



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2018 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 912 194 523
Organisasjonsform: Aksjeselskap
Foretaksnavn: STOCRETEC FLOORING AS
Forretningsadresse: Værftsgata 7A
1511 MOSS

Regnskapsår

Årsregnskapets periode: 01.01.2018 - 31.12.2018

Konsern

Morselskap i konsern: Ja
Konsernregnskap lagt ved: Nei

Regnskapsregler

Regler for små foretak benyttet: Ja
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: Forenklet IFRS

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Joakim Elisenberg
Dato for fastsettelse av årsregnskapet: 27.06.2019

Grunnlag for avgivelse

År 2018: Årsregnskapet er elektronisk innlevert
År 2017: Tall er hentet fra elektronisk innlevert årsregnskap fra 2018

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 05.11.2020



Resultatregnskap

Beløp i: NOK	Note	2018	2017
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt		134 919 991	96 204 911
Sum inntekter	5	134 919 991	96 204 911
Kostnader			
Varekostnad		93 532 576	60 538 092
Lønnskostnad	6, 7	19 700 684	20 053 889
Avskrivning på varige driftsmidler og immaterielle eiendeler	3	274 979	209 688
Annen driftskostnad		16 376 681	15 100 844
Sum kostnader		129 884 920	95 902 513
Driftsresultat		5 035 071	302 398
Finansinntekter og finanskostnader			
Annen renteinntekt		137 074	93 187
Annen finansinntekt		1 588 334	4 484 394
Sum finansinntekter		1 725 408	4 577 581
Annen rentekostnad		497 545	561 911
Annen finanskostnad		1 434 980	3 194 255
Sum finanskostnader		1 932 525	3 756 165
Netto finans		-207 117	821 416
Ordinært resultat før skattekostnad		4 827 954	1 123 814
Skattekostnad på ordinært resultat	13	1 410 328	129 427
Ordinært resultat etter skattekostnad		3 417 626	994 387
Årsresultat		3 417 626	994 387
Årsresultat etter minoritetsinteresser		3 417 626	994 387
Totalresultat		3 417 626	994 387
Overføringer og disponeringer			



Resultatregnskap

Beløp i: NOK	Note	2018	2017
Overføringer til/fra annen egenkapital		3 417 626	994 387
Sum overføringer og disponeringer		3 417 626	994 387



Balanse

Beløp i: NOK	Note	2018	2017
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	13	1 687 990	1 601 837
Sum immaterielle eiendeler		1 687 990	1 601 837
Varige driftsmidler			
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende		343 385	605 752
Sum varige driftsmidler		343 385	605 752
Finansielle anleggsmidler			
Investering i datterselskap	11	263 649	707 674
Andre fordringer	12	4 135 254	4 548 649
Sum finansielle anleggsmidler		4 398 903	5 256 323
Sum anleggsmidler		6 430 278	7 463 911
Omløpsmidler			
Varer			
Sum varer	9	12 174 574	11 748 628
Fordringer			
Kundefordringer	8	22 394 146	15 199 322
Andre fordringer		3 715 419	4 125 254
Sum fordringer		26 109 565	19 324 576
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	10	2 878 056	5 157 766
Sum bankinnskudd, kontanter og lignende		2 878 056	5 157 766
Sum omløpsmidler		41 162 195	36 230 970
SUM EIENDELER		47 592 473	43 694 882

