
Aviator Relaxium ApS

Vestvej 4, DK-2770 Kastrup

Annual Report for 1 January - 31 December 2019

CVR No 38 98 80 50

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
11/9 2020

Jo Alex Tanem
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 Aviator Relaxium ApS 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.

Kastrup, 11 September 2020

Executive Board

Jens Bo Hansen
Managing Director

Board of Directors

Jo Alex Tanem
Chairman

Per Göran Wassberg

Jens Bo Hansen

Independent Auditor's Report

To the Shareholder of Aviator Relaxium ApS

Opinion

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.

We have audited the Financial Statements of Aviator Relaxium ApS 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").

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 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.

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, 11 September 2020

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

René Otto Poulsen
State Authorised Public Accountant
mne26718

Anders Røjleskov
State Authorised Public Accountant
mne28699

Company Information

The Company

Aviator Relaxium ApS
Vestvej 4
DK-2770 Kastrup

CVR No: 38 98 80 50
Financial period: 1 January - 31 December
Municipality of reg. office: Tårnby

Board of Directors

Jo Alex Tanem , Chairman
Per Göran Wassberg
Jens Bo Hansen

Executive Board

Jens Bo Hansen

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Management's Review

Key activities

The object of the Company is the operation of airport lounges as well as related activities.

Development in the year

The income statement of the Company for 2019 shows a loss of DKK 9,881,907, and at 31 December 2019 the balance sheet of the Company shows negative equity of DKK 15,281,421.

Due to lower levels of guests than expected the Atelier Lounge was closed during 2019. The closing has made a significant negative impact on the result in 2019 as there has been one-off costs related to close down.

Capital resources

At 31 December 2019 the balance sheet of the Company shows an equity of DKK -15,281,421 (2018: DKK -5,399,514). Total assets amount to DKK 38,289,133 (2018: DKK 47,891,213). Aviator Relaxium is a part of the cashpool in the Aviator Group.

Company management estimates that based on the group cashpool and expectations to 2020, the Company has sufficient cash resources available to continue its operation in 2020 and thereby being going concern.

Unusual events

The financial position at 31 December 2019 of the Company and the results of the activities of the Company for the financial year for 2019 have not been affected by any unusual events.

Subsequent events

Relaxiums activities were significantly impacted by the spread of COVID-19 virus. Lockdowns are being enforced and prolonged across territories restricting daily operations. In April, May June and July the lounges have been temporarily closed.

This has made it necessary to reduce the number of employees which lead to a reduction of 6 employees at the end of August 2020.

Even though Relaxium has seeked for support packages provided by government 2020 will be a difficult year in a financial perspective. At the moment guest prognoses for the rest of 2020 are very uncertain – and therefore it is not possible to give exact indications on financial performance in 2020.

The spread of Covid-19 will impact the evaluations related to impairment tests, credit losses etc. The pandemic started in Denmark after year-end 2019 and is a new issue that will have consequences in a financial perspective over the coming years.

Income Statement 1 January - 31 December

	Note	2019 12 months DKK	2017/18 16 months DKK
Gross profit/loss		7,081,075	1,685,121
Staff expenses	4	-6,600,889	-5,101,750
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		<u>-11,854,984</u>	<u>-3,233,001</u>
Profit/loss before financial income and expenses	5	-11,374,798	-6,649,630
Financial income		929	0
Financial expenses	6	<u>-1,112,264</u>	<u>-328,258</u>
Profit/loss before tax		-12,486,133	-6,977,888
Tax on profit/loss for the year	7	<u>2,604,226</u>	<u>1,528,374</u>
Net profit/loss for the year		<u>-9,881,907</u>	<u>-5,449,514</u>

Distribution of profit

Proposed distribution of profit

Retained earnings		<u>-9,881,907</u>	<u>-5,449,514</u>
		<u>-9,881,907</u>	<u>-5,449,514</u>

Balance Sheet 31 December

Assets

	Note	2019 DKK	2018 DKK
Goodwill		26,510,232	31,120,707
Intangible assets	8	26,510,232	31,120,707
Other fixtures and fittings, tools and equipment		85,729	1,584,503
Leasehold improvements		2,525,963	6,985,280
Property, plant and equipment	9	2,611,692	8,569,783
Deposits		11,435	0
Fixed asset investments		11,435	0
Fixed assets		29,133,359	39,690,490
Trade receivables		4,730,354	4,002,252
Receivables from group enterprises		2,700	8,483
Other receivables		11,858	3,591
Deferred tax asset		2,500,000	0
Corporation tax		0	1,632,600
Prepayments		1,779,894	1,853,631
Receivables		9,024,806	7,500,557
Cash at bank and in hand		130,968	700,166
Currents assets		9,155,774	8,200,723
Assets		38,289,133	47,891,213

