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# ***PVH Brands Denmark ApS***

Danneskiold-Samsøes Allé 55, DK-1434 København  
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## **Annual Report for 1 February 2022 - 31 January 2023**

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CVR No 31 63 52 68

The Annual Report was  
presented and adopted at  
the Annual General  
Meeting of the Company on  
31/08 2023

Tyrone Sarucan  
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 PVH Brands Denmark ApS for the financial year 1 February 2022 - 31 January 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 January 2023 of the Company 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.

København, 31 August 2023

## **Executive Board**

Georg Faisst  
Executive Officer

## **Board of Directors**

Marten Jan Jacob Busscher  
Chairman

Tyrone Sarucan

Georg Faisst

# Independent Auditor's Report

To the Shareholder of PVH Brands Denmark ApS

## Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 January 2023 and of the results of the Company's operations for the financial year 1 February 2022 - 31 January 2023 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of PVH Brands Denmark ApS for the financial year 1 February 2022 - 31 January 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 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 misstatement, whether due to fraud or error.

# Independent Auditor's Report

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 in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned

# Independent Auditor's Report

scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

København, 31 August 2023

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Allan Kamp Jensen

statsautoriseret revisor

mne15126

## **Company Information**

### **The Company**

PVH Brands Denmark ApS  
Danneskiold-Samsøes Allé 55  
DK-1434 København K

CVR No: 31 63 52 68

Financial period: 1 February - 31 January

Municipality of reg. office: København

### **Board of Directors**

Marten Jan Jacob Busscher, Chairman  
Tyrone Sarucan  
Georg Faisst

### **Executive Board**

Georg Faisst

### **Auditors**

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Strandvejen 44  
DK-2900 Hellerup

## Financial Highlights

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

	<u>2022/23</u> TDKK	<u>2021/22</u> TDKK	<u>2020/21</u> TDKK	<u>2019/20</u> TDKK	<u>2018/19</u> TDKK
<b>Key figures</b>					
<b>Profit/loss</b>					
Gross profit/loss	82,610	79,972	21,976	23,829	28,630
Profit/loss before financial income and expenses	8,007	8,223	1,143	2,022	2,145
Net financials	-169	-33	-38	5	-113
Net profit/loss for the year	6,034	6,272	842	2,088	1,563
<b>Balance sheet</b>					
Balance sheet total	121,061	98,833	38,708	46,715	49,737
Equity	52,637	46,603	11,127	10,285	8,197
Investment in property, plant and equipment	14,456	3,725	-317	-3,656	698
Number of employees	134	130	51	53	60
<b>Ratios</b>					
Solvency ratio	43.5%	47.2%	28.7%	22.0%	16.5%
Return on equity	12.2%	21.7%	7.9%	22.6%	21.1%

The Company has on the 1 February 2021 merged with CK Stores ApS and PVH Denmark ApS, and the comparative figures back to have not been restated.



# Management's Review

## **Key activities**

The Company's main activity is to run retail stores for marketing and sale of Tommy Hilfiger, Calvin Klein and other relevant products in Denmark as well as providing sales support to Tommy Hilfiger Europe and Calvin Klein Europe in connection with the Danish retail trade

## **Development in the year**

The income statement of the Company for 2022/23 shows a profit of DKK 6,033,859, and at 31 January 2023 the balance sheet of the Company shows equity of DKK 52,636,833.

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

The result for the year is in line with the result from 2021/22 and meets the expectations from last year.

## **Operating risks**

Unfavorable weather conditions may affect sales. Rain and low temperatures at the start of a spring season will have a negative effect on the sales of a spring collection, while high temperatures at the start of a fall season similarly will affect the fall collection sales negatively.

## **Targets and expectations for the year ahead**

The Company expects that the result for the following year will be in line with this year.

## **External environment**

The Company works as a trade company and therefore its effect on the external environment is limited. We refer to the group guidelines regarding environmental responsibility in the following link: <https://pvh.com/responsibility/climate-action>.

