



# UNI-CHARTERING

Uni-Chartering A/S  
Turbinevej 10, 5500 Middelfart  
CVR No 31 58 78 67

The Annual Report was presented  
and adopted at the Annual General  
Meeting of the Company  
on 27 June 2023.

Peter Appel  
Chairman

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## Management's Statement

The Board of Directors and the Executive Board have today considered and adopted the Annual Report of Uni-Chartering A/S for the financial year 1 May 2022 - 30 April 2023.

The Annual Report was 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 of the Company at 30 April 2023 and of the results of the Company operations for 2022/23.

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.

Middelfart, 27 June 2023

### Executive Board

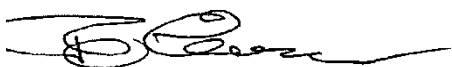


Per Frithiof Ekmann

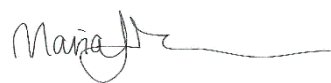
### Board of Directors



Thomas Thomsen  
Chairman



Per Frithiof Ekmann



Maria Louise Appel Jørgensen

## **Independent Auditor's Report**

To the Shareholder of Uni-Chartering A/S

### **Opinion**

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 30 April 2023, and of the results of the Company's operations for the financial year 1 May 2022 - 30 April 2023 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Uni-Chartering A/S for the financial year 1 May 2022 - 30 April 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("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 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

## **Independent Auditor's Report**

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 judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

## **Independent Auditor's Report**

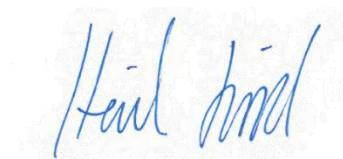
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Trekantområdet, 27 June 2023

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No. 33 77 12 31*



Henrik Forthoft Lind

State Authorised Public Accountant

mne34169

## Company Information

### The Company

Uni-Chartering A/S  
Turbinevej 10  
DK-5500 Middelfart

Telephone: +45 88 30 99 09  
E-mail: info@uni-chartering.com

CVR No: 31 58 78 67  
Financial year: 1 May – 30 April  
Municipality  
of reg. office: Middelfart

### Board of Directors

Thomas Thomsen, Chairman  
Per Frithiof Ekmann  
Maria Louise Appel Jørgensen

### Executive Board

Per Frithiof Ekmann

### 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:

<b>Key figures</b>	<b>2022/23</b>	<b>2021/22</b>	<b>2020/21</b>	<b>2019/20</b>	<b>2018/19</b>
	<b>USD'000</b>	<b>USD'000</b>	<b>USD'000</b>	<b>USD'000</b>	<b>USD'000</b>
<b>Profit/loss</b>					
Revenue	254,432	134,262	114,993	108,825	109,912
Profit/loss before financial income and expenses	58,836	3,507	(2,463)	1,530	556
Net financials	1,391	(136)	213	(135)	(245)
Profit/loss before tax	60,227	3,372	(2,251)	1,395	312
Net profit/loss for the year	59,794	3,342	(2,314)	1,357	250
<b>Balance sheet</b>					
Balance sheet total	84,233	22,642	18,566	14,687	13,958
Equity	71,284	11,775	8,377	9,561	9,771
<b>Ratios (%)</b>					
Gross margin	24,7%	4,1%	-0,9%	2,3%	2,6%
Profit margin	23,1%	2,6%	-2,1%	1,4%	0,5%
Return on equity	144,0%	33,2%	-25,8%	14,0%	2,6%
Liquidity ratio	6,51	2,08	1,09	2,87	3,33
Solvency ratio	84,6%	52,1%	45,1%	65,1%	70,0%



## Review

### Activities

The Company's main activities comprise operating a fleet of time-chartered vessels.

### Development in financial year 2022/23

Comparative figures for 2021/22 are stated in brackets.

The 2022/2023 financial year was a period of positive developments for the company. The Group's financial strength and new strategy-related initiatives gives rise to considerable optimism regarding the coming financial year. The strategic initiatives in the mother company launched during recent years continued to bear fruit and gain momentum throughout the financial year, although this progress took place against the tragic war in Ukraine, which abruptly reconfigured the geopolitical landscape and has caused, and continues to cause, severe hardship and loss for those directly affected.

Gross profit in 2022/23 was USD 62.9 million (profit USD 5.5 million).

Other external expenses increased by USD 2,1 million to USD 4.1 million (USD 2.0 million)

The net result for the year is a profit of USD 59.8 million (profit of USD 3.3 million). The net result is above the Executive Management's expectations and based on a very strong market.

As per 30 April 2023, equity was USD 71.3 million (USD 11.8 million), and the solvency rate as per 30 April 2023 was 84.6% (52.1%).

