivables		5.917.705	2.495.961
Receivables from group enterprises		20.890.920	9.718.396
Receivables from associates		148.543	2.910.637
Other receivables		442.212	3.370.628
Prepayments	7	1.659.485	3.013.767
Receivables		29.058.865	21.509.389
Cash at bank and in hand		570.935	6.470.002
Currents assets		29.629.800	29.831.014
Assets		50.826.034	47.138.831

Balance Sheet 31 December

Liabilities and equity

	Note	2021 DKK	2020 DKK
Share capital		2.000.000	2.000.000
Reserve for net revaluation under the equity method		1.042.689	0
Reserve for exchange rate adjustments		0	-92.570
Retained earnings		16.097.299	17.949.541
Proposed dividend for the year		21.000.000	9.000.000
Equity		40.139.988	28.856.971
Provision for deferred tax	9	384.326	341.917
Provisions relating to investments in group enterprises		1.297.127	2.782.267
Other provisions	10	0	3.028.784
Provisions		1.681.453	6.152.968
Other payables		0	878.480
Long-term debt	11	0	878.480
Trade payables		1.335.886	5.696.744
Payables to group enterprises		24.561	1.049.352
Payables to associates		27.454	0
Corporation tax		3.663.069	593.592
Other payables	11	3.953.623	3.910.724
Short-term debt		9.004.593	11.250.412
Debt		9.004.593	12.128.892
Liabilities and equity		50.826.034	47.138.831
Distribution of profit	8		
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Statement of Changes in Equity

	Share capital	Reserve for net revalua- tion under the equity method	Reserve for exchange rate adjustments	Retained earnings	Proposed dividend for the year	Total
	DKK	DKK	DKK	DKK	DKK	DKK
Equity at 1 January	2.000.000	0	-92.570	17.949.541	9.000.000	28.856.971
Ordinary dividend paid	0	0	0	0	-9.000.000	-9.000.000
Exchange adjustments relating to foreign entities	0	-75.444	0	0	0	-75.444
Transfers, reserves	0	-92.570	92.570	0	0	0
Net profit/loss for the year	0	1.210.703	0	-1.852.242	21.000.000	20.358.461
Equity at 31 December	2.000.000	1.042.689	0	16.097.299	21.000.000	40.139.988

Notes to the Financial Statements

	2021	2020
	DKK	DKK
1 Staff expenses		
Wages and salaries	11.574.805	10.456.726
Pensions	381.750	427.827
Other social security expenses	140.771	41.140
	12.097.326	10.925.693
 Including remuneration to the Executive Board of: Executive Board	 4.310.787	 2.741.058
	4.310.787	2.741.058
 Average number of employees	 10	 10
 2 Financial income		
Interest received from group enterprises	224.759	275.694
	224.759	275.694
 3 Financial expenses		
Other financial expenses	123.154	276.754
Exchange adjustments, expenses	18.193	63.428
	141.347	340.182

Notes to the Financial Statements

	2021	2020
	DKK	DKK
4 Tax on profit/loss for the year		
Current tax for the year	3.663.069	593.604
Deferred tax for the year	42.409	26.654
Adjustment of tax concerning previous years	0	569.913
	3.705.478	1.190.171

5 Property, plant and equipment

	Other fixtures and fittings, tools and equipment
	DKK
Cost at 1 January	3.458.299
Additions for the year	489.426
Cost at 31 December	3.947.725
Impairment losses and depreciation at 1 January	370.000
Depreciation for the year	20.455
Impairment losses and depreciation at 31 December	390.455
Carrying amount at 31 December	3.557.270
Depreciated over	5 years

Notes to the Financial Statements

	2021 DKK	2020 DKK
6 Investments in subsidiaries		
Cost at 1 January	15.299.256	15.299.257
Cost at 31 December	15.299.256	15.299.257
Value adjustments at 1 January	-3.862.006	-4.680.338
Exchange adjustment	-75.444	-92.570
Net profit/loss for the year	7.582.946	1.163.795
Dividend to the Parent Company	-2.602.915	-150.000
Fair value adjustment of hedging instruments for the year	0	-102.893
Value adjustments at 31 December	1.042.581	-3.862.006
Equity investments with negative net asset value transferred to provisions	1.297.127	2.782.267
Carrying amount at 31 December	17.638.964	14.219.518