## **Uncertainty relating to recognition and measurement**

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

## **Unusual events**

The financial position at 31 January 2023 of the Company and the results of the activities of the Company for the financial year for 2022/23 have not been affected by any unusual events.

## **Subsequent events**

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

## Income Statement 1 February - 31 January

	Note	2022/23 DKK	2021/22 DKK
<b>Gross profit/loss</b>		<b>82,610,443</b>	<b>79,972,473</b>
Staff expenses	2	-67,225,861	-63,715,247
Depreciation and amortisation of intangible assets and property, plant and equipment	3	-7,377,542	-8,034,684
<b>Profit/loss before financial income and expenses</b>		<b>8,007,040</b>	<b>8,222,542</b>
Financial income		0	74,191
Financial expenses		-169,459	-106,981
<b>Profit/loss before tax</b>		<b>7,837,581</b>	<b>8,189,752</b>
Tax on profit/loss for the year	4	-1,803,722	-1,917,399
<b>Net profit/loss for the year</b>		<b>6,033,859</b>	<b>6,272,353</b>

## Balance Sheet 31 January 2023

### Assets

	Note	2022/23 DKK	2021/22 DKK
Key money		0	0
<b>Intangible assets</b>	5	<b>0</b>	<b>0</b>
Other fixtures and fittings, tools and equipment		4,022,745	3,549,883
Leasehold improvements		16,475,802	12,010,837
Property, plant and equipment in progress		5,722,672	3,576,634
<b>Property, plant and equipment</b>	6	<b>26,221,219</b>	<b>19,137,354</b>
Deposits		8,448,358	8,096,841
<b>Fixed asset investments</b>	7	<b>8,448,358</b>	<b>8,096,841</b>
<b>Fixed assets</b>		<b>34,669,577</b>	<b>27,234,195</b>
Goods for resale		28,981,825	29,397,099
<b>Inventories</b>		<b>28,981,825</b>	<b>29,397,099</b>

## Balance Sheet 31 January 2023

### Assets

	Note	2022/23 DKK	2021/22 DKK
Trade receivables		47,455,162	15,040,569
Receivables from group enterprises		5,854,076	15,108,472
Other receivables		0	97,388
Deferred tax asset	8	995,490	1,208,282
Corporation tax		408,686	69,774
Prepayments	9	2,521,531	3,009,928
<b>Receivables</b>		<b>57,234,945</b>	<b>34,534,413</b>
<b>Cash at bank and in hand</b>		<b>175,074</b>	<b>7,667,782</b>
<b>Currents assets</b>		<b>86,391,844</b>	<b>71,599,294</b>
<b>Assets</b>		<b>121,061,421</b>	<b>98,833,489</b>

# Balance Sheet 31 January 2023

## Liabilities and equity

	<u>Note</u>	<u>2022/23</u> DKK	<u>2021/22</u> DKK
Share capital		502,000	502,000
Retained earnings		<u>52,134,833</u>	<u>46,100,974</u>
<b>Equity</b>		<b><u>52,636,833</u></b>	<b><u>46,602,974</u></b>
Prepayments received from customers		6,343	0
Trade payables		6,934,320	2,590,141
Payables to group enterprises		33,434,012	21,695,651
Other payables		<u>28,049,913</u>	<u>27,944,723</u>
<b>Short-term debt</b>		<b><u>68,424,588</u></b>	<b><u>52,230,515</u></b>
<b>Debt</b>		<b><u>68,424,588</u></b>	<b><u>52,230,515</u></b>
<b>Liabilities and equity</b>		<b><u>121,061,421</u></b>	<b><u>98,833,489</u></b>
Distribution of profit	10		
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## Statement of Changes in Equity

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 February	502,000	46,100,974	46,602,974
Net profit/loss for the year	0	6,033,859	6,033,859
<b>Equity at 31 January</b>	<b>502,000</b>	<b>52,134,833</b>	<b>52,636,833</b>

