
Greenland Travel A/S

Wilders Plads 13A, DK-1403 Copenhagen K

Annual Report for 2024

CVR No. 32 15 07 56

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 24/3 2025

Peter Christian Flindt
Bastrup
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 Greenland Travel A/S for the financial year 1 January - 31 December 2024.

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 2024 of the Company and of the results of the Company operations and cash flows for 2024.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Copenhagen K, 24 March 2025

Executive Board

Peter Christian Flindt Bastrup

Board of Directors

Malik Peter Hegelund Olsen
Chairman

Steen Jensen

Bodil Marie Damgaard

Charlotte Ann Pedersen

Ella Cathrine Grødem

Robert Gurney

Independent Auditor's report

To the shareholders of Greenland Travel 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 2024 and of the results of the Company's operations and cash flows for the financial year 1 January - 31 December 2024 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Greenland Travel A/S for the financial year 1 January - 31 December 2024, which comprise income statement, balance sheet, statement of changes in equity, cash flow statement 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.
- Plan and perform the audit to obtain sufficient appropriate audit evidence regarding the consolidated financial information of the entities or business units as a basis for forming an opinion on the Financial Statements. We are responsible for the direction, supervision and review of the audit work performed. We remain solely responsible for our audit opinion.

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.

Independent Auditor's report

Hellerup, 24 March 2025

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Jakob Thisted Binder

State Authorised Public Accountant

mne42816

Mette Buskbjerg Gade

State Authorised Public Accountant

mne47828

Company information

The Company	Greenland Travel A/S Wilders Plads 13A DK-1403 Copenhagen K Telephone: 33131011 Email: info@greenland-travel.dk CVR No: 32 15 07 56 Financial period: 1 January - 31 December Municipality of reg. office: Copenhagen
Board of Directors	Malik Peter Hegelund Olsen, chairman Steen Jensen Bodil Marie Damgaard Charlotte Ann Pedersen Ella Cathrine Grødem Robert Gurney
Executive Board	Peter Christian Flindt Bastrup
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup

Financial Highlights

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

	2024	2023	2022	2021	2020
	TDKK	TDKK	TDKK	TDKK	TDKK
Key figures					
Profit/loss					
Gross profit	36,789	33,880	38,514	26,070	15,606
Profit/loss of primary operations	6,336	6,050	14,509	3,862	-6,407
Profit/loss of financial income and expenses	854	888	-5,608	6,262	-1,792
Net profit/loss for the year	5,521	5,317	5,596	11,387	-5,541
Balance sheet					
Balance sheet total	72,686	62,189	64,479	99,729	77,371
Equity	31,729	26,208	20,891	48,141	36,754
Cash flows					
Cash flows from:					
- operating activities	4,622	-2,580	2,787	2,489	8,282
- investing activities	45	-76	188	-12,000	0
- financing activities	-18	-183	-14,326	216	1,181
Change in cash and cash equivalents for the year	4,649	-2,839	-11,351	-9,295	9,463
Ratios					
Solvency ratio	43.7%	42.1%	32.4%	48.3%	47.5%
Return on equity	19.1%	22.6%	16.2%	26.8%	-14.0%

Management's review

Key activities

Greenland Travel's primary activity is sales and customer advisory services within travel services and travel management for the business segment, as well as leisure travel production and sales for the tourist segment. Greenland and Denmark are the primary markets for our business travel. In contrast, travel sales to Greenland for the tourist segment occur in Denmark and the rest of the world directly to the end-user or via agents.

Our 50 dedicated and skilled employees' professionalism in relation to travel services and Greenland is the primary asset for the company, not least for our regular and new customers.

Greenland Travel is a 100 % owned subsidiary of Air Greenland and is part of the Air Greenland Group.

Development in Greenland Travel's overall activities and financial conditions

Greenland Travel's business focus is within the business segment (sale of travel services to public and private institutions and companies), sale of tourism products (package tours and individual packages), and sale of locally produced excursions in Greenland via our sales portal www.arcticexcursions.com.