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Votes and ownership
Copenhagen Merchants Hamburg GmbH	Tyskland	EUR 200.000	100%
CM Geneva S.A.	Schweiz	CHF 50.000	100%
CM Partner A/S	Danmark	DKK 500.000	100%
CM Tallinn AS	Estland	EUR 25.000	100%
CM Kaunas UAB	Litauen	EUR 2.500	100%

7 Prepayments

Prepayments consist of prepaid expenses concerning insurance premiums, subscriptions, freight and time charter vessels.

Notes to the Financial Statements

	2021 DKK	2020 DKK
8 Distribution of profit		
Proposed dividend for the year	21.000.000	9.000.000
Reserve for net revaluation under the equity method	1.210.703	0
Retained earnings	-1.852.242	-5.175.810
	20.358.461	3.824.190

9 Provision for deferred tax

Provision for deferred tax at 1 January	341.917	315.263
Amounts recognised in the income statement for the year	42.409	26.654
Provision for deferred tax at 31 December	384.326	341.917

10 Other provisions

Other provisions consist of onerous freight contracts that are ongoing at the balance sheet date. All contracts will be completed in 2021

Onerous contracts	0	3.028.784
	0	3.028.784

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:

Other payables

Between 1 and 5 years	0	878.480
Long-term part	0	878.480
Other short-term payables	3.953.623	3.910.724
	3.953.623	4.789.204

Notes to the Financial Statements

	2021 DKK	2020 DKK
12 Contingent assets, liabilities and other financial obligations		
Rental and lease obligations		
Lease obligations under operating leases. Total future lease payments:		
Within 1 year	88.176	37.167.730
Between 1 and 5 years	0	1.244.364
After 5 years	0	171.126
	88.176	38.583.220

The total rental and lease obligations in 2020 primarily consist of Time Charter agreements concerning ships.

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 Torben Herman Christensen Holding 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.

13 Related parties

Consolidated Financial Statements

The company is included in the consolidated financial statements of the parent company

Name	Place of registered office
CM Holding A/S	Klubiensvej 22, 2150 Nordhavn
Torben Herman Christensen Holding A/S	Taarbæk Strandvej 42C, 2930 Klampenborg

Notes to the Financial Statements

14 Accounting Policies

The Annual Report of Copenhagen Merchants A/S for 2021 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

The Financial Statements for 2021 are presented in DKK.

Changes in accounting policies

The Company's accounting policy has been changed in 2020 to reflect the amendments made to the Danish Financial Act. The change has resulted in reclassification between equity reserves. The change has not affected the net result for the year or the equity at year end.

The accounting principles applied for the annual report are in all other matters consistent with those applied last year.

Consolidated financial statements

With reference to section 112 of the Danish Financial Statements Act and to the consolidated financial statements of CM Holding A/S, the Company has not prepared consolidated financial statements.

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 CM Holding A/S.

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.

Notes to the Financial Statements

14 Accounting Policies (continued)

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

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.

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

Notes to the Financial Statements

14 Accounting Policies (continued)

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.

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 the Group's other Danish companies. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Notes to the Financial Statements

14 Accounting Policies (continued)

Balance Sheet

Intangible 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 10 years.

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	5 years
Art	Non-depreciable

The fixed assets' residual values are determined at nil.

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.

Notes to the Financial Statements

14 Accounting Policies (continued)

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

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 raw materials and consumables equals landed cost.

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.

Notes to the Financial Statements

14 Accounting Policies (continued)

Equity

Dividend

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

Provisions

Provisions are recognised when - in consequence of an event occurred before or on the balance sheet date - the Company has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation.

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.

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.

Notes to the Financial Statements

14 Accounting Policies (continued)

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	$\frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$