BB Electronics A/S

Ane Staunings Vej 21, 8700 Horsens

CVR-nr. 21 66 25 34

Årsrapport 2017

Approved at the company's AGM on 22. marts 2018

Chair:

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Management's Statement of Responsibility

On this day, the Board of Directors and Executive Board have discussed and approved the Annual Report BB Electronics A/S for the financial year 1. January – 31. December 2017.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

We find that the financial statements and consolidated financial statements present a true and fair view of Group and company's assets, equity and liabilities and financial position as of 31. December 2017 as well as the profit or loss from the Group and company's activities and the Group's cash flows for the financial year 1. January – 31. December 2017.

We also find that the management's review presents a true and fair view of the development of the Group and company's activities and financial matters, the profit or loss for the year and the Group and company's financial position.

The Annual Report is submitted for the AGM's approval.

Horsens, dated 22. March 2018
Executive Board:

Carsten Christensen
Managing Director

Board:

Sven Ruder Chair	Ole Steen Andersen Vice-Chair	Per Thrane
Folmer Rud Hansen	Casper Lykke Pedersen	
Svend Lindbjerg Employee Representative	Gert Højgaard Pedersen Employee Representative	Malene Braskhøj Bust Pihl Employee Representative

Independent Auditor's Statement

To the shareholders of BB Electronics A/S

Conclusion

We have audited the financial statements and consolidated financial statements for BB Electronics A/S for the financial year 1. January – 31. December 2017, including the statement of profit or loss, statement of financial position, statement of movements in equity and notes, as well as the accounting policies for the Group and the company, and the statement of cash flows for the Group. The financial statements and consolidated financial statements are prepared in accordance with the Danish Financial Statements Act.

It is our view that the financial statements and consolidated financial statements present a true and fair view of the Group and company's assets, equity and liabilities and financial position as of 31. December 2017, as well as profit or loss from the Group and company's activities and Group cash flows for the financial year 1. January – 31. December 2017 in accordance with the Danish Financial Statements Act.

Basis for conclusion

We have performed our audit in accordance with international auditing standards and the additional requirements applicable in Denmark. Our responsibilities according to these standards and requirements are detailed in the section of the auditor's report "The auditors responsibility for auditing the financial statements and consolidated financial statements" (hereinafter "the financial statements"). It is our view that the acquired audit evidence is sufficient and suitable as a basis for our conclusion.

Independence

We are independent of the Group in accordance with the international code of ethics for auditors (the IESBA Code of Ethics) and the additional requirements that are applicable in Denmark, and we have fulfilled our other ethical obligations according to these rules and requirements.

The management's responsibility for the financial statements

The management is responsible for the preparation of financial statements and consolidated financial statements that present a true and fair view in accordance with the Danish Financial Statements Act. The management is also responsible for the internal controls that the management deems necessary in order to prepare financial statements without material misstatements, whether due to fraud or error.

In the preparation of financial statements, the management is responsible for assessing the Group and the company's ability to continue operations, providing relevant information on aspects concerning the continuation of operations and for preparing the financial statements based on the going concern principle, unless management intends to liquidate the Group or company, cease operations or has no realistic alternative but to do this.

The auditor's responsibilities for the auditing of the financial statements

Our objective is to obtain a high degree of security that the financial statements as a whole do not contain material misstatements, whether due to fraud or error, and to issue an auditor's report with a conclusion. A high degree of security is a high level of security, but not a guarantee, that an audit performed in accordance with international standards for auditing and the additional requirements applicable in Denmark will always uncover material misstatements when they exist. Misstatements may occur as a result of fraud or error and may be considered material if they can be reasonably expected to have an impact, either individually or collectively, on the economic decisions based on the statements made by the users of the financial statements.

The Independent Auditor’s Report

With regards to an audit performed in accordance with international standards for auditing and the additional requirements applicable in Denmark, we perform professional assessments and maintain professional scepticism throughout the audit. In addition to this:

- We identify and assess the risk of material misstatements in the financial statements, whether due to fraud or error, design and perform audit procedures in response to these risks and obtain sufficient and appropriate audit evidence to form a basis for our conclusion. The risk of failing to detect material misstatements due to fraud is higher than for material misstatements due to error, as fraud may include conspiracy, document falsification, deliberate omission, misdirection or disregard for internal controls.
- We obtain an understanding of the internal controls relevant to the audit in order to be able to design audit procedures that are appropriate to the circumstances but not to be able to express a conclusion on the effectiveness of the Group and company’s internal controls.
- We assess whether the accounting policies applied by the management are appropriate and whether the accounting estimates and related information prepared by management are reasonable.
- We conclude whether the management’s preparation of the financial statements based on the going concern principle is appropriate and, based on the audit evidence obtained, whether there is significant uncertainty related to events or conditions that may create substantial doubt as to the Group and company’s ability to continue operating. If we conclude that there is a significant uncertainty, we must highlight the details of this in our auditor’s report for the financial statements or, if such information is not sufficient, modify our conclusion. Our conclusion is based on the audit evidence obtained up until the date of our auditor’s report. Future events or circumstances may give rise to the Group and company no longer being able to continue operations.
- We assess the overall presentation, structure and content of the financial statements, including the information in the notes, as well as whether the financial statements reflect the underlying transactions and events in such a way as to present a true and fair view.
- We obtain sufficient appropriate audit evidence for the financial information of the companies or business activities of the Group in order to express a conclusion on the financial statements. We are responsible for managing, supervising and performing the audit of the Group. We are solely responsible for the conclusion of our audit.

We communicate with senior management about e.g. the planned extent and timing of the audit, as well as any significant observations related to the audit, such as any significant deficiencies in internal controls that we identify during the audit.

Statement on the management’s review

The management is responsible for the management’s review.

Our conclusion on the financial statements does not include the management’s review and we do not express any kind of conclusion on the management’s review.

As part of our audit of the financial statements, it is our responsibility to read the management’s review and to consider whether the management’s review is materially inconsistent with the financial statements or the knowledge we have obtained through the audit or whether it otherwise appears to contain material misstatements.

It is also our responsibility to consider whether the management’s review contains information required in accordance with the Danish Financial Statements Act.

The Independent Auditor's Report

Based on the work performed, it is our opinion that the management's review is consistent with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We have not found any material misstatements in the management's review.