The fleet of time-chartered vessels at the end of the financial year counts 20 vessels, 3 vessels less than last year.

### Financial risks

#### *Commercial risks*

As the time-charter hire in Uni-Chartering is fixed over the charter period, the Company is exposed to the commercial risk of a falling market as well as other commercial risks.

The Company mitigates this risk by balancing a mix of short-term, medium-term and long-term charter periods. The average duration of the current time-charter contracts at year-end is just above 3.3 years and considered at a decent level.

#### *Commodity risks*

In addition to time-charter expenses, bunker fuel is the main cost element affecting Direct Expenses, and thus the Company is heavily exposed to changes in oil prices.

## **Review**

The Company aims to mitigate the risk by passing on bunker price increases to its customers. In the spot market, the freight level is to the extent possible adjusted to reflect the current bunker price level. When entering into Contracts of Affreightment with customers, the bunker price risk is either covered by including bunker-price clauses indexing freight rates with current bunker price levels or by hedging the exposure by use of financial derivatives.

### *Counterparty risk*

The Company is not exposed to any material risks relating to individual, large customers or business partners. The Company's policy for assuming credit risks implies that all customers and business partners are subject to current credit rating.

It is the Company's policy to require payment before or upon cargo release, while only customers with high credit rating and with whom the Company has a long-lasting good relationship, are approved for payment after cargo release. The Company has not suffered any losses from defaulting customers in 2022/23.

### *Foreign exchange risks*

Having USD as its presentation currency, the Company is affected by transactions taking place mainly in EUR and DKK. The Company strives to match cash inflows and cash outflows in currencies other than USD with other companies at Group level.

## **Expectations for the year ahead**

Market conditions were strong in the financial year 2022/23, and the company remains financially strong and guided by a robust business strategy and a positive outlook for 2023/24.

The company's very strong financial performance in 2022/23 leads Executive Management to expect another positive result for 2023/24 in the range of USD 10-20 million on EBT.

## **Subsequent events**

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

## Income Statement 1 May – 30 April

	<u>Note</u>	<u>2022/23</u> <u>USD'000</u>	<u>2021/22</u> <u>USD'000</u>
<b>Revenue</b>		<b>254,432</b>	<b>134,262</b>
Direct expenses		(191,523)	(128,762)
<b>Gross profit/loss</b>		<b>62,909</b>	<b>5,500</b>
Other external expenses		(4,073)	(1,993)
<b>Profit before depreciation and amortisation</b>		<b>58,836</b>	<b>3,507</b>
<b>Profit before financial income and expenses</b>		<b>58,836</b>	<b>3,507</b>
Financial income	1	1,391	138
Financial expenses	2	0	(274)
<b>Profit/loss before tax</b>		<b>60,227</b>	<b>3,372</b>
Tax for the year	3	(433)	(30)
<b>Net profit/loss for the year</b>		<b>59,794</b>	<b>3,342</b>
Distribution of profit/loss	4		

## Balance Sheet at 30 April

### Assets

<u>Note</u>	<u>2023</u>	<u>2022</u>
	USD'000	USD'000
<b>Inventory of fuel oil</b>	<b>3,118</b>	<b>3,872</b>
Trade receivables	80	185
Receivables from group enterprises	71,318	13,889
Other receivables	169	168
Corporation tax	237	640
Prepayments	4,383	3,647
<b>Receivables</b>	<b>76,187</b>	<b>18,530</b>
<b>Cash at bank and in hand</b>	<b>4,928</b>	<b>240</b>
<b>Current assets</b>	<b>84,233</b>	<b>22,642</b>
<b>Assets</b>	<b>84,233</b>	<b>22,642</b>

## Balance Sheet at 30 April

### Liabilities and equity

	<u>Note</u>	<u>2023</u> USD'000	<u>2022</u> USD'000
Share capital		888	888
Reserve for fair value adjustment		901	1,186
Retained earnings		69,495	9,701
<b>Equity</b>		<b>71,284</b>	<b>11,775</b>
Trade payables		7,715	4,448
Payables to group enterprises		1,836	5,234
Other payables		286	0
Deferred income		3,112	1,185
<b>Short-term debt</b>		<b>12,949</b>	<b>10,867</b>
<b>Debt</b>		<b>12,949</b>	<b>10,867</b>
<b>Liabilities and equity</b>		<b>84,233</b>	<b>22,642</b>
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## Statement of Changes in Equity

