
HBN - TEKNIK A/S

Bragesvej 16, DK-4100 Ringsted

Annual Report for 2022

CVR No. 51 50 26 12

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 3/5 2023

Peter Christian
Kierkegaard
Chairman of the
general meeting



Contents

	<u>Page</u>
Management's Statement and Auditor's Report	
Management's statement	1
Independent Auditor's report	2
Management's Review	
Company information	4
Financial Highlights	5
Management's review	6
Financial Statements	
Income statement 1 January - 31 December	7
Balance sheet 31 December	8
Statement of changes in equity	10
Notes to the Financial Statements	11

Management's statement

The Executive Board and Board of Directors have today considered and adopted the Financial Statements of HBN - TEKNIK A/S for the financial year 1 January - 31 December 2022.

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 2022 of the Company and of the results of the Company operations for 2022.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Financial Statements be adopted at the Annual General Meeting.

Ringsted, 3 May 2023

Executive Board

Oscar William Gunner
CEO

Board of Directors

Markus Schell
Chairman

Tobias Wiedeking

Peter Christian Kierkegaard

Independent Auditor's report

To the shareholder of HBN - TEKNIK 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 2022 and of the results of the Company's operations for the financial year 1 January - 31 December 2022 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of HBN - TEKNIK A/S for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Management's responsibilities for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Independent Auditor's report

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

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

Trekantområdet, 3 May 2023

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Jan Bunk Harbo Larsen

State Authorised Public Accountant

mne30224

Henrik Junker Andersen

State Authorised Public Accountant

mne42818

Company information

The Company	HBN - TEKNIK A/S Bragesvej 16 DK-4100 Ringsted CVR No: 51 50 26 12 Financial period: 1 January - 31 December Municipality of reg. office: Ringsted
Board of Directors	Markus Schell, chairman Tobias Wiedeking Peter Christian Kierkegaard
Executive board	Oscar William Gunner
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Herredsvej 32 7100 Vejle

Financial Highlights

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

	2022	2021	2020	2019	2018
	TDKK	TDKK	TDKK	TDKK	TDKK
Key figures					
Profit/loss					
Gross profit/loss	30,272	18,936	23,787	34,417	34,583
Profit/loss of ordinary primary operations	-7,346	-16,472	-2,672	4,516	5,357
Profit/loss of financial income and expenses	-2,455	-1,521	-995	-1,510	-1,446
Net profit/loss	-8,041	-14,159	-2,767	2,499	3,462
Balance sheet					
Balance sheet total	113,016	105,220	90,910	100,755	100,338
Investment in property, plant and equipment	8,189	15,601	-7,292	-2,636	-5,566
Equity	37,908	14,949	29,107	31,875	29,375
Ratios					
Return on assets	-6.5%	-15.9%	-2.9%	4.5%	5.8%
Solvency ratio	33.5%	14.2%	32.0%	31.6%	29.3%
Return on equity	-30.4%	-64.3%	-9.1%	8.2%	12.5%

See the description under accounting policies.

Management's review

Key activities

The main activities of the company are the production and sale of plastic / composite components, spare parts, and accessories for trailers, semi-trailers, busses, and heavy vehicles.

Development in the year

The income statement of the Company for 2022 shows a loss of TDKK 8,041, and at 31 December 2022 the balance sheet of the Company shows positive equity of TDKK 37,908.

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

In the financial year, there has been a loss after taxes of TDKK 8.041 TDKK in 2022. The equity at the end of 2022 is TDKK 37.908, corresponding to a solidity degree of 33,5%.

The general market conditions have continued to put a strain on supply chains and capacity.

Significant increases in material prices and energy costs have had a negative impact on the financial result since contractual obligations have meant that sales prices could not be adjusted to match increasing costs.

The result of the year does not meet the expectations, and steps are taking to secure improved performance going forward.

Market risks

The company is a supplier to the transport industry and thus sensitive towards the development within this industry. High fluctuations in raw materials and energy prices, as well as general inflation, remains a financial risk to the company.

Targets and expectations for the year ahead

The development in 2023 is expected to be slightly lower than 2022 in volume, with raw material prices and the general market conditions largely being determining the results. The result after tax is expected to be at a profitable level compared to 2022 in the range of TDKK 1.500.

Research and development

There are ongoing development projects which will result in improvements of the existing products and implementation of new projects.

External environment

The company is certified according to ISO 14001 and strategies for the environmental work in the company have been made. In the company mainly plastic types, which can be recirculated, are being used. No PVC material is used.