Aarhus, on this date 22. March 2018
ERNST & YOUNG
Certified audit company
CVR No. 30 70 02 28CVR-nr. 30 70 02 28

Jes Lauritzen State-authorised Public Accountant MNE no.: mne10121	Kim R. Mortensen State-authorised Public Accountant MNE no.: mne18513

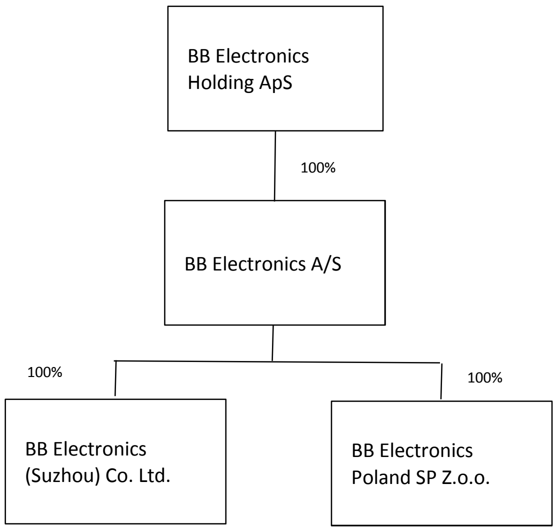
Management's review

Information about the company

Name	BB Electronics A/S
Address, postcode, city	Ane Staunings Vej 21, 8700 Horsens, Denmark
CVR number	21 66 25 34
Established	21 December 1998
Municipality of residence	Horsens
Financial year	1. January – 31. December
Telephone	+45 76 25 10 00
Fax	+45 76 25 10 10
Parent company	BB Electronics Holding ApS Ane Staunings Vej 21 8700 Horsens, Denmark CVR No. 37 40 70 97
Largest and smallest group of which the company is a part:	BB Electronics Holding ApS Ane Staunings Vej 21 8700 Horsens, Denmark CVR No. 37 40 70 97
Subsidiaries	China: BB Electronics (Suzhou) Co. Ltd. Poland: BB Electronics Poland SP Z.o.o.
Board of Directors	Sven Ruder, Chair Ole Steen Andersen, Vice Chair Per Thrane Folmer Rud Hansen Casper Lykke Pedersen Svend Lindbjerg Gert Højgaard Pedersen Malene Braskhøj Bust Pihl
Executive Board	Managing Director Carsten Christensen
Auditor	Ernst & Young Certified Accountants Værkmestergade 25, 8000 Aarhus C, Denmark, CVR No. 30700228.

Management’s review

Group structure



Management's review

Primary figures and key performance indicators for the Group

thousands of DKK	2017	2016	2015	2014	2013
Primary figures					
Net sales	460,396	400,338	422,688	365,113	425,042
EBITDA before special items	25,168	25,702	26,224	16,470	9,256
Special items	-1,012	0	-2,413	-4,814	-5,733
EBITDA	24,156	25,702	23,811	11,656	3,523
Operating profit	17,089	18,431	15,480	1,781	-8,793
Profit from financial items	-114	-2,149	-5,451	-5,884	-7,249
Profit or loss for the year	**20,290**	**14,957**	**7,337**	**-5,627**	**-15,851**
Fixed assets	16,116	16,417	16,282	20,203	23,110
Current assets	235,773	213,134	202,314	188,296	187,048
Total assets (balance sheet total)	**251,889**	**229,551**	**218,596**	**208,499**	**210,158**
Share capital	7,634	7,634	7,634	7,634	7,634
Equity	**100,856**	**86,596**	**43,046**	**31,032**	**29,407**
Provisions	202	134	561	264	663
Long-term liabilities	22,374	27,735	12,580	25,997	37,593
Current liabilities	128,457	115,086	162,409	151,206	142,495
Cash flows from operating activities	9,463	49,483	22,464	24,945	5,893
Cash flows to investment activities	-7,074	-7,580	-3,961	-5,160	296
Of which are invested in tangible fixed assets	-4,078	-7,024	-3,910	-3,109	-1,699
Cash flows from financing activities	-11,129	-2,703	-19,423	-16,050	41,844
Change in cash	**-8,740**	**39,200**	**-920**	**3,735**	**48,033**
Ratios					
EBITDA margin before special items (%)	5.5	6.4	6.2	4.5	2.2
EBIT margin (%)	3.7	4.7	3.7	0.6	-2.0
Return on equity (%)	21.6	23.1	19.8	-18.6	-42.0
Equity ratio (%)	40.0	37.7	19.7	14.9	14.0
Average number of employees	484	452	488	515	614

Key ratios are calculated as follows:

EBITDA margin before special items:	EBITDA before special items x 100/Net sales
EBIT margin:	EBIT x 100/Net sales
Return on equity:	Profit or loss after tax x 100/Average equity
Equity ratio:	Closing equity x 100/Closing total assets

Report

The Group's activities consist of development, production and sales of electronics and EMS services. Production takes place in BB Electronics A/S in Denmark and in the Chinese subsidiary, BB Electronics (Suzhou) Co. Ltd.

Financial development - Group

The total sales for 2017 was DKK 460 million, which is an increase of 15 % compared to 2016 (DKK 400 million). The growth was driven by both existing and new customers. The sales growth comes from all 3 customer segments.

460 (15 % growth)
million DKK in turnover

In 2017, the Group realised a total earnings (EBITDA) before special items of DKK 25 million (2016: DKK 26 million) and a profit after tax of DKK 20 million (2016: DKK 15 million).

The slightly lower EBITDA before special items compared to last year is primarily due to the negative exchange rate development, price pressure from customers and investments in future growth (including bringing new customers to "full year impact" in 2018). Profit after tax was positively affected by DKK 4 million from previously unrecognised activities not activating tax assets.

Our lower EBITDA level was under budget and considered unsatisfactory, despite the 15 % sales growth.

The balance sheet total for the group at the end of the financial year was DKK 252 million compared with DKK 230 million the previous year. The increase is due to increased working capital in connection with the increased activity, and that recognising DKK 4 million from earlier did not activate tax assets.

Financing

Cash flows from operating activities in 2017 amounted to DKK 9 million (2016: DKK 49 million), which was under budget, but still considered satisfactory due to the high growth.

9
million DKK in positive cash flows from operating activities

The total investment cost was DKK 7 million (2016: DKK 8 million).

As of 31 December 2017, the net interest-bearing debt is DKK 4 million, while 2016 ended with DKK 0 million.

The current capital structure provides the flexibility required to fully support the future strategy of the company.

Investments

As part of the growth strategy, over the course of the year the company has established a company in Poland that currently only contains administrative activities.

Dividends

The Board proposes that no dividends be paid for the financial year 2017.

