
Wunderman A/S

Strandboulevarden 122, 4., DK-2100 Copenhagen Ø

Annual Report for 1 January - 31 December 2019

CVR No 33 97 14 19

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
17/2 2020

Martin Hviid Saxtorph
Chairman of the General
Meeting

Contents

	<u>Page</u>
Management's Statement and Auditor's Report	
Management's Statement	1
Independent Auditor's Report	2
Management's Review	
Company Information	5
Financial Highlights	6
Management's Review	7
Financial Statements	
Income Statement 1 January - 31 December	9
Balance Sheet 31 December	10
Statement of Changes in Equity	12
Notes to the Financial Statements	13

Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Wunderman A/S for the financial year 1 January - 31 December 2019.

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

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2019 of the Company and of the results of the Company operations for 2019.

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

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

Copenhagen, 17 February 2020

Executive Board

Jan William Werner
CEO

/ Martin Hviid Saxtorph
CFO

Board of Directors

Manuel De Manzanos Segimon
Chairman

Melinda Brianne Edwards

Martin Hviid Saxtorph

Jens William Werner

Jan William Werner

Independent Auditor's Report

To the Shareholders of Wunderman A/S

Opinion

We have audited the Financial Statements of Wunderman A/S for the financial year 1 January - 31 December 2019, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2019 and of the results of the Company's operations for the financial year 1 January - 31 December 2019 in accordance with the Danish Financial Statements Act.

Basis for opinion

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

Management's responsibilities for the Financial Statements

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

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

Auditor's responsibilities for the audit of the Financial Statements

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

Independent Auditor's Report

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

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

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

Independent Auditor's Report

Statement on Management's Review

Management is responsible for Management's Review.

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

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

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

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

Copenhagen, 17 February 2020

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR No 33 96 35 56

Kim Takata Mücke

State Authorised Public Accountant

mne10944

Company Information

The Company

Wunderman A/S
Strandboulevarden 122, 4.
DK-2100 Copenhagen Ø

CVR No: 33 97 14 19
Financial period: 1 January - 31 December
Municipality of reg. office: Copenhagen

Board of Directors

Manuel De Manzanos Segimon, Chairman
Melinda Brianne Edwards
Martin Hviid Saxtorph
Jens William Werner
Jan William Werner

Executive Board

Jan William Werner
/ Martin Hviid Saxtorph

Auditors

Deloitte
Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
DK-2300 Copenhagen S

Financial Highlights

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

	2019 TDKK	2018 TDKK	2017 TDKK	2016 TDKK	2015 TDKK
Key figures					
Profit/loss					
Gross profit/loss	335.397	284.208	186.755	155.701	111.618
Operating profit/loss	133.224	117.032	71.036	55.417	33.550
Net financials	-415	2.042	1.953	975	-178
Net profit/loss for the year	103.619	93.268	57.575	44.208	25.307
Balance sheet					
Balance sheet total	176.443	154.826	98.509	80.766	57.520
Equity	109.429	99.078	63.385	50.018	31.117
Investment in property, plant and equipment	2.441	4.989	2.725	1.596	1.072
Number of employees	379	247	200	182	140
Ratios					
Solvency ratio	62,0%	64,0%	64,3%	61,9%	54,1%
Return on equity	99,4%	114,8%	101,5%	109,0%	84,8%

The ratios have been prepared in accordance with the recommendations and guidelines issued by the Danish Society of Financial Analysts. For definitions, see under accounting policies.

Management's Review

Key activities

The Company's main activity is to provide marketing operational services, communication consulting services and other related services.

Development in the year

The income statement of the Company for 2019 shows a profit of TDKK 103,619, and at 31 December 2019 the balance sheet of the Company shows equity of TDKK 109,429.

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

The development in the result for the year compared to 2018 is in accordance with Management's expectations for the financial year 2019. The financial year 2019 has been a year of consolidation and with big financial investment in the future business hereunder new and better services, accelerators and new locations.