Balance Sheet 31 December

Liabilities and equity

	Note	2019 DKK	2018 DKK
Share capital		50,000	50,000
Retained earnings		-15,331,421	-5,449,514
Equity		-15,281,421	-5,399,514
Provision for deferred tax		0	104,226
Provisions for restructuring	10	2,802,000	0
Provisions		2,802,000	104,226
Payables to group enterprises		0	34,496,634
Other payables		180,839	0
Long-term debt	11	180,839	34,496,634
Credit institutions		365,291	0
Prepayments received from customers		34,407	0
Trade payables		2,872,698	4,000,621
Payables to group enterprises	11	44,922,264	11,625,416
Other payables	11	2,393,055	2,363,830
Deferred income		0	700,000
Short-term debt		50,587,715	18,689,867
Debt		50,768,554	53,186,501
Liabilities and equity		38,289,133	47,891,213
Capital resources and going concern	1		
Uncertainty relating to recognition and measurement	2		
Subsequent events	3		
Contingent assets, liabilities and other financial obligations	12		
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Statement of Changes in Equity

	<u>Share capital</u> DKK	<u>Retained earnings</u> DKK	<u>Total</u> DKK
Equity at 1 January	50,000	-5,449,514	-5,399,514
Net profit/loss for the year	0	-9,881,907	-9,881,907
Equity at 31 December	50,000	-15,331,421	-15,281,421

Notes to the Financial Statements

1 Capital resources and going concern

The Financial Statements have been presented on a going concern basis. In order to ensure this assumption, the Company has received a Letter of Comfort from Aviator Airport Alliance AB concerning infusion of the necessary liquidity and capital up to 12 months from the approval of the Financial Statements.

On this basis, Management has presented the Financial Statements on a going concern basis

2 Uncertainty relating to recognition and measurement

The impairment test made of the Company's Fixed Assets is based on expected future net cash flows. The recoverable amount exceeds the carrying amount at 31 December 2019. The key assumptions are related to the expected ability of the Company to sustain and improve earnings as well as to achieve future growth. These assumptions are subject to uncertainty, and non-realisation may lead to future impairment.

Management has recognised a deferred tax asset of DKK 2,500k based on Management's expectations for future positive taxable incomes and the jointly taxed companies' expected utilisation of joint taxation losses. Management's expectations for future positive taxable incomes are based on budgets and forecasts for the years 2020-2023.

The recognition of the deferred tax asset of DKK 2,500k is subject to uncertainty as the recognition is based on Management's best estimate of budgeted taxable incomes and the jointly taxed companies' expected utilisation of joint taxation losses.

Notes to the Financial Statements

3 Subsequent events

The implications of COVID-19 with many governments across the world deciding to close down their countries will have great impact on the global economy. Management considers the implications of COVID-19 a subsequent event occurred after the balance sheet date (31 December 2019), which is therefore a non-adjusting event to the Company.

In consequence, the assessments of impairment indications and other estimates made by Management at 31 December 2019 are based on information available at year-end 2019, which may differ from the cash flows etc. expected by Management at the time of adoption of the Annual Report.

Management has not subsequently noted any material changes in the valuation of assets and liabilities, except for a material risk of an impairment write down of Fixed Assets and Deferred Tax Asset.

The Company's business is significantly affected by the spread of the COVID-19 virus. The closure of Denmark has led to a decrease in the level of activity by 100% compared to the same period last year as the lounges have been closed for a more than 4,5 months period.

Management has prepared and implemented a comprehensive plan to minimize the effects of the crisis on the Company, among other things through participation in the government's support packages for wage compensation and compensation for fixed costs.

Management assesses that, the Company will have a positive operational result in the financial year 2021.

Despite the mentioned implications of COVID-19, Management still considers the cash resources reasonable, referring to comments in note 1.

At this time, it is not possible to calculate the size of the negative COVID-19 impact on the Company.

4 Staff expenses

	2019 12 months DKK	2017/18 16 months DKK
Wages and salaries	5,854,949	4,671,741
Pensions	540,178	329,337
Other social security expenses	135,869	92,016
Other staff expenses	69,893	8,656
	6,600,889	5,101,750
Average number of employees	16	12

Notes to the Financial Statements

5 Special items

One-off impairment losses of DKK 7,383k relating to close down of Atelier Lounge has been recognised as other external expenses and impairment write down.

	2019 12 months DKK	2017/18 16 months DKK
6 Financial expenses		
Interest paid to group enterprises	991,127	301,585
Other financial expenses	111,484	23,114
Exchange loss	9,653	3,559
	<u>1,112,264</u>	<u>328,258</u>

7 Tax on profit/loss for the year

Current tax for the year	0	-1,632,600
Deferred tax for the year	-2,604,226	104,226
	<u>-2,604,226</u>	<u>-1,528,374</u>

8 Intangible assets

	Goodwill DKK
Cost at 1 January	32,273,326
Cost at 31 December	32,273,326
Impairment losses and amortisation at 1 January	1,152,619
Amortisation for the year	4,610,475
Impairment losses and amortisation at 31 December	5,763,094
Carrying amount at 31 December	<u>26,510,232</u>

Valuation of Goodwill is subject to uncertainty, referring to comments in note 2.