Intellectual capital resources

Production for the automotive industry makes demands to knowledge resources concerning development, production, quality control, and business processes. The company is certified according to the IATF standards and thus fulfills many of the demands, which this industry works by. There is a growing need for knowledge within construction in plastic and components being exposed to dynamic impacts. The company endeavors to meet the demands for instance using current updating and education of the staff and by estimating this in-cresed need by employing new employees.

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	2022 TDKK	2021 TDKK
Gross profit		30,272	18,936
Staff expenses	1	-28,963	-28,703
Depreciation and impairment losses of property, plant and equipment		-8,655	-6,705
Other operating expenses		0	-279
Profit/loss before financial income and expenses		-7,346	-16,751
Financial income		0	1
Financial expenses	2	-2,455	-1,522
Profit/loss before tax		-9,801	-18,272
Tax on profit/loss for the year	3	1,760	4,113
Net profit/loss for the year	4	-8,041	-14,159

Balance sheet 31 December

Assets

	Note	2022 TDKK	2021 TDKK
Acquired licenses		1,617	46
Development projects in progress		359	2,472
Intangible assets	5	1,976	2,518
Land and buildings		19,551	19,120
Plant and machinery		23,717	13,860
Other fixtures and fittings, tools and equipment		4,331	1,339
Property, plant and equipment in progress		0	12,337
Property, plant and equipment	6	47,599	46,656
Fixed assets		49,575	49,174
Raw materials and consumables		18,540	16,550
Work in progress		1,308	865
Finished goods and goods for resale		8,607	3,794
Inventories		28,455	21,209
Trade receivables		22,843	26,388
Receivables from group enterprises		2,612	1,879
Other receivables		4,854	6,175
Deferred tax asset	8	0	74
Corporation tax		3,314	0
Prepayments	7	1,013	321
Receivables		34,636	34,837
Cash at bank and in hand		350	0
Current assets		63,441	56,046
Assets		113,016	105,220

Balance sheet 31 December

Liabilities and equity

	Note	2022 TDKK	2021 TDKK
Share capital		8,000	8,000
Reserve for development costs		1,947	1,947
Retained earnings		27,961	5,002
Equity		37,908	14,949
Provision for deferred tax	8	1,480	0
Other provisions		0	400
Provisions		1,480	400
Lease obligations		3,378	4,396
Payables to group enterprises		44,500	0
Long-term debt	9	47,878	4,396
Lease obligations	9	1,110	1,080
Trade payables		15,863	17,304
Payables to group enterprises		5,495	61,694
Other payables		3,282	5,397
Short-term debt		25,750	85,475
Debt		73,628	89,871
Liabilities and equity		113,016	105,220
Contingent assets, liabilities and other financial obligations	10		
Related parties	11		
Accounting Policies	12		

Statement of changes in equity

	Share capital	Reserve for development costs	Retained earnings	Total
	TDKK	TDKK	TDKK	TDKK
Equity at 1 January	8,000	1,947	5,002	14,949
Contribution from group	0	0	31,000	31,000
Net profit/loss for the year	0	0	-8,041	-8,041
Equity at 31 December	8,000	1,947	27,961	37,908

Notes to the Financial Statements

	<u>2022</u>	<u>2021</u>
	TDKK	TDKK
1. Staff Expenses		
Wages and salaries	23,687	18,409
Pensions	2,088	2,833
Other social security expenses	295	628
Other staff expenses	2,893	6,833
	<u>28,963</u>	<u>28,703</u>

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

Average number of employees	<u>57</u>	<u>57</u>
-----------------------------	-----------	-----------

	<u>2022</u>	<u>2021</u>
	TDKK	TDKK
2. Financial expenses		
Interest paid to group enterprises	2,343	1,317
Other financial expenses	98	175
Exchange loss	14	30
	<u>2,455</u>	<u>1,522</u>

	<u>2022</u>	<u>2021</u>
	TDKK	TDKK
3. Income tax expense		
Current tax for the year	-3,314	-3,956
Deferred tax for the year	1,100	-157
Adjustment of deferred tax concerning previous years	454	0
	<u>-1,760</u>	<u>-4,113</u>

Notes to the Financial Statements

	2022	2021
	TDKK	TDKK
4. Profit allocation		
Retained earnings	-8,041	-14,159
	<u>-8,041</u>	<u>-14,159</u>

5. Intangible fixed assets

	Acquired licenses	Develop- ment projects in progress
	TDKK	TDKK
Cost at 1 January	4,693	2,473
Additions for the year	0	566
Transfers for the year	2,680	-2,680
Cost at 31 December	<u>7,373</u>	<u>359</u>
Impairment losses and amortisation at 1 January	4,647	0
Amortisation for the year	1,109	0
Impairment losses and amortisation at 31 December	<u>5,756</u>	<u>0</u>
Carrying amount at 31 December	<u>1,617</u>	<u>359</u>

Development projects relate to the development and testing of new products for the Company's existing markets. It is management's assessment that there is a growing need for products that are lighter and more durable. These new products ensure the this optimization. The projects proceed as planned and are expected to be completed within one to two years.