Wunderman A/S continues to have substantial risk spreading in the diverse global client portfolios and has through successful wins in 2019 managed to increase the number of global clients. The gross profit that has increased over the past years indicates that Wunderman A/S' focus on value adding digital, direct relationship marketing solutions across all available channels are still very much in demand.

Operating risks

The Company is not exposed to special risks except for normal risks within the industry.

Foreign exchange risks

The Company is increasingly exposed towards currency risk. To a great extent, the Company takes this into consideration when negotiating terms in agreements etc. The Company has not entered into any forward contracts.

Foreign branches and subsidiaries

Wunderman A/S has a subsidiary company in Sweden, Wunderman Sweden AB, to provide communication consulting services and related services on the Swedish market. Wunderman A/S has a branch in Norway, Wunderman Norway NUF, to provide communication consulting services and related services on the Norwegian market.

Furthermore, Wunderman A/S has started operation outside EMEA and is now present in North America and APAC. In 2020 Wunderman A/S is offering 24 hours support 365 days a year and is present in all time zones.

Management's Review

Targets and expectations for the year ahead

Management expects to continue the strategy and that the growth in the activity during 2019 continues in 2020. Management has positive expectations for the coming financial year.

Income Statement 1 January - 31 December

	<u>Note</u>	<u>2019</u> TDKK	<u>2018</u> TDKK
Gross profit/loss		335.397	284.208
Staff expenses	2	-199.172	-164.912
Depreciation, amortisation and impairment of property, plant and equipment		-3.001	-2.264
Profit before financial income and expenses		133.224	117.032
Income from investments in subsidiaries		789	2.735
Financial income	3	232	130
Financial expenses	4	-1.436	-823
Profit before tax		132.809	119.074
Tax on profit/loss for the year	5	-29.190	-25.806
Net profit/loss for the year		103.619	93.268

Balance Sheet 31 December

Assets

	Note	2019 TDKK	2018 TDKK
Other fixtures and fittings, tools and equipment		5.636	5.476
Leasehold improvements		1.266	1.988
Property, plant and equipment	6	6.902	7.464
Investments in subsidiaries	7	4.402	3.613
Deposits		1.036	613
Fixed asset investments		5.438	4.226
Fixed assets		12.340	11.690
Trade receivables		83.513	95.986
Contract work in progress	8	26.363	15.721
Receivables from group enterprises		52.357	27.485
Other receivables		827	19
Corporation tax		179	3.337
Prepayments		819	532
Receivables		164.058	143.080
Cash at bank and in hand		45	56
Currents assets		164.103	143.136
Assets		176.443	154.826

Balance Sheet 31 December

Liabilities and equity

	Note	2019 TDKK	2018 TDKK
Share capital		1.200	1.200
Reserve for net revaluation under the equity method		3.524	2.735
Retained earnings		1.086	1.875
Proposed dividend for the year		103.619	93.268
Equity	9	109.429	99.078
Provision for deferred tax	11	2.438	2.030
Provisions		2.438	2.030
Other payables		6.836	0
Long-term debt	12	6.836	0
Trade payables		8.109	5.826
Contract work in progress, liabilities	8	16.176	6.744
Payables to group enterprises		12.185	18.202
Other payables	12	21.270	22.946
Short-term debt		57.740	53.718
Debt		64.576	53.718
Liabilities and equity		176.443	154.826
Subsequent events	1		
Distribution of profit	10		
Contingent assets, liabilities and other financial obligations	13		
Related parties	14		
Accounting Policies	15		

Statement of Changes in Equity

	Share capital	Reserve for net revaluation under the equity method	Retained earnings	Proposed dividend for the year	Total
	TDKK	TDKK	TDKK	TDKK	TDKK
Equity at 1 January	1.200	2.735	1.875	93.268	99.078
Ordinary dividend paid	0	0	0	-93.268	-93.268
Net profit/loss for the year	0	789	-789	103.619	103.619
Equity at 31 December	1.200	3.524	1.086	103.619	109.429