BALANSE - EGENKAPITAL OG GJELD



Balanse

Beløp i: NOK	Note	2018	2017
Egenkapital			
Innskutt egenkapital			
Selskapskapital	4, 14	10 000 000	10 000 000
Sum innskutt egenkapital		10 000 000	10 000 000
Opptjent egenkapital			
Annen egenkapital	14	1 693 780	-928 019
Sum opptjent egenkapital		1 693 780	-928 019
Sum egenkapital		11 693 780	9 071 981
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Langsiktig konserngjeld	12	17 450 000	20 750 000
Sum annen langsiktig gjeld		17 450 000	20 750 000
Sum langsiktig gjeld		17 450 000	20 750 000
Kortsiktig gjeld			
Gjeld til kredittinstitusjoner	8	134	215 369
Leverandørgjeld		6 510 608	3 911 889
Betalbar skatt	13	502 809	468 995
Skyldige offentlige avgifter	10	2 825 294	1 865 958
Annen kortsiktig gjeld	8, 12	8 609 849	7 410 690
Sum kortsiktig gjeld		18 448 693	13 872 901
Sum gjeld		35 898 693	34 622 901
SUM EGENKAPITAL OG GJELD		47 592 473	43 694 882



Stocretec Flooring AS

Annual report 2018

Board of directors' report

Annual accounts

- **Income statement**
- **Balance sheet**
- **Cash flow statement**
- **Notes**

Auditors' report

Org n0 912 194 523



Annual report 2018 StoCretec Flooring AS

Nature of business

StoCretec Flooring AS is a producer and distributor of resin coating products, located in Moss with the Scandinavian countries as their main market. StoCretec Flooring AS is owned by the German industry group Sto SE & Co KGaA.

Continued operation

The annual accounts has been submitted based on the assumption that operation will continue. The basis for the boards appraisal is a positive development expected in 2019 as well as the strategic plans of the company within product- and market development. The financial result, financial position and asset/debts of the company envisages a fair picture of the actual situation.

Personell

The average number of employees in 2018 in StoCretec Flooring AS was 24, 16,6% of that being women. There are no women represented at the board. The board of the company is conscious about the expectations of society regarding expectations about initiatives to support gender equality within the company. Work is going on to meet the expectations of society, but no concrete measures have been undertaken.

The board considers the work environment to be very good. The co-operation with the employees has in the opinion of the board been very good and has contributed positively to the overall performance. 469 days of absence due to illness was recorded which accounts for 6,79 % of the total number of working days in 2018. No unwanted incidents or accidents with personal injury has been recorded in 2018.

The goal of the company is to be able to be a stable workplace with full equality between women and men. No discrimination due to gender in matters of compensation, advancement or recruitment shall take place.

Exterior environment

The company is involved in business that to a very limited degree pollutes the external environment.

Research and development

The company is active within developing new products.

Future development

The company has been able to maintain high activity and delivers a satisfactory result with positive effects from large projects. A positive development is expected also in 2019 where the interaction with the other parts of the Sto Nordic organisation will be very important.

Financial risk

The company is exposed to various financial risks, especially the currency risk. Use of financial instruments is implemented to reduce this risk. The company has had no major losses on receivables. The liquidity of the company and the liquidity of the parent company is very good, and it is not decided to implement any further measures to reduce the financial risk. The company assesses the credit risk as limited.

Financial result, financing and liquidity

The company has a turnover in 2018 of MNOK 134,9. The submitted annual account shows a profit before tax of MNOK 4,8 and MNOK 3,4 after tax.

The cash flow of the operational activities of the company is satisfactory.

The total assets of the company as of 31.12.2018 was MNOK 47,6 compared with 43,7 last year.

The equity of the company as of 31.12.2018 was MNOK 11,7. The equity ratio as of 31.12.18 was 24,6 %, compared with 20,8 % last year.


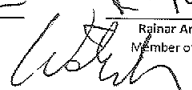
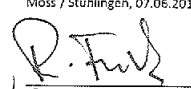

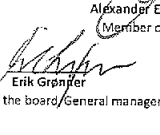
In the opinion of the board the liquidity of the company is satisfactory.

Disposition of result

The board proposes the following disposition of the result of MNOK 3,4 after tax.