## Notes to the Financial Statements

	<u>2022/23</u>	<u>2021/22</u>
	DKK	DKK
<b>1 Other operating income</b>		
Salary compensation, Covid-19	0	3,121,908
Compensation for fixed costs	0	4,581,740
Other income	23,734,540	22,906,085
	<u><b>23,734,540</b></u>	<u><b>30,609,733</b></u>
<b>2 Staff expenses</b>		
Wages and salaries	63,260,997	59,937,829
Pensions	2,661,551	2,319,881
Other social security expenses	968,804	964,824
Other staff expenses	334,509	492,713
	<u><b>67,225,861</b></u>	<u><b>63,715,247</b></u>
<b>Average number of employees</b>	<u><b>134</b></u>	<u><b>130</b></u>

Remuneration to the Executive Board has not been disclosed in accordance with section 98 B(3) of the Danish Financial Statements Act.

	<u>2022/23</u>	<u>2021/22</u>
	DKK	DKK
<b>3 Depreciation and amortisation of intangible assets and property, plant and equipment</b>		
Depreciation of property, plant and equipment	6,870,445	7,758,255
Gain and loss on disposal	507,097	276,429
	<u><b>7,377,542</b></u>	<u><b>8,034,684</b></u>
Which is specified as follows:		
Deprediaction on other fixtures and fittings, tools and equipment	2,203,289	3,582,087
Deprediaction on leasehold improvements	4,516,926	4,176,168
Loss on sale of property, plant and equipment	507,097	276,429
Other depreciation and amortisation, manual postings	150,230	0
	<u><b>7,377,542</b></u>	<u><b>8,034,684</b></u>

## Notes to the Financial Statements

	<u>2022/23</u>	<u>2021/22</u>
	DKK	DKK
<b>4 Tax on profit/loss for the year</b>		
Current tax for the year	1,590,930	1,590,226
Deferred tax for the year	212,792	272,991
Adjustment of tax concerning previous years	0	54,182
	<u><b>1,803,722</b></u>	<u><b>1,917,399</b></u>

## 5 Intangible assets

	<u>Key money</u>
	DKK
Cost at 1 February	<u>10,400,000</u>
Cost at 31 January	<u>10,400,000</u>
Impairment losses and amortisation at 1 February	<u>10,400,000</u>
Impairment losses and amortisation at 31 January	<u>10,400,000</u>
<b>Carrying amount at 31 January</b>	<u><b>0</b></u>



## Notes to the Financial Statements

### 6 Property, plant and equipment

	Other fixtures and fittings, tools and equipment	Leasehold improvements	Property, plant and equipment in progress
	DKK	DKK	DKK
Cost at 1 February	26,362,516	33,601,703	3,576,634
Additions for the year	1,947,605	8,082,286	4,281,285
Disposals for the year	-1,683,981	-5,015,485	0
Transfers for the year	792,693	1,342,554	-2,135,247
Cost at 31 January	<u>27,418,833</u>	<u>38,011,058</u>	<u>5,722,672</u>
Impairment losses and depreciation at 1 February	22,812,634	21,590,865	0
Depreciation for the year	2,203,289	4,516,925	0
Reversal of impairment and depreciation of sold assets	-1,619,835	-4,572,534	0
Impairment losses and depreciation at 31 January	<u>23,396,088</u>	<u>21,535,256</u>	<u>0</u>
<b>Carrying amount at 31 January</b>	<b><u>4,022,745</u></b>	<b><u>16,475,802</u></b>	<b><u>5,722,672</u></b>
Depreciated over	<u>2-5 years</u>	<u>2-12 years</u>	<u>0 years</u>

### 7 Fixed asset investments

	Deposits
	DKK
Cost at 1 February	8,096,841
Additions for the year	351,517
Cost at 31 January	<u>8,448,358</u>
<b>Carrying amount at 31 January</b>	<b><u>8,448,358</u></b>