The effects of COVID-19 are largely gone in 2024, and the company's total revenue in 2024 is 14.3 % higher than before COVID-19 (2019), and the revenue growth occurs within both business areas.

The result for the year for Greenland Travel was a profit of DKK 7,190 thousand before tax and 5,521 after tax. Equity now amounts to 31,729.

The result is slightly above the expectations we had for 2024 and is a satisfactory result.

Developments in the business segment

Over the past three years, Greenland Travel has experienced increased revenue with an average growth of 5.3 % annually.

Over the past three years, the company has experienced significant growth in the NAIA self-service portal, and in 2024, 23 % of total business revenue was served via NAIA. The company expects this trend to continue in the future.

Greenland Travel also expects the newly extended Nuuk Airport to increase the number of business and private trips between Greenland and Denmark - partly due to the increased competition and easier accessibility.

The company sees potential in being able to help current and new customers maneuver optimally in the more complex travel market we see in the coming years.

Management's review

Developments in the tourism segment

2022, the first full year after COVID-19, was the best tourism year ever for Greenland Travel. The company experienced a slight decrease of 10 % in 2023 compared to 2022. In 2024, the company managed to recover some of this decrease and expects to be back on par with 2022 in 2025.

Greenland Travel sends tourists to Greenland all year round and is focused on offering tourism products all year. In recent years, the company has experienced more guests traveling during the shoulder season than during the peak season from June to August. In 2024, however, this has shifted to an equal distribution between the peak and shoulder seasons due to higher demand in summer. The company expects 2025 to follow this pattern.

With the opening of a new Atlantic airport in Nuuk and more airlines flying to Greenland in the coming high season, the expectation is that there will be more tourists than before during the high season and that there will be great pressure on accommodation capacity.

Greenland Travel sells approximately half of its production in Denmark, and the rest is sold abroad, with Germany and Asia as the primary markets. The company is experiencing steady growth from abroad and expects this trend to continue in the coming years. Greenland Travel is experiencing greater demand than before for Greenland as a travel destination - not only in Denmark but also from abroad.

Employees

Greenland Travel's employees are divided between Greenland and Denmark. The company finds it difficult to recruit experienced travel agency employees in Greenland. Therefore, Greenland Travel has established its own trainee program, where an employee is trained over 2 years and works in all departments of Greenland Travel, both in Greenland and Denmark. So far, the company has trained one employee who has become a permanent employee. Another trainee is two-thirds through the period, and one has just started. In addition, the company has trained finance students in Denmark for several years, and so far, three students have completed their education, one of whom is now a permanent employee.

Events occurring after the end of the financial year

From the balance sheet date to the present, no events have occurred that would change the assessments in the annual report.

Expected development in 2025

We expect a profit before tax of DKK 6 - 7 million.

Income statement 1 January - 31 December

	Note	2024	2023
		TDKK	TDKK
Gross profit		36,789	33,880
Staff expenses	1	-30,453	-27,830
Profit/loss before financial income and expenses		6,336	6,050
Financial income	2	1,191	1,283
Financial expenses	3	-337	-395
Profit/loss before tax		7,190	6,938
Tax on profit/loss for the year	4	-1,669	-1,621
Net profit/loss for the year	5	5,521	5,317

Balance sheet 31 December

Assets

	Note	2024	2023
		TDKK	TDKK
Other fixtures and fittings, tools and equipment		0	0
Property, plant and equipment	6	0	0
Other investments	7	0	41
Deposits	7	479	477
Fixed asset investments		479	518
Fixed assets		479	518
Trade receivables		29,874	23,754
Receivables from group enterprises		208	129
Other receivables		199	461
Deferred tax asset	8	37	45
Corporation tax		0	54
Corporation tax receivable from group enterprises		1,000	1,059
Prepayments	9	1,270	1,199
Receivables		32,588	26,701
Cash at bank and in hand		39,619	34,970
Current assets		72,207	61,671
Assets		72,686	62,189