Transferred to other equity	3 417 626
Sum	3 417 626

Moss / Stühlingen, 07.06.2019

 Jan Tore Andersen Chairman of the board	 Ralf Würhle Member of the board	 Rainar Armin Frick Member of the board	 Alexander Eugen Gänster Member of the board
	 Erik Grønner Member of the board/General manager		



Stocretec Flooring AS

Income statement 1 January - 31 December

Amounts i NOK

Income statement	Note	2018	2017
Revenue		134 919 991	96 204 911
Total operating income	5	134 919 991	96 204 911
Cost of materials		93 532 576	60 538 092
Personnel expenses	6, 7	19 700 684	20 053 889
Depreciation of operating and intangible assets	3	274 979	209 688
Other operating expenses		16 376 681	15 100 844
Total operating expenses		129 884 920	95 902 513
Operating profit		5 035 071	302 398
Financial income and expenses			
Interest income		137 074	93 187
Other financial income		1 588 334	4 484 394
Interest expenses		497 545	561 911
Other financial expenses		1 434 980	3 194 255
Net financial items		-207 117	821 416
Ordinary result before tax		4 827 954	1 123 814
Tax on ordinary result	13	1 410 328	129 427
Ordinary result after tax		3 417 626	994 387
Net profit or loss for the year		3 417 626	994 387
Allocated as follows			
Allocated to other equity		3 417 626	994 387
Net brought forward		3 417 626	994 387



Stocretec Flooring AS Balance sheet as of 31 December

Amounts in NOK

Assets	Note	2018	2017
Fixed assets			
Intangible assets			
Deferred tax assets	13	1 687 990	1 601 837
Total intangible assets		<u>1 687 990</u>	<u>1 601 837</u>
Tangible assets			
Equipment and other movables		343 385	605 752
Total tangible assets		<u>343 385</u>	<u>605 752</u>
Financial fixed assets			
Investments in subsidiaries	11	263 649	707 674
Other long-term receivables	12	4 135 254	4 548 649
Total financial fixed assets		<u>4 398 903</u>	<u>5 256 323</u>
Total fixed assets		<u>6 430 278</u>	<u>7 463 911</u>
Current assets			
Inventories	9	12 174 574	11 748 628
Debtors			
Accounts receivables	8	22 394 146	15 199 322
Other short-term receivables		3 715 419	4 125 254
Total receivables		<u>26 109 565</u>	<u>19 324 576</u>
Cash and bank deposits	10	2 878 056	5 157 766
Total current assets		<u>41 162 195</u>	<u>36 230 970</u>
Total assets		<u>47 592 473</u>	<u>43 694 882</u>




Stocretec Flooring AS

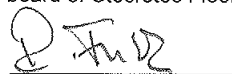
Balance sheet as of 31 December


Amounts in NOK


Equity and liabilities	Note	2018	2017
Equity			
Paid-up equity			
Share capital	4, 14	10 000 000	10 000 000
Total paid-up equity		10 000 000	10 000 000
Retained earnings			
Other equity	14	1 693 780	-928 019
Total retained earnings		1 693 780	-928 019
Total equity		11 693 780	9 071 981
Liabilities			
Other long-term liabilities			
Long-term liabilities to group companies	12	17 450 000	20 750 000
Total of other long term liabilities		17 450 000	20 750 000
Current debt			
Liabilities to financial institutions	8	134	215 369
Trade creditors		6 510 608	3 911 889
Tax payable	13	502 809	468 995
Public duties payable	10	2 825 294	1 865 958
Other current debt	8, 12	8 609 849	7 410 690
Total current debt		18 448 693	13 872 901
Total liabilities		35 898 693	34 622 901
Total equity and liabilities		47 592 473	43 694 882