	Share capital	Reserve for fair value adjustment	Retained earnings	Total
	USD'000	USD'000	USD'000	USD'000
<b>2022/23</b>				
Equity at 1 May	888	1,186	9,701	11,775
Net profit/loss for the year	0	0	59,794	59,794
Fair value adjustment of hedging instruments	0	(285)	0	(285)
<b>Equity at 30 April</b>	<b>888</b>	<b>901</b>	<b>69,495</b>	<b>71,284</b>
	Share capital	Reserve for fair value adjustment	Retained earnings	Total
	USD'000	USD'000	USD'000	USD'000
<b>2021/22</b>				
Equity at 1 May	888	1,130	6,359	8,377
Net profit/loss for the year	0	0	3,342	3,342
Fair value adjustment of hedging instruments	0	56	0	56
<b>Equity at 30 April</b>	<b>888</b>	<b>1,186</b>	<b>9,701</b>	<b>11,775</b>

## Notes to the Annual Report

	<u>2022/23</u>	<u>2021/22</u>
	USD'000	USD'000
<b>1 Financial income</b>		
Intercompany interest income	1,314	26
Exchange adjustments	22	0
Other financial income	55	112
	<u>1,391</u>	<u>138</u>
<b>2 Financial expenses</b>		
Intercompany interest expenses	0	0
Exchange adjustments	0	(274)
Other financial expenses	0	0
	<u>0</u>	<u>(274)</u>
<b>3 Corporation tax</b>		
Current tax for the year	(433)	(30)
	<u>(433)</u>	<u>(30)</u>
<b>4 Distribution of profit/loss</b>		
<b>Proposed distribution of profit/loss</b>		
Retained earnings/losses	59,794	3,342
	<u>59,794</u>	<u>3,342</u>
<b>5 Derivative financial instruments</b>		

The Company has entered into forward contracts to ensure future purchase of bunkers for servicing fixed freight contracts. In relation to trading prices at the balance date, the contracts have a positive fair value of TUSD 116. Capital gains are recognized in equity. The contracts have a maturity of 1-8 months.

## Notes to the Annual Report

### 6 Security and contingent liabilities

#### Security

The Company has issued a joint and several guarantee of TUSD 30,223 in respect of the obligations of group enterprises toward credit institutions.

#### Contingent liabilities

The Group's Danish companies are jointly and severally liable for the tax on the Group's jointly taxed income etc. Total accrued corporation tax appears from the Annual Report of Selfinvest ApS which acts as management company in the jointly taxed group. Moreover, the Group's Danish enterprises are jointly and severally liable for Danish withholding tax and VAT. Any subsequent adjustments to corporation or withholding taxes and VAT may result in an increase of the Company's liability.

#### Rental and lease obligations:

The Company has entered into the following contracts:

- time charter contracts with a total obligation of TUSD 182,963.

The obligations are due according to the following order:

	<u>Within 1 year</u> USD'000	<u>Between 1 and 5 years</u> USD'000	<u>After 5 years</u> USD'000
Time-charter contracts	<u>55,696</u>	<u>117,516</u>	<u>9,751</u>
	<b><u>55,696</u></b>	<b><u>117,516</u></b>	<b><u>9,751</u></b>



## Notes to Annual Report

### 7 Related parties

#### Transactions with related parties

Related parties comprise the Board of Directors, the Executive Board and senior executives in the group enterprises as well as companies in which these persons have significant interests.

With reference to section 98 C (7) of the Danish Financial Statements Act related party transactions details are not disclosed.

#### Consolidated Financial Statements

The Company is included in the Consolidated Financial Statements of the immediate Parent Company Uni-Tankers A/S.

Controlling interest is exercised through the Company's immediate Parent Company, Uni-Tankers A/S. The Company's ultimate Parent Company which prepares Consolidated Financial Statements is SelfGenerations T ApS, in which Torben Østergaard-Nielsen (Middelfart), CEO, Turbinevej 10 5500 Middelfart exercises control.

### 8 Subsequent Events

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

## 9 Accounting Policies

### **Basis of Preparation**

The Annual Report of Uni-Chartering A/S for 2022/23 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 2022/23 have been presented in USD. The exchange rate for USD/DKK at 30 April 2022 is 706.02 and at 30 April 2023 678.79.

### **Cash Flow Statement**

With reference to section 86(4) of the Danish Financial Statements Act and to the cash flow statement provided in the Consolidated Financial Statements of Uni-Tankers A/S, the Company has omitted preparing a cash flow statement.

### **Recognition and measurement**

The Financial Statements have been prepared based on the historic cost principle.

Revenues are recognised in the income statement as earned, and all expenses incurred to achieve the earnings for the year are deducted. Expenses include operating expenses, depreciation, amortisation, impairment losses and provisions as well as changes due to changed accounting estimates. Furthermore, value adjustments of financial assets and liabilities measured at fair value are 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.