Balance sheet 31 December

Liabilities and equity

	Note	2024	2023
		TDKK	TDKK
Share capital		1,500	1,500
Retained earnings		30,229	24,708
Equity		31,729	26,208
Prepayments received from customers		15,733	13,864
Trade payables		20,607	19,350
Payables to group enterprises		0	18
Corporation tax		1,008	0
Other payables		3,609	2,749
Short-term debt		40,957	35,981
Debt		40,957	35,981
Liabilities and equity		72,686	62,189
Contingent assets, liabilities and other financial obligations	12		
Related parties	13		
Subsequent events	14		
Accounting Policies	15		

Statement of changes in equity

	Share capital	Retained earnings	Total
	TDKK	TDKK	TDKK
Equity at 1 January	1,500	24,708	26,208
Net profit/loss for the year	0	5,521	5,521
Equity at 31 December	1,500	30,229	31,729

Cash flow statement 1 January - 31 December

	Note	2024	2023
		TDKK	TDKK
Result of the year		5,521	5,317
Adjustments	10	809	807
Change in working capital	11	-2,022	-5,786
Cash flow from operations before financial items		4,308	338
Financial income		1,191	1,283
Financial expenses		-337	-395
Cash flows from ordinary activities		5,162	1,226
Corporation tax paid		-540	-3,806
Cash flows from operating activities		4,622	-2,580
Fixed asset investments made etc		0	-76
Sale of fixed asset investments made etc		45	0
Cash flows from investing activities		45	-76
Repayment of payables to group enterprises		-18	-183
Cash flows from financing activities		-18	-183
Change in cash and cash equivalents		4,649	-2,839
Cash and cash equivalents at 1 January		34,970	37,809
Cash and cash equivalents at 31 December		39,619	34,970
Cash and cash equivalents are specified as follows:			
Cash at bank and in hand		39,619	34,970
Cash and cash equivalents at 31 December		39,619	34,970

Notes to the Financial Statements

	2024	2023
	TDKK	TDKK
1. Staff expenses		
Wages and salaries	25,527	22,988
Pensions	2,000	1,805
Other social security expenses	327	323
Other staff expenses	2,599	2,714
	<u>30,453</u>	<u>27,830</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>51</u>	<u>47</u>
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	2024	2023
	TDKK	TDKK
2. Financial income		
Other financial income	1,153	1,245
Exchange adjustments	38	38
	<u>1,191</u>	<u>1,283</u>

	2024	2023
	TDKK	TDKK
3. Financial expenses		
Other financial expenses	337	395
	<u>337</u>	<u>395</u>

	2024	2023
	TDKK	TDKK
4. Income tax expense		
Current tax for the year	1,661	1,287
Deferred tax for the year	8	330
Adjustment of tax concerning previous years	0	4
	<u>1,669</u>	<u>1,621</u>

Notes to the Financial Statements

	2024	2023
	TDKK	TDKK
5. Profit allocation		
Retained earnings	5,521	5,317
	<u>5,521</u>	<u>5,317</u>
6. Property, plant and equipment		
		Other fixtures and fittings, tools and equipment
		TDKK
Cost at 1 January		746
Disposals for the year		-408
Cost at 31 December		<u>338</u>
Impairment losses and depreciation at 1 January		746
Reversal of impairment and depreciation of sold assets		-408
Impairment losses and depreciation at 31 December		<u>338</u>
Carrying amount at 31 December		<u>0</u>
7. Other fixed asset investments		
	Other investments	Deposits
	TDKK	TDKK
Cost at 1 January	39	477
Additions for the year	0	2
Disposals for the year	-39	0
Cost at 31 December	<u>0</u>	<u>479</u>
Revaluations at 1 January	2	0
Exchange adjustment	-2	0
Revaluations at 31 December	<u>0</u>	<u>0</u>
Carrying amount at 31 December	<u>0</u>	<u>479</u>

Notes to the Financial Statements

	2024	2023
	TDKK	TDKK
8. Deferred tax asset		
Property, plant and equipment	-37	-49
Other securities and equity investments	0	4
Transferred to deferred tax assets	37	45
	<u>0</u>	<u>0</u>

Deferred tax has been provided at 22% corresponding to the current tax rate.