Recognition and measurement uncertainties

No recognition and measurement uncertainties have been found in the annual report.

Anomalies

Costs of DKK 1 million have been incurred for the establishment of a new Polish subsidiary in 2017.

Events after the completion of the financial statements

After the completion of the financial statements and until today's date, no events have occurred that would serve to significantly change the Group's financial position and thereby affect the evaluation of the annual report.

Expected development

There is expected to be a continued growth in turnover of 10-15 % in 2018 as a result of activities initiated in 2017, as well as new customers. Earnings (EBITDA) are expected to significantly increase with a positive cash flow. We are looking at a challenging commodities market in 2018, which may affect the profit or loss.

Financial development - parent company

In 2017, there was a total turnover of DKK 356 million (2016: DKK 307 million). Profit after tax was DKK 20 million (2016: DKK 15 million). At the end of the financial year, the balance sheet total amounted to DKK 232 million (2016: DKK 205 million). Equity as of 31 December 2017 amounted to DKK 101 million (2016: DKK 87 million).

Risk conditions

Business risks

The primary business risk faced by the group is the continued ability to deliver good service and produce quality at competitive prices.

Management regularly evaluates whether BB Electronics has an ample capital structure, and the Board regularly evaluates whether the capital basis is in keeping with the company's interests and those of its stakeholders. The overall goal is to ensure a capital structure that will support long-term financial growth.

Financial risks

The parent company centrally manages the Group's financial risks and coordinates the Group's liquidity management, including funding and placement of surplus liquidity. The Group operates with a low risk profile, meaning that currency, interest rate and credit risks only occur on the basis of commercial factors.

In addition, customers and inventory that are directly linked to the individual customer are largely guaranteed via external credit insurance. Some large groups are not insured via external credit insurance due to their risk profile.

Where deemed appropriate to reduce financial risk, financial instruments in the form of forward contracts and interest rate swaps are included.

Knowledge resources

In 2017, the company maintained its focus on the competitive situation.

The staff in China now makes up 80 % of the full-time employees, while the number in Denmark is 20 %. In order to continually be able to deliver and develop competitive products and solutions, it is paramount that the Group be able to retain and develop employees with a high level of education. Therefore, our HR department works with a strategic perspective that in the future will focus on goal-oriented work with attraction, development and job satisfaction amongst the staff.

Statutory Declaration of Corporate Social Responsibility

The Group joined the UN Global Compact in 2010. The progress report for the year was published and can be retrieved via: *https://www.unglobalcompact.org/participation/report/cop/create-and-submit/active/415058*.

Whistleblowers

Employees at BB Electronics have the ability to contact an external company anonymously if there should be events that they wish to report. There were no such contacts made under this arrangement in 2017.

Goals and policies for gender composition of the management

BB Electronics has goals for recruitment of women for management positions. BB Electronics wants to make the goal of more women in management quantifiable - both in terms of the process leading to the goal and in relation to the concrete results. Targets have been set for the ratio of female senior managers:

- The current proportion of females at the senior management level (the Board) is currently 0%, and the target is at least 25% by 5 years from now. There were no actual replacements on the Board in 2017.
- The proportion of female senior managers in daily management (Executive Board) is currently 25 %, and the target here is also not less than 25 %.

The goal is for at least one of each gender to be amongst the final three candidates in the recruitment process.

Financial statements and consolidated financial statements 1. January – 31. December

Statement of profit or loss

		Group		Parent company	
Note	**thousands of DKK**	**2017**	**2016**	**2017**	**2016**
1	**Net sales**	460,396	400,338	356,413	307,094
3	Production costs	-407,321	-351,555	-322,754	-279,137
	Gross profit or loss	53,075	48,783	33,659	27,957
3	Distribution costs	-10,502	-7,308	-7,944	-4,895
2,3,4	Administration costs	-25,484	-23,044	-17,052	-15,160
	Operating profit	17,089	18,431	8,663	7,902
5	Other operating income	28	284	2,630	5,704
5	Other operating costs	0	-14	0	-13
	Profit before financial items	17,117	18,701	11,293	13,593
2.11	Profit from equity investments in subsidiaries after tax	0	0	3,549	4,209
6	Financial income	2,571	812	2,557	176
7	Financial costs	-2,685	-2,961	-1,420	-2,741
	Profit or loss before tax	17,003	16,552	15,979	15,237
8	Tax on profit or loss for the year	3,287	-1,595	4,311	-280
	Profit or loss for the year	20,290	14,957	20,290	14,957

19 Proposed distribution of net profit

Financial statements and consolidated financial statements 1. January – 31. December

Statement of financial position

		Group		Parent company	
Note	thousands of DKK	2017	2016	2017	2016
	ASSETS				
	Fixed assets				
9	**Intangible assets**				
	Software	2,949	1,171	2,868	1,042
	Other intangible assets	242	303	242	303
		3,191	1,474	3,110	1,345
10	**Tangible assets**				
	Furnishing of rented premises	1,119	753	220	258
	Technical plant and machinery	9,173	8,705	6,792	3,418
	Other fixtures and fittings	995	316	822	136
	Tangible assets under construction	649	3,972	0	3,972
		11,936	13,746	7,834	7,784
11	**Financial fixed assets**				
	Equity investments in subsidiaries	0	0	85,193	86,801
	Other receivables	989	1,197	989	1,178
		989	1,197	86,182	87,979
	Total fixed assets	16,116	16,417	97,126	97,108
	Current assets				
12	**Inventories**				
	Raw materials and consumables	78,512	65,980	27,455	19,950
	Goods-in-process	8,122	8,987	6,139	5,281
	Finished goods and merchandise	5,449	4,656	3,170	1,922
	Prepayments for goods	1,487	0	0	0
		93,570	79,623	36,764	27,153
	Receivables				
	Receivables from sales and services	81,651	74,364	64,687	48,143
	Receivables with group enterprises	7,477	615	7,591	615
	Other receivables	2,103	2,393	1,279	1,300
8	Deferred tax assets	24,864	20,474	19,700	15,124
	Prepayments and accrued income	1,794	1,447	1,299	907
		117,889	99,293	94,556	66,089
	Cash and cash equivalents	24,314	34,218	3,739	15,059
	Total current assets	235,773	213,134	135,059	108,301
	TOTAL ASSETS	251,889	229,551	232,185	205,409

Financial statements and consolidated financial statements 1. January – 31. December