### 8 Deferred tax asset

	2022/23	2021/22
	DKK	DKK
Deferred tax asset at 1 February	1,208,282	395,485
Amounts recognised in the income statement for the year	-212,792	-272,991
Amounts recognised in equity for the year	0	1,085,788
<b>Deferred tax asset at 31 January</b>	<b><u>995,490</u></b>	<b><u>1,208,282</u></b>

# Notes to the Financial Statements

## 9 Prepayments

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

	<u>2022/23</u>	<u>2021/22</u>
	DKK	DKK
<b>10 Distribution of profit</b>		
Retained earnings	6,033,859	6,272,353
	<u><b>6,033,859</b></u>	<u><b>6,272,353</b></u>

## 11 Contingent assets, liabilities and other financial obligations

### Rental and lease obligations

Lease obligations under operating leases. Total future lease payments:

Within 1 year	25,826,947	24,413,304
Between 1 and 5 years	3,737,068	15,601,486
After 5 years	0	0
	<u><b>29,564,015</b></u>	<u><b>40,014,790</b></u>

# Notes to the Financial Statements

## 12 Related parties

### Basis

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#### Controlling interest

PVH Europe B.V., Holland

Controlling shareholder

#### 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.

The Company have in the financial year 2022-23 carried out transactions with related parties in accordance with the Groups Transfer Pricing policies.

#### Consolidated Financial Statements

The Company's ultimate Parent Company which prepares consolidated financial statements into which the Company is incorporated as a subsidiary is

Name

Place of registered office

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PVH CORP

The Group Annual Report of PVH CORP. may be obtained at the following address:

PVH CORP.  
200 Madison Avenue, New York  
10016 New York  
USA

## 13 Subsequent events

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

# Notes to the Financial Statements

## 14 Accounting Policies

The Annual Report of PVH Brands Denmark ApS 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 accounting policies applied remain unchanged from last year.

The Financial Statements for 2022/23 are presented in DKK.

### 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 PVH CORP, 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.

### Translation policies

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.

## Income Statement

### Revenue

Revenue from the sale of goods for resale is recognised in the income statement when the sale is considered effected based on the following criteria:

- delivery has been made before year end;

# Notes to the Financial Statements

## 14 Accounting Policies (continued)

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

### Cost of sales

Cost of sales comprise the raw materials and consumables consumed to achieve revenue for the year.

### Other external expenses

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

### Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, other operating income, cost of sales 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 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 and public subsidies in connection with Covid-19.

### Public subsidies

Public subsidies, e.g. assistance packages, are recognized when it is reasonably certain that the company will comply with the conditions for receiving the subsidy, and it is reasonably certain that the company will receive the subsidy. The grant is systematically recognized in the income statement over the period to which it relates or immediately, if the grant is not conditional on incurring future costs or investments. Government grants are recognized as other operating income, or in the balance sheet, if the grant is given for investment in an asset.

# Notes to the Financial Statements

## 14 Accounting Policies (continued)

### Financial income and expenses

Financial income and expenses comprise interest, realised and unrealised exchange adjustments as well as extra payments and repayment under the onaccount taxation scheme.

### Tax on profit/loss for the year

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

Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

## Balance Sheet

### Property, plant and equipment

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

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

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

Other fixtures and fittings, tools and equipment	3-5	years
Leasehold improvements	2-10	years

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.

### Fixed asset investments

Fixed asset investments consist of deposits.

# Notes to the Financial Statements

## 14 Accounting Policies (continued)

### **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 equals landed cost.

### **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 rent, insurance premiums and subscriptions.

### **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 tax is recognised in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities.

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 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.

# Notes to the Financial Statements

## 14 Accounting Policies (continued)

### Current tax receivables and liabilities

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

### Financial debts

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

## Financial Highlights

### Explanation of financial ratios

Solvency ratio

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

Return on equity

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