Notes to the Financial Statements

9 Property, plant and equipment

	Other fixtures and fittings, tools and equipment <u>DKK</u>	Leasehold improvements <u>DKK</u>	Total <u>DKK</u>
Cost at 1 January	2,025,153	8,625,011	10,650,164
Additions for the year	<u>56,600</u>	<u>1,229,819</u>	<u>1,286,419</u>
Cost at 31 December	<u>2,081,753</u>	<u>9,854,830</u>	<u>11,936,583</u>
Impairment losses and depreciation at 1 January	440,650	1,639,731	2,080,381
Impairment losses for the year	1,206,975	3,874,080	5,081,055
Depreciation for the year	<u>348,399</u>	<u>1,815,056</u>	<u>2,163,455</u>
Impairment losses and depreciation at 31 December	<u>1,996,024</u>	<u>7,328,867</u>	<u>9,324,891</u>
Carrying amount at 31 December	<u>85,729</u>	<u>2,525,963</u>	<u>2,611,692</u>

10 Provisions for restructuring

Provisions for restructuring comprise of provisions for closing of Atelier lounge and restoration obligations in connection with property leases.

	<u>2019</u> DKK	<u>2018</u> DKK
Provisions for restructuring	<u>2,802,000</u>	<u>0</u>
	<u>2,802,000</u>	<u>0</u>

Notes to the Financial Statements

11 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:

	2019 DKK	2018 DKK
Payables to group enterprises		
Between 1 and 5 years	0	34,496,634
Long-term part	0	34,496,634
Other short-term debt to group enterprises	44,922,264	11,625,416
	44,922,264	46,122,050
Other payables		
Between 1 and 5 years	180,839	0
Long-term part	180,839	0
Other short-term payables	2,393,055	2,363,830
	2,573,894	2,363,830

Short-term payables to group enterprises are part of a group cash-pool arrangement which is ongoing with no fixed period of payment.

12 Contingent assets, liabilities and other financial obligations

Rental and lease obligations

Lease obligations under operating leases. Total future lease payments:

Within 1 year	202,665	335,332
Between 1 and 5 years	557,327	1,257,495
After 5 years	0	0
	759,992	1,592,827

Rental premises lease obligations, period of non-terminability 6 months (2018: 18 months).

2,115,842	8,171,826
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Notes to the Financial Statements

12 Contingent assets, liabilities and other financial obligations (continued)

Other contingent liabilities

Trade receivables recognised with DKK 4,730k (2018: DKK 4,002k) are part of a group factoring agreement and is pledged for debt according to the group agreement to credit institutions. According to the factoring agreement the Company has issued a guarantee to jointly and severally to indemnify credit institutions any loss suffered.

The Company is jointly taxed with other Danish Companies of the Aviator Group. The group Companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group.

13 Related parties

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.

The Company's intercompany transactions and normal management remunerations has during the year been entered into at arm's length.

Consolidated Financial Statements

The Company is included in the Group Annual Report of:

<u>Name</u>	<u>Place of registered office</u>
Avia Solutions Group PLC, ultimate parent	28 Oktovriou, ENGOMI BUSINESS CENTER BLC E, Flat/Office 111, Egkomi, 2414, Nicosia, Cyprus
Aviator Airport Alliance AB, direct parent	Stockholm-Arlanda, Sweden

The Company's direct parent does not prepare consolidated financial statements. The Company's ultimateparent, which prepares consolidated financial statements into which the Company is incorporated as a subsidiary, is Avia Solutions Group PLC.

The Group Annual Report of Avia Solutions Group PLC, ultimate parent may be obtained at the followingaddress:

28 Oktovriou, ENGOMI BUSINESS CENTER BLC E, Flat/Office 111, Egkomi, 2414, Nicosia, Cyprus

Notes to the Financial Statements

14 Accounting Policies

The Annual Report of Aviator Relaxium ApS for 2019 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 2019 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, 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.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost less any repayments and with addition/deduction of the cumulative amortisation of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

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.

Notes to the Financial Statements

14 Accounting Policies (continued)

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

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

Income Statement

Revenue

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

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 expenses for premises, sales and distribution 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, expenses for raw materials and consumables 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.

Financial income and expenses

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

Notes to the Financial Statements

14 Accounting Policies (continued)

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

Balance Sheet

Intangible assets

Goodwill acquired is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over its useful life, which is assessed at 5 years.

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	3-10 years

Depreciation period and residual value are reassessed annually.

Assets costing less than DKK 13,800 are expensed in the year of acquisition.

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.

Notes to the Financial Statements

14 Accounting Policies (continued)

Fixed asset investments

Fixed asset investments consist of deposits.

Receivables

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

Prepayments

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

Provisions

Provisions are recognised when - in consequence of an event occurred before or on the balance sheet date - the Company has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation.

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.

Notes to the Financial Statements

14 Accounting Policies (continued)

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.