Statement of financial position

Note	thousands of DKK	Group 2017	Group 2016	Parent company 2017	Parent company 2016
	EQUITY AND LIABILITIES				
	Equity				
13	Share capital	7,634	7,634	7,634	7,634
	Reserve for net revaluation according to the equity method	0	0	34,413	36,452
	Retained earnings	93,222	78,962	58,809	42,510
	Total equity	100,856	86,596	100,856	86,596
	Provisions				
	Other provisions	202	134	0	0
	Liabilities				
14	**Long-term liabilities**				
	Credit institutions	20,777	27,702	20,777	27,702
	Lease debt	526	33	526	33
	Other long-term debt	1,071	0	1,071	0
		22,374	27,735	22,374	27,735
	Current liabilities				
	Short-term part of long-term liabilities	8,174	6,966	8,174	6,966
	Trade creditors and other accounts payable	87,206	82,904	29,929	25,424
	Prepayments from customers	9,205	5,856	8,809	5,781
	Corporate tax	812	813	0	55
	Payables to group enterprises	0	0	50,287	42,975
	Other payables	23,061	18,547	11,756	9,877
		128,458	115,086	108,955	91,078
	Total liabilities	150,831	142,821	131,329	118,813
	TOTAL EQUITY AND LIABILITIES	251,889	229,551	232,185	205,409

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16 Operational leasing and rental agreements
17 Related parties
18 Currency and interest rate risks and use of derived financial instruments
Accounting policies used, pages 26-31

Financial statements and consolidated financial statements 1. January – 31. December

Statement of movements in equity

		Group			
Note	thousands of DKK	Share capital	Retained earnings	Proposed dividends	Total equity
	Equity 1. January 2016	7,634	35,412	0	43,046
	Extraordinary dividends	0	-4,500	4,500	0
	Dividends paid	0	0	-4,500	-4,500
	Capital injection	0	35,613	0	35,613
	Value adjustments of security instruments after tax	-	477	0	477
	Exchange rate adjustments	-	-2,997	0	-2,997
	Profit or loss for the year	-	14,957	0	14,957
	Equity 1. January 2017	7,634	78,962	0	86,596
	Value adjustments of security instruments after tax	0	-442	0	-442
	Exchange rate adjustments of foreign companies	0	-5,588	0	-5,588
	Profit or loss for the year	0	20,290	0	20,290
	Equity 31. December 2017	7,634	93,222	0	100,856

		Parent company				
Note	thousands of DKK	Share capital	Reserve for net revaluation	Retained earnings	Proposed dividends	Total equity
	Equity 1. January 2016	7,634	35,240	172	0	43,046
	Extraordinary dividends	0	0	-4,500	4,500	0
	Dividends paid	0	0	0	-4,500	-4,500
	Capital injection	0	0	35,613	0	35,613
	Value adjustments of security instruments after tax	0	0	477	0	477
	Exchange adjustment for subsidiary	0	-2,997	0	0	-2,997
19	Profit or loss for the year	0	4,209	10,748	0	14,957
	Equity 1. January 2017	7,634	36,452	42,510	0	86,596
	Value adjustments of security instruments after tax	0	0	-442	0	-442
	Exchange adjustment for subsidiary	0	-5,588	0	0	-5,588
19	Profit or loss for the year	0	3,549	16,741	0	20,290
	Equity 31. December 2017	7,634	34,413	58,809	0	100,856

Financial statements and consolidated financial statements 1. January – 31. December

Statement of cash flows

Note	thousands of DKK	2017	2016
	Profit or loss for the year	20,290	14,957
20	Adjustments	3,934	10,417
21	Changes in operating capital	-13,374	24,334
	Cash flows from operations	10,850	49,708
8	Corporate tax paid	-1,387	-225
	Cash flows from operating activities	9,463	49,483
	Purchases of intangible fixed assets	-3,232	-1,367
	Purchases of tangible fixed assets	-4,078	-7,024
	Change in financial fixed assets	208	639
	Sales of tangible fixed assets	28	172
	Cash flows to investment activities	-7,074	-7,580
	Net change in liabilities	-4,153	8,583
	Change in receivables/payables to group enterprises	-6,862	-40,250
	Financial income, paid	2,571	812
	Financial costs, paid	-2,685	-2,961
	Capital injection	0	35,613
	Dividends to shareholders	0	-4,500
	Cash flows from financing activities	-11,129	-2,703
	Change in cash	-8,740	39,200
	Liquid assets, 1 January	34,218	-4,577
	Exchange rate adjustment of initial liquid assets	-1,164	-405
	Liquid assets, 31 December	24,314	34,218
	Liquid assets is defined as follows:		
	Cash and cash equivalents	24,314	34,218
	Short-term liabilities to credit institutions	0	0
		24,314	34,218

The statement of cash flows cannot be directly derived from the other elements of the consolidated financial statements.

Financial statements and consolidated financial statements 1. January – 31. December

Notes

1 Net sales

Distribution of business areas is as follows:

	Group		Parent company	
thousands of DKK	**2017**	**2016**	**2017**	**2016**
Industry	267,112	270,630	232,834	222,047
Professional Telecomm/IT	101,537	62,551	82,853	46,215
Other	91,747	67,157	34,045	36,017
Subsidiary	0	0	6,681	2,815
	460,396	400,338	356,413	307,094

Distribution of geographical markets is as follows:

Denmark	259,667	166,772	215,941	183,705
Rest of Europe	86,388	145,336	86,388	75,083
North America	14,630	20,622	14,290	15,583
Asia	65,549	42,994	21,249	8,117
Other	34,162	24,614	18,545	24,606
	460,396	400,338	356,413	307,094

2 Special items

Special items include significant income and expenses of a special nature in relation to revenue-generating operational activities of the Group, such as the cost of extensive structuring of processes and fundamental structural adjustments, as well as any divestment gains or losses related to this that have a significant impact over time. Special items also include other significant amounts of a non-recurring nature that are not considered by management to be part of the Group's primary operations.

Profit or loss for the year was influenced by special items in connection with the establishment of a subsidiary in Poland, which differs from what the management considers to be part of the primary operations.

Special items, including where they have been factored into the profit and loss statement, are specified below.

	Group	
thousands of DKK	**2017**	**2016**
Costs		
Costs, purchase/establishment of subsidiary	-1,012	0
Special items are included in the group accounts on the following lines		
Administration costs	-1,012	0
Profit or loss from special items	-1,012	0

The parent company recognised administrative expenses of DKK 724 thousand in special items and DKK 288 thousand in equity investments in the subsidiary, a total of DKK 1,012 thousand.