Moss/Stühlingen, 7/6- 2019
The board of Stocretec Flooring AS


Jan Tore Andersen
Chairman of the board


Rainar Armin Frick
Member of the board


Alexander Eugen Gänslér
Member of the board


Rolf Wöhrle
Member of the board


Erik Grønner
Member of the board/General Manager



Stocretec Flooring AS

Cash flow statement

	Note	2018	2017
Cash flow from operation activities			
Profit/(loss) before tax		4 827 954	1 123 814
Taxes paid		-623 132	-389 160
Gain from sale of fixed assets		-295 866	
Depreciation and amortisation		274 979	209 688
Impairment of financial investments		444 025	-
Changes in inventories		-425 946	1 527 708
Changes in accounts receivables		-8 294 002	5 764 405
Changes in accounts payables		2 839 843	-2 849 222
Changes in other current balance sheet items		<u>-1 508 978</u>	<u>1 031 202</u>
Net cash flow from operating activities		<u>-2 761 123</u>	<u>6 418 435</u>
Cash flow from investing activities			
Proceeds from long term receivables		413 395	-870 555
Purchase of tangible fixed assets		-86 746	-249 874
Proceeds from sale of tangible fixed assets		<u>370 000</u>	<u>0</u>
Net cash flow from investing activities		<u>696 649</u>	<u>-1 120 429</u>
Cash flow from financing activities			
Proceeds from issuance of long term debt		-	2 087 732
Repayment of long term loans		0	0
Net change in bank overdraft		-215 235	-4 847 534
Dividends paid		<u>0</u>	<u>0</u>
Net cash flow from financing activities		<u>-215 235</u>	<u>-2 759 802</u>
Net change in cash and cash equivalents		-2 279 709	2 538 204
Cash and cash equivalents at 01.01		<u>5 157 766</u>	<u>2 619 562</u>
Cash and cash equivalents at 31.12		<u>2 878 057</u>	<u>5 157 766</u>



Stocretec Flooring AS

Notes to the accounts for 2018

Note 1 - Accounting Principles

The financial statements for Stocretec Flooring AS are prepared in accordance with simplified IFRS pursuant to the Norwegian Accounting Act § 3-9 and regulations regarding simplified application of IFRS issued by the Norwegian Ministry of Finance on 3 November 2014. Under this regulation are assets, debt, income and expenses recognized and assessed according to IFRS, where disclosure is in accordance with the Norwegian Accounting Act.

It is not deemed necessary to prepare a consolidated financial statements for Stocretec Flooring AS in accordance to the Norwegian Accounting Act § 3-8.

Sales revenue

Sales revenues are recognized at the time of delivery. Revenue from services are recognized at execution. The share of sales revenue associated with future services are recorded in the balance sheet as deferred sales revenue, and are recognized at the time of execution.

Balance sheet classification

Net current assets comprise creditors due within one year, and entries related to goods circulation. Other entries are classified as fixed assets and/or long term creditors.

Current assets are valued at the lower of acquisition cost and fair value. Short term creditors are recognized at nominal value.

Fixed assets are valued by the cost of acquisition, in the case of non incidental reduction in value the asset will be written down to the fair value amount. Long term creditors are recognized at nominal value.

Property, plant and equipment

Property, plant and equipment is capitalized and depreciated over the estimated useful economic life. Direct maintenance costs are expensed as incurred, whereas improvements and upgrading are assigned to the acquisition cost and depreciated along with the asset. If carrying value of a non current asset exceeds the estimated recoverable amount, the asset is written down to the recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value.

Subsidiaries and investment in associate

Subsidiaries and investments in associate are valued by the cost method in the company accounts. The investment is valued as cost of acquiring shares in the subsidiary, providing that write down is not required. Write down to fair value will be carried out if the reduction in value is caused by circumstances which may not be regarded as incidental, and deemed necessary by generally accepted accounting principles. Write downs are reversed when the cause of the initial write down are no longer present.

Dividends and other distributions are recognized in the same year as appropriated in the subsidiary accounts. If dividends exceed withheld profits after acquisition, the exceeding amount represents reimbursement of invested capital, and the distribution will be subtracted from the value of the acquisition in the balance sheet.