Recognition and measurement take into account profits, losses and risks occurring before the presentation of the Annual Report which relate to affairs and conditions existing at the balance sheet date.

USD is used as the measurement currency. All other currencies are regarded as foreign currencies.

## 9 Accounting Policies (continued)

### Translation policies

Leases in terms of which the Group assumes substantially all the risks and rewards of ownership (finance leases) are recognised in the balance sheet at the lower of the fair value of the leased asset and the net present value of the lease payments computed by applying the interest rate implicit in the lease or an approximated value as the discount rate. Assets acquired under finance leases are depreciated and written down for impairment under the same policy as determined for the other fixed assets of the Group. The remaining lease obligation is capitalised and recognised in the balance sheet under debt, and the interest element on the lease payments is charged over the lease term to the income statement.

All other leases are considered operating leases. Payments relating to operating leases are recognised in the income statement on a straight line basis over the lease period.

### Translation policies

Transactions in foreign currencies are translated during the year 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 are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the transaction date rates are recognised in financial income and expenses in the income statement; however, see the paragraph on hedge accounting.

### Derivative financial instruments

Derivative financial instruments are initially recognised in the balance sheet at cost and are subsequently remeasured at their fair values. Positive and negative fair values of derivative financial instruments are recognised in "Other receivables" and "Other payables", respectively. Changes in the fair values of derivative financial instruments are recognised in the income statement unless the derivative financial instrument is designated and qualify as hedge accounting, see below.

### Hedge accounting

#### *Fair value hedges:*

Changes in the fair values of derivative financial instruments that are designated and qualify as fair value hedges of a recognised asset or a recognised liability are recognised in the income statement as are any changes in the fair value of the hedged asset or the hedged liability.

## 9 Accounting Policies (continued)

### *Hedges of future assets or liabilities:*

Changes in the fair values of derivative financial instruments that are designated and qualify as hedges of expected future transactions are recognised directly in retained earnings under equity. If the hedged transaction results in an asset or a liability, the amount is transferred from equity to the cost of the asset or the liability, respectively. If the hedged transaction results in an income or an expense, the amount is transferred from equity to the income statement in the period in which the hedged transaction is recognised. The amount is recognised in the same item as the hedged transaction.

### **Income Statement**

#### **Revenue**

Revenue on the sale of goods and services is recognised in the income statement when the sale has been completed. This is considered the case when

- delivery has been made before year end;
- a binding sales agreement has been made;
- the sales price has been determined, and
- payment has been received or may with reasonable certainty be expected to be received.

Revenue is recognised exclusive of VAT and duties, and income is cut off and recognised over the duration of the voyages.

#### **Direct expenses**

Direct expenses include expenses for the purchase of fuel for ships.

#### **Other external expenses**

Other external expenses include expenses for sale and marketing as well as office expenses, etc.

#### **Financial income and expenses**

Financial income and expenses comprise interest as well as realised and unrealised exchange gains.

## 9 Accounting Policies (continued)

### **Tax on the profit/loss for the year**

The Company's current tax is computed according to the provisions of the Danish Tonnage Tax Act. On the basis of the Company's planned shipowning operations, the Tonnage Tax Scheme does not imply recapture of depreciation, and therefore deferred tax is only disclosed in the notes.

Tax for the year consists of current tax for the year and adjustment of 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 enterprises. The tax effect of the joint taxation is allocated to enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit for tax losses). The jointly taxed enterprises have adopted the on-account taxation scheme.

### **Balance Sheet**

#### **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. Provisions for bad debts are determined on the basis of an individual assessment of each receivable.

#### **Inventory of fuel oil**

Oil inventories comprise bunker for own use.

## 9 Accounting Policies (continued)

### **Prepayments**

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

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

Deferred tax is recognised in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised in respect of temporary differences concerning goodwill not deductible for tax purposes.

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. In cases where the computation of the tax base may be made according to alternative tax rules, deferred tax is measured on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, 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.

Deferred tax assets and liabilities are offset within the same legal tax entity.

### **Current tax receivables and liabilities**

Current tax receivables and liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on taxable incomes for prior years.

Tax receivables and liabilities are offset if there is a legally enforceable right of set-off and an intention to settle on a net basis or simultaneously.

### **Financial debts**

Fixed-interest loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

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

### **Deferred income**

Deferred income comprises payments received in respect of income in subsequent years.

## 9 Accounting Policies (continued)

### Definition of financial ratios

Gross margin =  $\frac{\text{Gross profit} \times 100}{\text{Revenue}}$

Profit margin =  $\frac{\text{Profit before financials} \times 100}{\text{Revenue}}$

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

Liquidity ratio =  $\frac{\text{Current assets}}{\text{Short-term debt}}$

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