Notes to the Financial Statements

1 Subsequent events

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

	<u>2019</u> TDKK	<u>2018</u> TDKK
2 Staff expenses		
Wages and salaries	194.207	160.898
Pensions	1.796	1.423
Other social security expenses	3.169	2.591
	<u>199.172</u>	<u>164.912</u>
Average number of employees	<u>379</u>	<u>247</u>

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

3 Financial income

Interest received from group enterprises	137	130
Other financial income	9	0
Exchange adjustments	86	0
	<u>232</u>	<u>130</u>

4 Financial expenses

Interest paid to group enterprises	172	238
Other financial expenses	152	211
Exchange loss	1.112	374
	<u>1.436</u>	<u>823</u>

5 Tax on profit/loss for the year

Current tax for the year	28.740	23.676
Deferred tax for the year	407	2.130
Adjustment of tax concerning previous years	43	0
	<u>29.190</u>	<u>25.806</u>

Notes to the Financial Statements

6 Property, plant and equipment

	Other fixtures and fittings, tools and equipment TDKK	Leasehold improvements TDKK
Cost at 1 January	11.452	8.178
Additions for the year	2.440	0
Cost at 31 December	<u>13.892</u>	<u>8.178</u>
Impairment losses and depreciation at 1 January	5.976	6.190
Depreciation for the year	2.280	722
Impairment losses and depreciation at 31 December	<u>8.256</u>	<u>6.912</u>
Carrying amount at 31 December	<u>5.636</u>	<u>1.266</u>

7 Investments in subsidiaries

	2019 TDKK	2018 TDKK
Cost at 1 January	878	878
Cost at 31 December	<u>878</u>	<u>878</u>
Value adjustments at 1 January	2.735	3.267
Net profit/loss for the year	789	2.735
Dividend to the Parent Company	0	-3.267
Value adjustments at 31 December	<u>3.524</u>	<u>2.735</u>
Carrying amount at 31 December	<u>4.402</u>	<u>3.613</u>

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Votes and ownership	Equity	Net profit/loss for the year
Wunderman Sweden AB	Sweden	SEK 200.000	100%	4.402	789

Notes to the Financial Statements

	2019 <u>TDKK</u>	2018 <u>TDKK</u>
8 Contract work in progress		
Selling price of work in progress	246.144	219.415
On account billings	<u>-235.957</u>	<u>-210.438</u>
	<u>10.187</u>	<u>8.977</u>
Recognised in the balance sheet as follows:		
Contract work in progress recognised in assets	26.363	15.721
Billings on account	<u>-16.176</u>	<u>-6.744</u>
	<u>10.187</u>	<u>8.977</u>
9 Equity		
The share capital consists of 12,000 shares of a nominal value of TDKK 100. No shares carry any special rights.		
There have been no changes in the share capital during the last 5 years.		
10 Distribution of profit		
Proposed dividend for the year	103.619	93.268
Reserve for net revaluation under the equity method	789	-532
Retained earnings	<u>-789</u>	<u>532</u>
	<u>103.619</u>	<u>93.268</u>
11 Provision for deferred tax		
Provision for deferred tax at 1 January	2.030	-100
Amounts recognised in the income statement for the year	<u>408</u>	<u>2.130</u>
Provision for deferred tax at 31 December	<u>2.438</u>	<u>2.030</u>

Notes to the Financial Statements

12 Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	<u>2019</u> TDKK	<u>2018</u> TDKK
Other payables		
Between 1 and 5 years	6.836	0
Long-term part	6.836	0
Other short-term payables	21.270	22.946
	<u>28.106</u>	<u>22.946</u>

13 Contingent assets, liabilities and other financial obligations

Rental and lease obligations

Lease obligations under operating leases. Total future lease payments:

Until expiry	<u>3.053</u>	<u>4.508</u>
	<u>3.053</u>	<u>4.508</u>

Other contingent liabilities

Recourse and non-recourse guarantee commitments	<u>3.488</u>	<u>3.488</u>
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The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of WPP Holding Danmark A/S, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on un-earned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

Notes to the Financial Statements

14 Related parties

Basis

Controlling interest

Y&R Denmark Holdings II ApS, Per Henrik Lings Allé 4, Controlling shareholder
DK-2100 Copenhagen Ø

Transactions

The Company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(7) of the Danish Financial Statements Act. All transactions are at arm's length.