Deferred tax asset		
Calculated tax assets	37	45
Carrying amount	<u>37</u>	<u>45</u>

9. Prepayments

Prepayments recognized as assets include prepaid expenses related to subscriptions and kick-backs, etc.

	2024	2023
	TDKK	TDKK
10. Cash flow statement - Adjustments		
Financial income	-1,191	-1,283
Financial expenses	337	395
Depreciation, amortisation and impairment losses, including losses and gains on sales	0	128
Tax on profit/loss for the year	1,669	1,621
Other adjustments	-6	-54
	<u>809</u>	<u>807</u>

Notes to the Financial Statements

	2024	2023
	TDKK	TDKK
11. Cash flow statement - Change in working capital		
Change in receivables	-6,008	236
Change in trade payables, etc	3,986	-6,022
	<u>-2,022</u>	<u>-5,786</u>

	2024	2023
	TDKK	TDKK
12. Contingent assets, liabilities and other financial obligations		
Charges and security		
The following assets have been placed as security with Rejsegarantifonden:		
Rejsegarantifonden	1,800	1,800
Rental and lease obligations		
Lease obligations under operating leases. Total future lease payments:		
Within 1 year	1,188	1,164
Between 1 and 5 years	255	247
	<u>1,443</u>	<u>1,411</u>

Other contingent liabilities

The company is jointly taxed with its sister company Air Greenland ATO A/S, which is the administrative company in the joint taxation, and is jointly liable for tax on the jointly taxed income, etc. The group's companies are also jointly liable for Danish withholding taxes in the form of dividend tax, royalty tax, and interest tax. Any subsequent corrections to corporate taxes and withholding taxes may result in the company's liability amounting to a larger sum.

Notes to the Financial Statements

13. Related parties and disclosure of consolidated financial statements

	<u>Basis</u>
Controlling interest	
Air Greenland A/S	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)(6) of the Danish Financial Statements Act.

There are no such transactions.

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>
Air Greenland A/S	Nuuk, Grønland

14. Subsequent events

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

Notes to the Financial Statements

15. Accounting policies

The Annual Report of Greenland Travel A/S for 2024 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 2024 are presented in TDKK.

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.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Income statement

Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Contract work in progress (construction contracts) is recognised at the rate of completion, which means that revenue equals the selling price of the work completed for the year (percentage-of-completion method). This method is applied when total revenues and expenses in respect of the contract and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the contract.

Services are recognised at the rate of completion of the service to which the contract relates by using the percentage-of-completion method, which means that revenue equals the selling price of the service completed for the year. This method is applied when total revenues and expenses in respect of the service and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the service.

Notes to the Financial Statements

Direct expenses

Direct expenses primarily include operating expenses for the year.

Other external expenses

Other external expenses comprise 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, direct expenses and other external expenses.

Staff expenses

Staff costs include wages and salaries including compensated absence and pensions as well as other social security contributions etc. made to the entity's employees.

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

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
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The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Fixed asset investments

Fixed asset investments, which consist of listed bonds and shares, are measured at their fair values at the balance sheet date. Fair value is determined on the basis of the latest quoted market price.

Other fixed asset investments

Other fixed asset investments consist of deposit.

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.

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 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 liabilities

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

Cash Flow Statement

The cash flow statement shows the Company's cash flows for the year broken down by operating, investing and financing activities, changes for the year in cash and cash equivalents as well as the Company's cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities

Cash flows from operating activities are calculated as the net profit/loss for the year adjusted for changes in working capital and non-cash operating items such as depreciation, amortisation and impairment losses, and provisions. Working capital comprises current assets less short-term debt excluding items included in cash and cash equivalents.

Cash flows from investing activities

Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, property, plant and equipment as well as fixed asset investments.

Cash flows from financing activities

Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt as well as payments to and from shareholders.

Notes to the Financial Statements

Cash and cash equivalents

Cash and cash equivalents comprise "Cash at bank and in hand".

The cash flow statement cannot be immediately derived from the published financial records.

Financial Highlights

Explanation of financial ratios

Solvency ratio

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

Return on equity

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