Stocretec Flooring AS

Notes to the accounts for 2018

Inventories

Inventories are valued at the lower of cost or market value. Cost is estimated using the FIFO method. Finished goods and work in progress are valued at full production cost. Write-downs are carried out for foreseeable obsolescence.

Trade and other receivables

Trade receivables and other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful debts. Provisions for doubtful debts are calculated on the basis of individual assessments. In addition, for the remainder of accounts receivables outstanding balances, a general provision is carried out based on expected loss.

Foreign currency translation

Foreign currency transactions are translated using the year end exchange rates.

Short term investments

Short term investments (stocks and shares are valued as current assets) are valued at the lower of acquisition cost and fair value at the balance sheet date. Dividends and other distributions are recognized as other investment income.

Research and development

Research and development costs are capitalized providing that a future economic benefit associated with development of the intangible asset can be identified. Otherwise, the costs are expensed as incurred. Capitalized research and development are amortized linearly over the economic lifetime.

Income tax

Tax expenses in the profit and loss account comprise both tax payable for the accounting period and changes in deferred tax. Deferred tax is calculated at 22 percent on the basis of existing temporary differences between accounting profit and taxable profit together with tax deductible deficits at the year end. Temporary differences both positive and negative, are balance out within the same period. Deferred tax assets are recorded in the balance sheet to the extent it is more likely than not that the tax assets will be utilized.

To what extent group contribution not is registered in the profit and loss, the tax effect of group contribution is posted directly against the investment in the balance.

Cash flow statement

The cash flow statement is presented using the indirect method. Cash and cash equivalents includes cash, bank deposits and other short term highly liquid placement with original maturities of three months or less.

Use of estimates

The preparation of the financial statements requires management to make estimates and assumptions affect the reported amounts in the profit and loss statement, the measurement of assets and liabilities and that the disclosure of contingent asset and liabilities on the balance sheet date. Actual results can differ from these estimates.

Contingent losses that are probable and quantifiable is expensed as occurred.



Stocretec Flooring AS

Notes to the accounts for 2018

Note 2a - Financial risk

Stocretec Flooring AS are exposed to changes in currency. In particular, Stocretec Flooring AS is buying raw materials and other consumables in foreign currency. In addition, the company has some sales in foreign currency. To reduce this risk the company has forward exchange contracts.

Note 2b - Changes in accounting principles

In 2018 Stocretec Flooring AS has adopted the new accounting standard IFRS 9 - Financial instruments. IFRS 9 specifies how the entity should classify and measure financial assets, financial liabilities, and some contracts to buy or sell non-financial items. IFRS 9 has been applied on the financial statements for 2018, whereas the financial statements for 2017 have not be restated. The impact of the adoption of IFRS 9 as of 1 January 2018 has been recorded against equity and deferred tax asset as set out below.

	At 01.01.2018	At 31.12.2018	change
IFRS 9 - reserve on long -term receivables	-1 950	-1 170	780
IFRS 9 - reserve on account receivables	-1 099 178	-512 221	586 957
IFRS 9 - reserve on other receivables	-1 560	-1 469	91
IFRS 9 - reserve on cash and cash equivalents	-11 872	-12 467	-595
IFRS 9 - reserve on suppliers with debt	-43	-137	-94
Total	-1 114 603	-527 464	587 139
Calculated tax	28,60 %	22 %	
Deferred tax assets	318 777	116 042	-202 734
Change of equity	795 827		

IFRS 16 about leasing will be adopted in the financial statements for 2019. IFRS 16 sets out a comprehensive model for identification of lease arrangements and their treatment in the financial statements of both lessees and lessors.