Notes to the Financial Statements

6. Property, plant and equipment

	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Property, plant and equipment in progress
	TDKK	TDKK	TDKK	TDKK
Cost at 1 January	61,057	114,105	3,692	12,337
Additions for the year	1,933	2,677	3,580	0
Disposals for the year	0	-951	0	0
Transfers for the year	0	12,337	0	-12,337
Cost at 31 December	62,990	128,168	7,272	0
Impairment losses and depreciation at 1 January	41,936	100,246	2,353	0
Depreciation for the year	1,503	5,156	588	0
Reversal for the year of previous years impairment losses	0	-951	0	0
Impairment losses and depreciation at 31 December	43,439	104,451	2,941	0
Carrying amount at 31 December	19,551	23,717	4,331	0

7. Prepayments

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

	2022	2021
	TDKK	TDKK

8. Provision for deferred tax

Deferred tax liabilities at 1 January	-74	-1,085
Amounts utilized of tax losses in joint taxation	0	-1,168
Adjustment of deferred tax concerning previous years	454	
Amounts recognised in the income statement for the year	1,100	-157
Amounts recognised in equity for the year	0	2,336
Deferred tax liabilities at 31 December	1,480	-74

The recognised tax asset comprises tax loss carry-forwards expected to be utilised within the next two to four years. In connection with the assessment of the utilisation of the tax asset, special emphasis has been placed on the Company having implemented efficiency measures which are expected to have an effect in the coming years

Notes to the Financial Statements

9. 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:

	<u>2022</u>	<u>2021</u>
	TDKK	TDKK
Lease obligations		
After 5 years	0	400
Between 1 and 5 years	3,378	3,996
Long-term part	<u>3,378</u>	<u>4,396</u>
Within 1 year	1,110	1,080
	<u>4,488</u>	<u>5,476</u>
Payables to group enterprises		
After 5 years	0	0
Between 1 and 5 years	44,500	0
Long-term part	<u>44,500</u>	<u>0</u>
Within 1 year	0	0
Other short-term debt to group enterprises	5,495	61,694
Short-term part	<u>5,495</u>	<u>61,694</u>
	<u>49,995</u>	<u>61,694</u>
	<u>2022</u>	<u>2021</u>
	TDKK	TDKK

10. Contingent assets, liabilities and other financial obligations

Rental and lease obligations

Lease obligations under operating leases. Total future lease payments:

Future lease and rent commitments until expiration	477	845
	<u>477</u>	<u>845</u>

Notes to the Financial Statements

Other contingent liabilities

Owner mortgage deeds nom. TDKK 7,800 with a mortgage on the property Bragesvej 16, Ringsted, lies within the company

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.

11. Related parties and disclosure of consolidated financial statements

	<u>Basis</u>
Controlling interest	
BPW Bergische Achsen, Wiehl, Germany	Ultimate parent
Other related parties	
Markus Schell	Board member
Tobias Wiedeking	Board member
Peter Christian Kierkegaard	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.

Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company of the largest and smallest group:

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

Notes to the Financial Statements

12. Accounting policies

The Annual Report of HBN - TEKNIK A/S for 2022 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 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 , 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.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

Leases

Leases in terms of which the Company 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 alternative borrowing rate 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 Company.

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 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.

Notes to the Financial Statements

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

Net sales

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 as well as office expenses, etc.

Gross profit

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, other operating income, expenses for raw materials and consumables and other external expenses.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise 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 property, plant and equipment.

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 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.

The Company is jointly taxed with danish group entities. The tax effect of the joint taxation with the subsidiaries is allocated to Danish enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit for tax losses).

Notes to the Financial Statements

Balance sheet

Intangible fixed 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 year.

Development costs and costs relating to rights developed by the Company are recognised in the income statement as costs in the year of acquisition.

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 contracted directly for financing the construction of property, plant and equipment are recognised in cost over the construction period.

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 buildings	25 years
Plant and machinery	3-10 years
Other fixtures and fittings, tools and equipment	3-5 years

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

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 and costs of completion. 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.

Notes to the Financial Statements

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, subscriptions and interest.

Provisions

Other provisions are measured and recognised based on experience with guarantee work.

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

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

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

Financial Highlights

Explanation of financial ratios

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