Financial statements and consolidated financial statements 1. January – 31. December

Notes

3 Employee information

Personnel costs are as follows:

	Group		Parent company	
thousands of DKK	**2017**	**2016**	**2017**	**2016**
Salaries and wages	81,092	71,845	44,381	38,334
Pension contributions	7,082	6,808	3,070	2,847
Other social security costs	4,544	4,201	901	766
	92,718	82,854	48,352	41,947

and are recognised as follows:

	Group		Parent company	
thousands of DKK	**2017**	**2016**	**2017**	**2016**
Production costs	74,354	68,285	33,724	30,724
Distribution costs	6,460	4,385	6,460	4,385
Administration costs	11,904	10,184	8,168	6,838
	92,718	82,854	48,352	41,947
Of which constitutes remuneration to the Board of Directors and Executive Board	2,010	1,852	2,010	1,852
Average number of permanent employees	484	452	94	90
Number of permanent employees as of 31 December	463	444	97	87

Incentive programmes

In 2016, a warrant programme was established for the benefit of the management and certain key employees. The programme allows the Board of the parent company to issue up to 12,470 warrants to be allotted over a period of 4 years. The utilisation of warrants entitles the owner to subscribe shares in the parent company at a cost of DKK 2,000 per share with a nominal value of DKK 1. The warrants must be utilised by 1 May 2023, otherwise they will be void.

4 Fee to auditor elected by AGM

The BB Electronics A/S Group is included in the consolidated financial statements for the parent company, where the fee to the auditor elected by the AGM is stated.

5 Other operating income and other operating costs

Other operating income:

	Group		Parent company	
thousands of DKK	**2017**	**2016**	**2017**	**2016**
Profit on sale of fixed assets	28	171	4	97
Other income	0	113	0	0
Income in the form of joint costs invoiced to subsidiary	0	0	2,626	5,607
	28	284	2,630	5,704

Other operating costs:

	Group		Parent company	
thousands of DKK	**2017**	**2016**	**2017**	**2016**
Other costs	0	14	0	13

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thousands of DKK	Group 2017	Group 2016	Parent company 2017	Parent company 2016
6 Financial income				
Exchange rate gains	2,557	624	2,557	0
Other financial income	14	188	0	176
	2,571	812	2,557	176

Interest from group enterprises amounts to DKK 0 thousand. (2016: DKK 0 thousand).

thousands of DKK	Group 2017	Group 2016	Parent company 2017	Parent company 2016
7 Financial costs				
Exchange rate losses	973	905	0	905
Other financial costs	1,712	2,056	1,420	1,836
	2,685	2,961	1,420	2,741

Interest from group enterprises amounts to DKK 0 thousand. (2016: DKK 0 thousand).

Notes

8 Corporate tax and deferred tax

	Group		
thousands of DKK	Corporate tax liability	Deferred tax assets	Tax according to statement of profit or loss
Balance, 1 January 2016	0	21,245	-
Exchange rate adjustments	-	-214	-
Adjustment of deferred tax for the year	-	-557	557
Corporate tax paid	-225	-	-
Tax related to income for the year	1,038	-	1,038
Balance, 31 December 2016	813	20,474	1,595
Balance, 1 January 2017	813	20,474	-
Exchange rate adjustments	-45	-328	-
Adjustment of deferred tax for the year	-	4,718	-4,718
Corporate tax paid	-1,387	-	-
Tax related to income for the year	1,431	-	1,431
Balance, 31 December 2017	812	24,864	-3,287

The deferred tax asset consists of deficit carried forward and accelerated depreciation options. Based on budgets and projections, the management believes that it will be possible to utilise the tax asset. The Group has an additional un-activated tax asset of a 4 million DKK at their disposal.

	Parent company		
thousands of DKK	Corporate tax liability	Deferred tax assets	Tax according to statement of profit or loss
Balance, 1 January 2016	0	15,124	-
Adjustment of deferred tax for the year	-	-	0
Corporate tax paid	-225	-	-
Tax on income for the year	280	-	280
Balance, 31 December 2016	55	15,124	280
Balance, 1 January 2017	55	15,124	-
Adjustment of deferred tax for the year	-	4,576	-4,576
Corporate tax paid	-320	-	-
Tax on income for the year	265	-	265
Balance, 31 December 2017	-55	19,700	265

The deferred tax asset consists of deficit carried forward and accelerated depreciation options. Based on budgets and projections, the management believes that it will be possible to utilise the tax asset. The company has an additional un-activated tax asset of a 4 million DKK at their disposal.

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9 Intangible fixed assets

	Group		
thousands of DKK	**Software**	**Other intangible assets**	**Total**
Cost 1. January 2017	25,955	303	26,258
Exchange rate adjustments	-37	0	-37
Beginning of the year	3,232	0	3,232
End of the year	-4,445	0	-4,445
Cost 31. December 2017	24,705	303	25,008
Depreciation 1. January 2017	-24,784	0	-24,784
Exchange rate adjustments	30	0	30
Depreciation for the year	-1,447	-61	-1,508
Reversals of depreciation by the end of the year	4,445	0	4,445
Depreciation 31. December 2017	-21,756	-61	-21,817
Carrying amount 31. December 2017	2,949	242	3,191
Amortised over	3 - 5 years	5 years	

	Parent company		
thousands of DKK	**Software**	**Other intangible assets**	**Total**
Cost 1. January 2017	25,358	303	25,661
Beginning of the year	3,212	0	3,212
End of the year	-4,445	0	-4,445
Cost 31. December 2017	24,125	303	24,428
Depreciation 1. January 2017	-24,316	0	-24,316
Depreciation for the year	-1,386	-61	-1,447
Reversals of depreciation by the end of the year	4,445	0	4,445
Depreciation 31. December 2017	-21,257	-61	-21,318
Carrying amount 31. December 2017	2,868	242	3,110
Amortised over	3 - 5 years	5 years	

Notes

10 Tangible fixed assets

	Group				
thousands of DKK	**Furnishing of rented premises**	**Technical plant and machinery**	**Other fixtures and fittings**	**Tangible assets under construction**	**Total**
Cost 1. January 2017	24,208	129,098	28,256	3,972	185,534
Exchange rate adjustments	-665	-3,429	-475	-15	-4,584
Beginning of the year/Transfer	732	5,738	916	-3,308	4,078
End of the year	-71	-5,296	-10,448	0	-15,815
Cost 31. December 2017	24,204	126,111	18,249	649	169,213
Depreciation 1. January 2017	-23,455	-120,393	-27,940	0	-171,788
Exchange rate adjustments	625	3,167	463	0	4,255
Depreciation for the year	-326	-5,008	-225	0	-5,559
Reversals of depreciation at the end of the year	71	5,296	10,448	0	15,815
Depreciation 31. December 2017	-23,085	-116,938	-17,254	0	-157,277
Carrying amount 31. December 2017	1,119	9,173	995	649	11,936
Tangible assets include financial leasing assets with a total carrying amount of	0	0	774	0	774
Amortised over	5 years	5 - 8 years	3 - 8 years		