Stocretec Flooring AS

Notes to the accounts for 2018

Note 3 - Tangible assets

	Property, plants and equipment	Auto- mobiles	Total
Acquisition cost 01.01.	548 290	555 187	1 103 477
Purchased tangibles	86 746	0	86 746
Disposals 2018		-555 187	-555 187
Acquisition cost 31.12.	635 036	-	635 036
Acc.depreciation 31.12.	-291 651	-	-291 651
Net carrying amount at 31.12.	343 385	-	343 385
Depreciation for the year	173 046	101 933	274 979
Useful economic life Amortization plan	3-5 years linear		

Note 4 - Share capital and shareholder information

Share capital:

	Number of shares	Face value	Book value
10 000 000	100	100 000	10 000 000

Shareholders per 31.12:

	Ordinary shares	Ownership share
Sto SE & Co KGaA	100	100 %

Full ownership share gives them complete voting rights on the general assembly.

Note 5 - Segment information

Segment breakdown

	2018	2017
Flooring and Landscape	128 606 439	89 301 454
Other Industrial Markets	6 313 552	6 903 457
Total segment breakdown	134 919 991	96 204 911

Geographic areas

	2018	2017
Nordic countries	129 334 909	72 252 037
Europe	5 585 082	23 952 874
Total geographic areas	134 919 991	96 204 911



Stocretec Flooring AS

Notes to the accounts for 2018

Note 6 - Wage costs, number of employees, remuneration, loans to employees and auditor's fee

	2018	2017
Wage costs		
Salaries	16 200 378	15 942 655
Social security tax	2 430 315	2 523 192
Pension costs	500 457	755 699
Other benefits	1 090 291	832 343
Refund of development cost by the Norwegian state("Skattefunn")	-520 758	-642 235
Total	<u>19 700 683</u>	<u>19 411 654</u>

The average number of employees	<u>24</u>	<u>25</u>
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Management remuneration

	General manager	Board of directors
Salary including bonus	1 445 337	0
Other remuneration	101 748	

Auditor fee has been divided as follows

	2018	2017
Audit fee	353 928	261 753
Other services	26 000	24 000
Total	<u>379 928</u>	<u>285 753</u>

Note 7 - Pensions

According to the law the company has to participate in the OTP occupational pension. The company's pension plans meet the requirement of this Act. The company has a pension scheme securing the employees' right to future pension benefits. The company's pension plan is a pure contribution scheme.

Note 8 - Receivables and debts

<i>Accounts receivables</i>	2018	2017
Trade Receivables	25 131 887	17 012 330
Allowance for doubtful debts	-2 737 741	-1 813 008
Total	<u>22 394 146</u>	<u>15 199 322</u>

<i>Other current debt</i>	2018	2017
Vacation allowance and salaries payables	3 648 560	2 966 085
Provision for Warranty claims	1 090 636	1 485 000
Other short-term liabilities	4 961 289	4 444 605
Total	<u>9 700 485</u>	<u>8 895 690</u>

Note 9 - Inventories

	2018	2017
Raw materials	5 670 868	6 140 697
Finished goods	6 503 706	5 607 931
Total	<u>12 174 574</u>	<u>11 748 628</u>



Stocretec Flooring AS

Notes to the accounts for 2018

Note 10 - Bank deposit

	2018	2017
Restricted cash for withheld taxes from employees' salaries	702 181	651 084
Withheld employee taxes	643 769	593 329

Note 11 - Investment in subsidiaries and associate

Company	Share owners / Voting rights	Net profit 2018	Equity 31.12.2018
Hesselberg Sverige AB*	100 %	-514	-125
UAB Tech Coat*	95 %	339	2 796

	Book Value
Hesselberg Sverige AB*	-
UAB Tech Coat*	264

*Net profit, equity and book value are in TNOK

Note 12 - Intercompany balance group company and associate

Receivables	2018	2017
Long-term loan to Hesselberg Sverige AB	3 686 424	3 798 649
Accounts receivables	419 019	1 874 009
Total	4 105 443	5 672 658

Payables	2018	2017
Trade creditors	435 182	676 348
Other short term payables	300 000	600 000
Long-term loan from Sto GmbH	17 450 000	20 750 000
Total	18 185 182	22 026 348

