
SkabelonDesign A/S

Wilders Plads 15A, DK-1403 København K

Annual Report for 1 January - 31 December 2020

CVR No 35 67 95 29

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
07/05 2021

Christian Lund
Chairman of the General
Meeting



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Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of SkabelonDesign A/S for the financial year 1 January - 31 December 2020.

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 2020 of the Company and of the results of the Company operations for 2020.

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, 7 May 2021

Executive Board

Jeppe Schytte-Hansen
CEO

Jakob Bjersing
CFO

Morten Hald Mortensen
CTO

Board of Directors

Christian Lund
Chairman

Jeppe Schytte-Hansen

Henrik Printzlau

Independent Auditor's Report

To the Shareholders of SkabelonDesign A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2020 and of the results of the Company's operations for the financial year 1 January - 31 December 2020 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of SkabelonDesign A/S for the financial year 1 January - 31 December 2020, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

Basis for opinion

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

Statement on Management's Review

Management is responsible for Management's Review.

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

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

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

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

Management's responsibilities for the Financial Statements

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

Independent Auditor's Report

ment, 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.

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

Independent Auditor's Report

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.

Hellerup, 7 May 2021

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Carsten Blicher

statsautoriseret revisor

mne16560

Company Information

The Company

SkabelonDesign A/S
Wilders Plads 15A
DK-1403 København K

Telephone: + 45 70 20 72 47
Website: www.skabelondesign.dk

CVR No: 35 67 95 29
Financial period: 1 January - 31 December
Municipality of reg. office: København

Parent Company

Black Belt Technologies ApS, Wilders Plads 15A, 2., 1403 København K

Board of Directors

Christian Lund, Chairman
Jeppe Schytte-Hansen
Henrik Printzlau

Executive Board

Jeppe Schytte-Hansen
Jakob Bjersing
Morten Hald Mortensen

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Bankers

Danske Bank

Financial Highlights

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

	2020 TDKK	2019 TDKK	2018 TDKK	2017 TDKK	2016 TDKK
Key figures					
Profit/loss					
Operating profit/loss	2.947	3.815	3.157	3.072	2.705
Profit/loss before financial income and expenses	3.562	4.748	3.747	3.800	3.396
Net financials	23	-3	17	71	44
Net profit/loss for the year	2.794	3.686	2.933	3.017	2.681
Balance sheet					
Balance sheet total	51.031	34.891	27.555	25.685	23.204
Equity	7.043	7.196	6.311	6.178	5.661
Investment in property, plant and equipment	34	448	416	-168	-198
Number of employees	52	45	38	32	26
Ratios					
Return on assets	7,0%	13,6%	13,6%	14,8%	14,6%
Solvency ratio	13,8%	20,6%	22,9%	24,1%	24,4%
Return on equity	39,2%	54,6%	47,0%	51,0%	45,8%

Management's Review

Key activities

The company's main activity consists in providing services related to implementation of Brand Management and Productivity Tools for Microsoft Office. Our services include template development, design projects, customer success activities, change management and consultancy with a narrow focus on alignment of the Corporate Visual Identity and on how users can save time when creating documents, presentations and mails. We develop and sell our own software components as well as reselling 3rd party software applications like Templafy.

Performance

The income statement of the Company for 2020 shows a profit of DKK 2,794,451, and at 31 December 2020 the balance sheet of the Company shows equity of DKK 7,043,028.

Development in the year

Despite a turbulent year with unexpected appearance of COVID-19 and the following need to manage operations of the business in a contingency mode until we knew the business impact of the disease. - and had found a good model for running operations in a secure and feasible way. - SkabelonDesign managed to assure another year of growth in revenue - an increase of 11% in turnover compared to 2019 which is considered very satisfactory given the circumstances.

Revenue from software subscriptions have been the most significant growth driver - especially revenue related to SkabelonDesigns own range of software products has had a significant impact - and geographically we also can see that the significance of the international business from clients all over Europe and the rest of the world is continuing to grow. The ratio between domestic and international business is moving towards 50/50 which probably will be reached within the next couple of years.

2020 has shown the ability of the whole organisation to adapt to a different working environment where most of the team has been working from home in long periods without reducing their ability to be productive. The organisation has taken a huge step towards working with more agile working routines and the full range of communication channels have been taken into use and has become the new normal for everyone in the company. On the positive side we take many learnings related to communication and coordination and remote teamworking with us and it will without influence the working routines when the pandemic is over. – from a HR perspective different initiatives were taken to reassure the wellbeing and the motivation of the team and as we now can begin to see the light at the end of the tunnel. The values of the company and our culture is strong, the distributed collaboration works very well and the spirit is under the special circumstances high.

During Q3 2020 the process around revisiting the strategic framework for SkabelonDesign including looking into the values of the company, a revitalization of the purpose and the vision/mission of the company was initiated. As we could see the company would be able to consolidate and improve performance in 2020 – different initiatives were taken in the preparations for setting the scene for 2021 and the coming years.