	Parent company				
thousands of DKK	**Furnishing of rented premises**	**Technical plant and machinery**	**Other fixtures and fittings**	**Tangible assets under construction**	**Total**
Cost 1. January 2017	13,495	72,809	19,946	3,972	110,222
Beginning of the year/Transfer	74	5,276	763	-3,972	2,141
End of the year	-71	-5,279	-8,956	0	-14,306
Cost 31. December 2017	13,498	72,806	11,753	0	98,057
Depreciation 1. January 2017	-13,237	-69,391	-19,810	0	-102,438
Depreciation for the year	-112	-1,902	-77	0	-2091. 0
Reversals of depreciation at the end of the year	71	5,279	8,956	0	14,306
Depreciation 31. December 2017	-13,278	-66,014	-10,931	0	-90,223
Carrying amount 31. December 2017	220	6,792	822	0	7,834
Tangible assets include financial leasing assets with a total carrying amount of	0	0	774	0	774
Amortised over	5 years	5 - 8 years	3 - 8 years		

Notes

11 Financial fixed assets

thousands of DKK	Group Other receivables
Cost 1. January 2017	1,197
Exchange rate adjustments	1
Beginning of the year	0
End of the year	-209
Cost 31. December 2017	989
Carrying amount 31. December 2017	989

	Parent company	
thousands of DKK	Equity investments in subsidiaries	Other receivables
Cost 1. January 2017	35,049	1,178
End of the year	8	-189
Cost 31. December 2017	35,057	989
Revaluation 1. January 2017	51,752	0
Profit or loss for the year after tax	3,549	0
Exchange rate adjustments	-5,588	0
Other	423	0
Revaluation 31. December 2017	50,136	0
Carrying amount 31. December 2017	85,193	989

Equity investments in subsidiaries are specified as follows:

	Principal place of business	Share capital	Vote and ownership share
BB Electronics (Suzhou) Co. Ltd.	China	CNY 45,634 thousand	100%
BB Electronics Poland SP Z.o.o.	Poland	PLN 5 thousand	100%

12 Inventories

A significant proportion of inventories is customer specific, procured in relation to agreements for which customers are liable.

13 Authorised share capital

As of 31 December 2017, equity consisted of 76,340 shares at DKK 100.

Share capital has been unchanged for the past 5 years.

Notes

14 Long-term liabilities

Payments due within 1 year are recognised under current liabilities. As of 31 December 2017, long-term liabilities amounted to DKK 22,374 thousand (2016: DKK 27,735 thousand). The long-term liabilities mature within 5 years after the reporting date.

15 Contingent liabilities and collateral

Transport to banks in BB Electronics A/S' insurance coverage of receivables from sales of goods and services.

A financial institution has provided a customer with a guarantee of DKK 416 thousand to expire in 2019.

A company security for DKK 60,000 thousand has been created as security for payables to credit institutions.

BB Electronics A/S forms a tax group with the parent company and as of 13 February 2016 is jointly liable with the parent company for Danish corporate tax within the tax group. The known net liabilities of the tax group companies to the Danish Tax and Customs Administration are shown in the parent company's financial statements (BB Electronics Holding ApS, CVR No. 37 40 70 97). Any later corrections of tax group income may result in a higher tax group liability.

16 Operational leasing and rental agreements

Group

In addition to financial leases, the company has acquired operational leasing liabilities with payments in the non-cancellation period totalling DKK 1,379 thousand (2016: DKK 929 thousand). The leasing contracts have non-cancellation periods of up to 36 months.

The rental agreement in Denmark has a 12 month notice. The annual rent during the non-cancellation period amounts to DKK 1,421 thousand (2016: DKK 1,379 thousand).

The non-cancellation period for the rental agreement in China ends on 30 September 2019. The total rent during the non-cancellation period amounts to DKK 3,188 thousand (2016: DKK 5,335 thousand).

Parent company

In addition to financial leasing contracts, the company has acquired operational leasing obligations with payments in the non-cancellation period totalling DKK 1,379 thousand (2016: DKK 929 thousand). The leasing contracts have non-cancellation periods of up to 36 months.

The rental contract is not subject to cancellation until 1 January 2019, after which it can be terminated with 12 months' notice. The annual rent is DKK 1,421 thousand (2016: DKK 1,379 thousand).

Notes

17 Related parties

BB Electronics A/S' related parties include the following:

Controlling interest	Background	Transactions
BB Electronics Holding ApS Ane Staunings Vej 21 8700 Horsens, Denmark	Principal shareholder	Receivables, DKK 7,479 thousand
BB Electronics (Suzhou) Co. Ltd. China	Subsidiary	Sale of goods and services: Product sales, DKK 6,681 thousand IT service, DKK 2,626 thousand Product purchases: Product purchases, DKK 178,604 thousand Payables, DKK 42,808 thousand
BB Electronics Poland SP Z.o.o.	Subsidiary	Receivables, DKK 535 thousand

Ownership

The following shareholder is listed in the list of owners as holding 100% of the share capital:

BB Electronics Holding ApS
Ane Staunings Vej 21
8700 Horsens, Denmark

18 Currency and interest rate risks and use of derived financial instruments

The group uses hedging instruments such as forward contracts and interest rate/currency swaps as part of the hedging of recognised and unrecognised transactions.

2017

There are no financial contracts to hedge currency translation exposure in the statement of financial position as of 31 December 2017.

As of 31 December 2017, the group entered into the following forward contracts for the hedging of product purchases:

Currency	Contract value	Market value
	thousands of USD	thousands of DKK
EUR/USD	593	1

As of 31 December 2017, the market value of forward contracts is included under other receivables and directly in equity.

The company hedges interest risk using interest rate swaps, whereby variable interest payments are converted to fixed interest payments.

Interest rate swaps	Calculation principal	Value adjustments recognised in equity	Fair value	Residual maturity

thousands of DKK	21,155	-154	-154	4 years

Notes

18 Currency and interest risks and use of derived financial instruments (continued)

2016

The group uses hedging instruments such as forward contracts and interest rate/currency swaps as part of the hedging of recognised and unrecognised transactions.