Note 13 - Income taxes

Income tax expenses:	2018	2017
Income tax payable	1 023 568	468 995
Changes in deferred tax asset	232 624	-389 429
Underestimated income tax payable previous year	154 137	49 861
Total income tax expense	1 410 328	129 427



Stocretec Flooring AS

Notes to the accounts for 2018

<i>Calculation of income tax payable:</i>	2018	2017
Ordinary result before tax	4 827 954	1 123 814
Permanent differences	28 772	-1 082 477
Changes in temporary differences	-406 432	1 912 810
Utilisation of tax deficit carried forward	-	-
Tax base	4 450 294	1 954 147
Tax rate	23 %	24 %
Income tax payable	1 023 568	468 995

<i>Specification of tax payable in the balance sheet:</i>	2018	2017
Income tax payable	1 023 568	468 995
Development cost refund ("skattefunn")	-520 758	-642 235
Net tax payable	502 809	-173 240

<i>Temporary differences and deferred tax/deferred tax asset:</i>	2018	2017
Fixed assets	144 092	31 164
Inventory	-3 681 000	-3 540 000
Receivables	-2 847 327	-1 813 008
Provisions	-1 288 445	-1 642 665
Total temporary differences *	-7 672 680	-6 964 509
Tax rate	22 %	23 %
Deferred income tax asset	1 687 990	1 601 837

* Positive sign means a tax increasing temporary difference. Negative sign means a tax reducing temporary difference.

<i>Explanation of changes in temporary differences:</i>	2018
Temporary differences at end of year	-7 672 680
Temporary differences at beginning of year	-6 964 509
Gross changes in temporary differences	708 171
Temporary differences recorded against equity	-1 114 603
Net temporary differences with P&L impact	-406 432

<i>Explanation of changes in deferred tax asset:</i>	2018
Deferred tax asset at beginning of year	1 601 837
Deferred tax asset re. implementation of IFRS 9 at group tax rate	318 776
Changes in deferred tax re. temporary differences reversed	-93 479
Reversal of def. tax asset re. IFRS 9 at group tax rate	-62 418
Revaluation of deferred tax asset due to reduce tax rate	-76 727
Deferred tax asset at end of year	1 687 989

<i>Specification of permanent differences:</i>	2018	2017
Non-taxable income	-521 595	-583 746
Non-deductible expenses	550 367	-
Received dividend	-	-514 156
Reversal of 3 % of dividend	-	15 425
Total permanent differences	28 772	-1 082 477



Stocretec Flooring AS

Notes to the accounts for 2018

<i>Calculation of effective tax rate:</i>	2018	2017
Profit before tax	4 827 754	1 123 814
Nominal tax rate	23 %	24 %
Expected income tax expense	1 110 383	269 715
Tax impact of permanent differences	6 618	-259 794
Underestimated income tax payable previous year	154 137	49 861
Impact of application of group tax rate re. IFRS 9-implementation	62 418	
Impairment of deferred tax asset due to reduced tax rate	76 727	69 645
Other	46	
Income tax expense	<u>1 410 328</u>	<u>129 427</u>
Effective tax rate	29,2 %	12 %

Note 14 - Owners equity

	Share capital	Other equity	Total
Owners equity 01.01.18	10 000 000	-928 019	9 071 981
Change of accounting principle *		-795 827	-795 827
Profit for the year		3 417 626	3 417 626
Owners equity 31.12.18	10 000 000	1 693 780	11 693 780

* Net of deferred tax

Note 15 - Consolidated Financial Statements

Stocretec Flooring AS is part of the German Sto Group. Sto SE & Co KGaA is a public listed company. Consolidated financial statements are available on the internet site www.sto.com. The consolidated financial statements are prepared under IFRS.