Management's Review

2021 – The situation and expectations for the full year

The new year will become a year of significant change for SkabelonDesign. A revenue growth target of 15% are settled in the budgets and this growth target is accompanied by what we have defined as the '7 Changes' framework that basically changes some of the structures and systems we use in the everyday collaboration, including the revitalized strategy and the introduction of OKR's in the business in order to achieve full transparency in the way we lead and communicate about the strategic and tactical targets and success criteria's.

Revitalized strategy and new company name

The main reasons why we decided to revitalize the strategy was that we saw a change in the revenue streams and the potential of both Solutions and Services from a commercial perspective. We have seen the inhouse developed Software as a Service subscription base triple over the past three years and our ambition is to triple that again the following three years.

The introduction of our revitalized strategy brings a new purpose: "We make every workday work better" and we have internally communicated an aspiration in 2021-2023 called 'Triple 100': We want a 100% increase in happy customers (based on the 2020 amount), we want 100 happy employees and we want to cross the 100 mio. DKK mark in revenue.

We have narrowed our focus on Solutions (Product focus) and introduced one of the six strategic themes for 2021 focusing on 'Solutions focus and go-to-market'. We have divided all relevant Software as a Service components into 4 categories: Front stage, Back-stage, Hibernation and Sun set, which will serve as the primary driver for prioritization in both Development, Marketing spend and Sales efforts.

We have decided to change our company name from May 10, 2021 from SkabelonDesign A/S to Omnidocs A/S. The change in name will be carried out on all platforms and will be communicated to all stakeholders on the date of the launch.

During 2021 we will open an office in New York and hire two Delivery team employees from September 1, 2021. The ambition is to grow the New York entity to 6-10 employees within 18 months from the opening of the office.

Uncertainty relating to recognition and measurement

Recognition and measurement in the Annual Report have not been subject to any uncertainty.

Unusual events

The financial position at 31 December 2020 of the Company and the results of the activities of the Company for the financial year for 2020 have not been affected by any unusual events.

Management's Review

Subsequent events

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

Income Statement 1 January - 31 December

	Note	2020 DKK	2019 DKK
Gross profit/loss		35.576.708	32.666.855
Staff expenses	1	-31.692.350	-27.723.203
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	2	-322.363	-195.221
Profit/loss before financial income and expenses		3.561.995	4.748.431
Financial income	3	371.209	46.932
Financial expenses		-348.663	-49.699
Profit/loss before tax		3.584.541	4.745.664
Tax on profit/loss for the year	4	-790.090	-1.060.109
Net profit/loss for the year		2.794.451	3.685.555

Distribution of profit

Proposed distribution of profit

Proposed dividend for the year	2.000.000	3.000.000
Retained earnings	794.451	685.555
	2.794.451	3.685.555

Balance Sheet 31 December

Assets

	Note	2020 DKK	2019 DKK
Completed development projects		846.418	498.090
Intangible assets	5	846.418	498.090
Other fixtures and fittings, tools and equipment		430.856	605.969
Leasehold improvements		43.805	56.948
Property, plant and equipment	6	474.661	662.917
Investments in subsidiaries	7	50.000	50.000
Fixed asset investments		50.000	50.000
Fixed assets		1.371.079	1.211.007
Trade receivables		30.116.066	26.794.544
Contract work in progress		500.000	1.000.000
Receivables from group enterprises		2.172.038	2.389.269
Other receivables		7.372.369	3.099.341
Prepayments		7.682	29.876
Receivables		40.168.155	33.313.030
Cash at bank and in hand		9.491.397	366.869
Currents assets		49.659.552	33.679.899
Assets		51.030.631	34.890.906

Balance Sheet 31 December

Liabilities and equity

	Note	2020 DKK	2019 DKK
Share capital		550.000	500.000
Share premium account		2.500	0
Retained earnings		4.490.528	3.696.077
Proposed dividend for the year		2.000.000	3.000.000
Equity		7.043.028	7.196.077
Provision for deferred tax	8	178.325	117.579
Provisions		178.325	117.579
Other payables		2.524.098	901.188
Long-term debt	9	2.524.098	901.188
Credit institutions		4.320	0
Trade payables		6.210.515	8.495.152
Payables to group enterprises relating to corporation tax		729.344	939.730
Other payables	9	12.776.740	6.105.896
Deferred income		21.564.261	11.135.284
Short-term debt		41.285.180	26.676.062
Debt		43.809.278	27.577.250
Liabilities and equity		51.030.631	34.890.906
Contingent assets, liabilities and other financial obligations	10		
Accounting Policies	11		

Statement of Changes in Equity

	Share capital	Share premium account	Retained earnings	Proposed dividend for the year	Total
	DKK	DKK	DKK	DKK	DKK
Equity at 1 January	500.000	0	3.696.077	3.000.000	7.196.077
Cash payment concerning formation of entity	50.000	2.500	0	0	52.500
Ordinary dividend paid	0	0	0	-3.000.000	-3.000.000
Net profit/loss for the year	0	0	794.451	2.000.000	2.794.451
Equity at 31 December	550.000	2.500	4.490.528	2.000.000	7.043.028