There are no financial contracts to hedge currency translation exposure in the balance sheet as of 31 December 2016.

As of 31 December 2016, the group entered into the following forward contracts for the hedging of purchases:

Currency	Contract value	Market value
	thousands of USD	thousands of DKK
EUR/USD	677	288

As of 31 December 2016, the market value of forward contracts are included under other receivables and directly in equity.

thousands of DKK	2017	2016
19 Distribution of net profit		
Reserve for net revaluations	3,549	4,209
Retained earnings	16,741	10,748
	20,290	14,957

20 Statement of cash flows - adjustments		
Depreciation and amortisation on intangible and tangible fixed assets	7,067	7,271
Profit on sale of fixed assets	-28	-171
Financial income	-2,571	-812
Financial costs	2,685	2,961
Tax on profit or loss for the year	-3,287	1,595
Changes in provisions	68	-427
	3,934	10,417

21 Statement of cash flows - changes in working capital		
Change in receivables etc.	-7,632	10,134
Change in inventories	-13,947	1,213
Change in suppliers and other liabilities etc.	12,012	15,020
Exchange rate adjustments	-3,807	-2,033
	-13,374	24,334

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Accounting policies used

The financial statements and consolidated financial statements BB Electronics A/S for 2017 have been prepared in accordance with the Danish Financial Statement Act regarding a large Class C company.

The financial statements have been prepared according to the same accounting policies as last year. Some accounting items have been reclassified. Key ratios have been adapted.

Group accounts

The consolidated financial statements include the parent company, BB Electronics A/S and subsidiaries in which the parent - directly or indirectly - owns the majority of voting rights or in which the parent company via share ownership or otherwise holds a controlling interest.

The consolidated financial statements are presented as a consolidation of the audited financial statements of the parent company and subsidiaries, all of which are prepared in accordance with the accounting policies of the BB Electronics Group.

The consolidation eliminates incomes and costs internal to the group, internal balances and dividends, and realised and unrealised profits and losses arising from transactions between the consolidated companies.

The equity investments held by the parent company in consolidated subsidiaries are netted against the share of the parent company in the carrying amount of the subsidiaries as recorded at the time of establishment of the group relationship.

Conversion of foreign currencies

Foreign currency transactions throughout the year have been converted to the rate in force on the transaction date. Gains and losses arising between rates on transaction and payment days are included in the profit and loss account under financial items.

Receivables, liabilities and other monetary items in foreign currencies are converted to the rate on the reporting date. The exchange rate difference between the reporting date and transaction date is included in the statement of profit or loss under financial items.

The Group's foreign subsidiaries are independent units. The statements of profit or loss are converted to an average exchange rate, while items on the statement of financial position are converted to the rate on the reporting date. Exchange rate adjustments arising from conversion of subsidiaries' equity at the opening of the year and exchange rate adjustments arising from conversion of the statement of profit or loss from an average conversion rate to the rate on the reporting date are entered directly in equity.

Derived financial instruments

Derived financial instruments are initially recognised in the statement of financial position at cost and subsequently at fair value. Positive and negative fair values of derived financial instruments are entered under other receivables and other liabilities, respectively.

Changes in fair value of derived financial instruments classified as and which satisfy the conditions for securing the fair value of an included asset or an included liability are recognised in the statement of profit or loss together with any changes in the fair value of the secured asset or the secured liability.

Changes in fair value of derived financial instruments classified as and which satisfy the conditions for securing expected future transactions regarding purchases and sales in foreign currencies are included under other receivables or other liabilities and in equity. If the expected future transaction leads to recognition of assets or liabilities, amounts deferred under equity are transferred from equity and recognised in the cost of the asset or liability. Amounts deferred under equity are transferred to the statement of profit or loss for the period in which the secured item affects the statement of profit or loss.

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Accounting policies used

Segment information

Sales are specified in business segments and geographic markets. Information about business segments and geographic markets are based on revenue and risk as well as internal financial management.

Statement of profit or loss

Net sales

Net sales from sale of goods and manufactured products is recognised in the statement of profit or loss, provided delivery and risk transferral to the buyer has taken place before the end of the year. Net sales is recognised exclusive of value added tax, other taxes and sales-related discounts.

Production costs

Production costs include costs incurred to achieve the net sales for the year, including direct and indirect raw materials and consumables, salaries and wages, rents and leasing, and depreciation on production plants.

Distribution costs

Costs recognised under distribution costs include costs related to distribution of goods sold throughout the year and any sales campaigns etc. This includes costs related to sales staff, advertising and exhibition costs, and depreciation.

Other operating income/costs

Other operating income and costs include accounting items of a secondary nature in relation to the main activities of the company, such as profits and losses in regard to sales of intangible and tangible fixed assets.

Profit or loss from equity investments in subsidiaries and associated companies

The parent company's statement of profit or loss is recognised in the profit after tax of the subsidiary after full elimination of internal profit/loss.

Financial entries

Financial income and costs include interest income and costs, realised and unrealised exchange gains and losses regarding obligations and transactions in foreign currencies, amortisation of financial assets and obligations, and increases and compensations under the tax on account scheme etc. Financial income and costs are recognised as the amounts concerning the financial year.

Tax on profit or loss for the year

BB Electronics A/S is covered by the Danish rules for compulsory joint taxation of the parent company. Subsidiaries are included in the joint taxation from the time they are included in the group accounts until the time when they are excluded from the consolidation.

The parent company is the management company for the joint taxation and consequently settles all payments of corporation tax with the tax authorities.

The current Danish corporate tax is allocated by settlement of joint taxation contributions between the jointly taxed companies in proportion to their taxable income. In connection with this, companies with tax deficits receive joint tax contributions from companies that have been able to use these deficits for the reduction of their own taxable profits.

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Accounting policies used

The tax for the year consists of the current corporate tax and changes in deferred tax for the year - including as a result of changes in the tax rate - and is recognised in the statement of profit or loss as the part directly associated with the profit or loss for the year, while tax directly relating can be attributed to items directly in equity.

Statement of financial position

Intangible fixed assets

Software

Software is calculated at cost less accumulated depreciation and amortisation. Software is amortised over the estimated useful life, but not more than 5 years.

Other intangible assets

Other intangible assets include the value of the customer list and are calculated at cost less accumulated depreciation and amortisation. Customer lists are amortised over 5 years.

Tangible fixed assets

Furnishings of rented premises, technical plant and machinery and other fixtures and fittings are calculated at cost less accumulated depreciation and amortisation.

The depreciation base is cost less expected residual value at end of useful life.