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Ernst & Young AS

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INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of StoCretec Flooring AS

Report on the audit of the financial statements

Opinion

We have audited the financial statements of StoCretec Flooring AS, which comprise the balance sheet as at 31 December 2018, the income statement and statements of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements have been prepared in accordance with laws and regulations and present fairly, in all material respects, the financial position of the Company as at 31 December 2018 and its financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for opinion

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs). Our responsibilities under those standards 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 ethical requirements that are relevant to our audit of the financial statements in Norway, and we have fulfilled our ethical responsibilities as required by law and regulations. We have also complied with our other ethical obligations 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.

Other information

Other information consists of the information included in the Company's annual report other than the financial statements and our auditor's report thereon. The Board of Directors and Chief Executive Officer (management) are responsible for the other information. Our opinion on the audit of the financial statements does not cover the other information, 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 the other information, and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, 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, unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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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 laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs) 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 in accordance with law, regulations and generally accepted auditing principles in Norway, including ISAs, we exercise professional judgment 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 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 content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Report on other legal and regulatory requirements

Opinion on the Board of Directors' report

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors' report concerning the financial statements, the going concern assumption and proposal for the allocation of the result is consistent with the financial statements and complies with the law and regulations.

Independent auditor's report – StoCretec Flooring AS

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Opinion on registration and documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, it is our opinion that management has fulfilled its duty to ensure that the Company's accounting information is properly recorded and documented as required by law and bookkeeping standards and practices accepted in Norway.

Oslo, 21. June 2019
ERNST & YOUNG AS

The auditors report is signed electronically

Kjetil Andersen
State Authorised Public Accountant (Norway)

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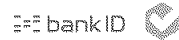
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Skattedirektoratet

Saksbehandler Jeanette Munkvold Skovhoft	Deres dato 28.03.2017	Vår dato 04.04.2017
Telefon 90076012	Deres referanse Kjetil Andersen	Vår referanse 2017/345411

ERNST & YOUNG AS
Postboks 1156 Sentrum
0107 OSLO

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for Hesselberg Bygg AS, org. nr. 912 194 523

Vi viser til deres brev av 28. mars 2017 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Hesselberg Bygg AS, org. nr. 912 194 523.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering Hesselberg Bygg AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at opplysningene som vedtaket baserer seg på ikke endres vesentlig.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

Bakgrunn

Fra søknaden gjengis:

Hesselberg Bygg AS er et selskap som driver med salg av gulvbelegg og andre byggevarer, og har forretningsadresse i Moss. Hesselberg Bygg AS er et datterselskap av det tyske konsernet Sto SE & Co. KGaA som produserer og selger byggematerialer, og som har virksomhet over hele verden. Hesselberg Bygg AS foretar regnskapsmessig rapportering, både månedlig og årlig, til det tyske konsernet Sto SE & Co. KGaA for konsolideringsformål, og dette gjøres på engelsk.

Byggevarebransjen har et sterkt innslag av internasjonale aktører, der samtlige behersker engelsk. Selskapet har tysk styreleder, og mesteparten av styremedlemmene er også tyske. Det er engelsk og tysk som blir benyttet som arbeidsspråk.

En norsk oversettelse vil kun ha til formål å oppfylle regnskapslovens språkkrav.

Skattedirektoratets vurdering

Efter regnskapsloven § 3-4 tredje ledd skal "årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

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”Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.”

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til *“informative regnskaper for ulike grupper av regnskapsbrukere”*. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt vekt på at selskapet er et datterselskap i et utenlandsk konsern, og at styremedlemmene i det alt vesentlige er utenlandske. Eierkretsen er begrenset. Selskapet opererer i en internasjonal bransje. Arbeidsspråket er engelsk. Videre er det vektlagt at alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk, og det anses at ingen øvrige brukere av regnskapsinformasjon blir negativt berørt av at årsregnskapet og årsberetningen utarbeides på engelsk språk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Torstein Kinden Helleland
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Jeanette Munkvold Skovholt

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