Notes to the Financial Statements

	2020 DKK	2019 DKK
1 Staff expenses		
Wages and salaries	28.960.103	25.113.113
Pensions	1.782.575	1.541.586
Other social security expenses	291.862	303.695
Other staff expenses	657.810	764.809
	31.692.350	27.723.203
 Average number of employees	 52	 45
 2 Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		
Amortisation of intangible assets	99.618	0
Depreciation of property, plant and equipment	222.745	195.221
	322.363	195.221
 3 Financial income		
Interest received from group enterprises	68.357	46.932
Other financial income	302.852	0
	371.209	46.932
 4 Tax on profit/loss for the year		
Current tax for the year	729.344	939.730
Deferred tax for the year	60.746	120.379
	790.090	1.060.109

Notes to the Financial Statements

5 Intangible assets

	Completed development projects DKK
Cost at 1 January	1.210.512
Additions for the year	447.946
Cost at 31 December	1.658.458
Impairment losses and amortisation at 1 January	712.422
Amortisation for the year	99.618
Impairment losses and amortisation at 31 December	812.040
Carrying amount at 31 December	846.418

Development projects relate to development of software products for sale. The products are completed and sold.

6 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost at 1 January	2.247.409	145.240
Additions for the year	34.490	0
Disposals for the year	-35.375	0
Cost at 31 December	2.246.524	145.240
Impairment losses and depreciation at 1 January	1.641.440	88.292
Depreciation for the year	209.603	13.143
Impairment and depreciation of sold assets for the year	-35.375	0
Impairment losses and depreciation at 31 December	1.815.668	101.435
Carrying amount at 31 December	430.856	43.805

Notes to the Financial Statements

	2020 DKK	2019 DKK
7 Investments in subsidiaries		
Cost at 1 January	50.000	50.000
Carrying amount at 31 December	50.000	50.000

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Votes and ownership	Equity	Net profit/loss for the year
Office Extensions ApS	Copenhagen	50.000	100%	0	0

	2020 DKK	2019 DKK
8 Provision for deferred tax		
Provision for deferred tax at 1 January	117.579	-2.800
Amounts recognised in the income statement for the year	60.746	120.379
Provision for deferred tax at 31 December	178.325	117.579

9 Long-term debt

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

The debt falls due for payment as specified below:

Other payables

Between 1 and 5 years	2.524.098	901.188
Long-term part	2.524.098	901.188
Other short-term payables	12.776.740	6.105.896
	15.300.838	7.007.084

Notes to the Financial Statements

	2020 DKK	2019 DKK
10 Contingent assets, liabilities and other financial obligations		
Charges and security		
The following assets have been placed as security with bankers:		
Indemnification Letter of TDKK 3,400, which provide mortgage in receivables from sales to a total carrying value of	30.116.066	26.794.544
:		
Rental commitments		
Rental commitments, non-cancellation period:		
Within 1 year	1.198.683	1.198.683
Between 1 and 5 years	4.794.732	4.794.732
After 5 years	0	1.198.683
	5.993.415	7.192.098
Leasing Comitments:		
Within 1 year	966.000	0
Between 1 and 5 years	193.200	0

Other contingent liabilities

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 SkabelonDesign Holding ApS, 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.

There are no security and contingent liabilities at 31 December 2020.

Notes to the Financial Statements

11 Accounting Policies

The Annual Report of SkabelonDesign A/S for 2020 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2020 are presented in DKK.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement.

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

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

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

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

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.

Notes to the Financial Statements

11 Accounting Policies (continued)

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 distribution as well as office expenses, etc.

Other external expenses also include research and development costs that do not qualify for capitalisation.

Gross profit

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, work on own account recognised in assets, other operating income and other external expenses.

Staff expenses

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

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company, including gains and losses on the sale of intangible assets and property, plant and equipment.

Notes to the Financial Statements

11 Accounting Policies (continued)

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 wholly owned Danish and foreign subsidiaries. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

Balance Sheet

Intangible assets

Development costs for clearly defined and completed development projects are capitalized and amortized over the expected life, which is typically assessed at 5 years. Other development costs and costs for internally accrued rights are recognized in the income statement as costs in the year of acquisition.

Property, plant and equipment

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

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

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	5	years
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The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Notes to the Financial Statements

11 Accounting Policies (continued)

Impairment of fixed assets

The carrying amounts of intangible assets and 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.

Subsidiaries with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Contract work in progress

Contract work in progress regarding service is measured at selling price of the work performed calculated on the basis of the stage of completion. The stage of completion is measured by the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. Where it is probable that total contract expenses will exceed total revenues from a contract, the expected loss is recognised as an expense in the income statement.

Payments received on account are set off against the selling price. The individual contracts are classified as receivables when the net selling price is positive and as liabilities when the net selling price is negative.

Expenses relating to sales work and the winning of contracts are recognised in the income statement as incurred.

Notes to the Financial Statements

11 Accounting Policies (continued)

Prepayments

Prepayments comprise prepaid expenses concerning insurance premiums and subscriptions.

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.

Deferred income

Deferred income comprises payments received in respect of income in subsequent years.

Notes to the Financial Statements

11 Accounting Policies (continued)

Financial Highlights

Explanation of financial ratios

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