Cost includes purchase price and costs directly related to the purchase up until the time when the asset is ready to be put into use. For proprietary assets, the cost includes cost of materials, components, subcontractors, direct wages and indirect production costs.

Linear depreciation is performed on the basis of the following evaluation of the expected useful life of the asset:

Furnishing of rented premises	5 years
Technical plant and machinery	5 - 8 years
Other fixtures and fittings	3 years

The depreciation base is calculated based on the asset's residual value at the end of its useful life less any write-downs. The depreciation period and the residual value is determined on the date of acquisition and reassessed annually. The depreciation period ends if the residual value exceeds the carrying amount.

The effect of the depreciation is recognised as a change in accounting estimates if there are changes in the amortisation period or residual value.

Depreciation is recognised in the profit and loss statement under production, distribution and administrative costs.

Leasing contracts

Leasing contracts related to assets, where the company holds all material risk and advantage in connection with ownership (financial leasing), are calculated through initial recognition in the statement of financial position at the lower of fair value and the present value of future lease payments. The lease's internal interest rate or the alternative borrowing rate, such as the discount factor, is used when calculating the present value. Financial leased assets are hereinafter treated the same as the company's other assets.

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Accounting policies used

The capitalised residual leasing liability is recognised in the statement of financial position as a liability and the interest element of the leasing payment is recognised throughout the term of the contract in the statement of profit or loss.

All other leasing contracts are classified as operational leases. Services connected with operational leases and other leasing contracts are recognised in the statement of profit or loss over the term of the contract. The company's total liabilities relating to operational leases are included under contingencies etc.

Financial fixed assets

Equity investments in subsidiaries

Equity investments in subsidiaries are recognised in the statement of financial position as the proportional share of the companies' net asset value as calculated based on the accounting policies for the parent company while subtracting or adding unrealised profits and losses in the Group.

Net revaluation of equity investments in subsidiaries are transferred under equity as reserve for net revaluations using the equity method to the extent the carrying amount exceeds the cost.

Impairment of assets

The carrying amount of intangible and tangible assets, as well as equity investments in subsidiaries, is assessed annually for indications of impairment other than those expressed by depreciation.

If there are indications of impairment, an impairment test of the asset or group of assets is made. Software is written down to the recoverable amount if this is lower than the carrying amount.

The higher of net sales price and net asset value is used for the recoverable amount. The net asset value is calculated by the present value of expected net cash flows from an asset or asset group and expected net cash flows from the sale of assets or asset groups at the end of their useful life.

Previously calculated impairment losses are reversed if the reasons for impairment are no longer valid. Impairment of goodwill is not reversed.

Current assets

Inventories

Inventories are calculated at cost based on the FIFO principle. Where cost is higher than the fair value less costs to sell, the value is written down.

Cost for goods, raw materials and consumables are recognised at purchase price plus delivery costs.

Cost for finished goods and goods-in-process include cost for raw materials, consumables, direct salaries and indirect production costs. Indirect production costs include indirect materials and salaries, maintenance of and depreciation on machines and equipment used in production, and factory administration and management costs.

The fair value less costs to sell for inventories is calculated as the sales price excluding finishing costs and costs related to achieving sales, and is established with due consideration of merchantability, obsolescence and development in expected sales price.

Receivables

Receivables are measured at amortised cost and reduced by depreciation for bad debt risk of expected losses according to individual assessment.

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Accounting policies used

Prepayments and accrued income

Prepayments and accrued income recognised under assets include costs relating to subsequent financial years.

Equity

Expected dividends for the year are shown as a separate item under equity. Dividends are recognised as a liability at the time they are approved by the AGM.

Reserve for net revaluation according to book value includes net revaluation of equity investments in subsidiaries in relation to cost.

Corporate tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the statement of financial position as estimated tax from taxable income for the year, adjusted for tax from the previous year's taxable income and tax paid on account.

Payable and receivable joint tax contributions are recognised as "Income tax receivable" or "Income tax payable".

Deferred tax is calculated using the balance sheet liability method using all temporary differences between the carrying amount and tax value of assets and liabilities. In cases where the estimate of the tax value may be made according to different taxation rules, deferred tax is measured on the basis of the management's planned use of the asset's settlement of the liability.

Deferred tax assets, including the taxable value of carry-over tax losses, are recognised at the value with which they are expected to be used, either by off-setting tax on future earnings or off-setting against deferred tax liabilities.

Provisions

Provisions include expected costs for warranty obligations and other unknown circumstances.

Provisions are recognised when the parent company/Group, as a result of a previous event, has a legal or actual liability and it is likely that settling the liability will require expenditure of the financial resources of the parent company/Group.

Financial liabilities

Financial liabilities are recognised at the time of loan origination as the proceeds received excepting any realised transaction costs. In subsequent periods, financial liabilities are recognised at amortised cost analogous to the capitalised value using the effective interest rate, so that the difference between the proceeds received and the nominal value is recognised in the statement of profit or loss throughout the loan period.

The capitalised residual leasing liability on financial leasing contracts is also recognised in financial liabilities.

Other liabilities, including payables to suppliers, group enterprises and other payables are calculated at fair value less costs to sell.

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Accounting policies used

Fair value

The fair valuation is based on the primary market. If a primary market does not exist, it is based on the most advantageous market, which is the market that maximises the price of the asset or liability deducted from of transactions and/or transportation costs.

All assets and liabilities that are measured at fair value or where the fair value has been disclosed are categorised by the fair value hierarchy, as described below:

Level 1: Value calculated based on the fair value of similar assets/liabilities on a functioning market.

Level 2: Value calculated based on generally accepted valuation methods based on the background of observable market information.

Level 3: Value calculated on generally accepted valuation methods and reasonable estimates based on the background of non-observable market information.

Statement of cash flows

The statement of cash flows shows the Group's cash flows for the year divided into operating activities, investment activities and financial activities for the year, cash transfers for the year and liquid assets at the opening and closing of the year.

Cash flows from operating activities

Cash flows from operating activities are recognised as the profit or loss for the year adjusted for non-cash operating items, changes in working capital and corporate tax paid.

Cash flows from investment activities

Cash flows from investment activities include payments related to acquisition and sale of companies and assets as well as acquisitions and sales of intangible, tangible and financial fixed assets.

Cash flows from financing activities

Cash flows from financing activities include payments to and from shareholders, borrowing, and interest and capital repayment on interest-bearing debts.

Liquid assets

Liquid assets include cash and cash equivalents and actual withdrawals or deposits on lines of credit.