Consolidated Financial Statements

Name and registered office of the Parent preparing consolidated financial statements for the smallest and largest group:

<u>Name</u>	<u>Place of registered office</u>
WPP Jubilee Limited (smallest group)	18 Upper Ground, SE 9GL, London, England
WPP Plc. (largest group)	Queensway House, Hilgrove Street, St. Helier, JE1 1ES, Jersey, England

The Group Annual Report of WPP Jubilee Limited may be obtained at the office address.

The Group Annual Report of WPP Plc. may be obtained at the following address: www.wppinvestor.com.

Notes to the Financial Statements

15 Accounting Policies

The Annual Report of Wunderman A/S for 2019 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2019 are presented in TDKK.

Consolidated financial statements

With reference to section 112 of the Danish Financial Statements Act and to the consolidated financial statements of WPP Plc., Queensway House, Hilgrove Street, St. Helier, JE1 1ES, Jersey, England, the Company has not prepared consolidated financial statements.

Cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act and to the cash flow statement included in the consolidated financial statements of WPP Plc. (largest group), the Company has not prepared a cash flow statement.

Recognition and measurement

The Financial Statements have been prepared under the historical cost method.

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Notes to the Financial Statements

15 Accounting Policies (continued)

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

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

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

Income Statement

Revenue

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

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

Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and marketing as well as office expenses, etc.

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, cost of goods sold and other external expenses.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Notes to the Financial Statements

15 Accounting Policies (continued)

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of assets, equipment etc.

Income from investments in subsidiaries

The item “Income from investments in subsidiaries” in the income statement includes the proportionate share of the profit for the year.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

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

The Company is jointly taxed with other WPP entities in Denmark. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Balance Sheet

Property, plant and equipment

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

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

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

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

Depreciation period and residual value are reassessed annually.

Notes to the Financial Statements

15 Accounting Policies (continued)

Impairment of fixed assets

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

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

Investments in subsidiaries

Investments in subsidiaries are recognised and measured under the equity method.

The item "Investments in subsidiaries" in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition.

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to "Reserve for net revaluation under the equity method" under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

Other fixed asset investments

Other fixed asset investments consist of deposits.

Cash pool

The Company is part of a cash pool scheme with other Danish WPP companies. Consequently, a considerable portion of the Company's bank deposits and debt is included in receivables from group enterprises.

Receivables

Receivables are recognised in the balance sheet at amortised cost, which substantially corresponds to nominal value. Provisions for estimated bad debts are made.

Contract work in progress

Contract work in progress is measured at the sales value of the work carried out at the balance sheet date.

The sales value is measured based on the stage of completion and the total estimated income from the individual contracts in progress. Usually, the stage of completion is determined as the ratio of actual to total budgeted consumption of resources.

For some projects where the consumption of resources cannot be applied as a basis, stage of completion

Notes to the Financial Statements

15 Accounting Policies (continued)

is determined as the ratio between completed and total sub activities of the individual projects.

Each contract in progress is recognised in the balance sheet under receivables or liabilities, depending on whether the net value, calculated as the selling price less on account billings, is positive or negative.

Cost of securing contracts are recognised in the income statement as incurred.

Prepayments

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

Equity

Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

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

Financial debts

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

Notes to the Financial Statements

15 Accounting Policies (continued)

Financial Highlights

Explanation of financial ratios

Solvency ratio

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

Return on equity

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