

---

# ***Fisher Scientific Biotech Line ApS***

Kamstrupvej 91, DK-4000 Roskilde

## **Annual Report for 1 January - 31 December 2020**

---

CVR No 20 94 07 78

The Annual Report was  
presented and adopted at  
the Annual General  
Meeting of the Company on  
26/5 2021

Chairman of the General  
Meeting  
Bo Kühnel Matthisson



**pwc**

# Contents

	<u>Page</u>
<b>Management's Statement and Auditor's Report</b>	
Management's Statement	1
Independent Auditor's Report	2
<b>Management's Review</b>	
Company Information	5
Financial Highlights	6
Management's Review	7
<b>Financial Statements</b>	
Income Statement 1 January - 31 December	8
Balance Sheet 31 December	9
Statement of Changes in Equity	11
Notes to the Financial Statements	12

# Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Fisher Scientific Biotech Line ApS 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.

Roskilde, 26 May 2021

## Executive Board

Thomas Arthur Nicholson  
CEO

## Board of Directors

Petrus Thomas Adrianus van der  
Zande  
Chairman

Bo Kühnel Matthisson

Richard Lawrence Spoor

Thomas Arthur Nicholson

# Independent Auditor's Report

To the Shareholder of Fisher Scientific Biotech Line ApS

## 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 Fisher Scientific Biotech Line ApS 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 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.

# Independent Auditor's Report

## 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.

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.

## Independent Auditor's Report

- 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.

Hellerup, 26 May 2021

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Morten Jørgensen

State Authorised Public Accountant

mne32806

## Company Information

### **The Company**

Fisher Scientific Biotech Line ApS  
Kamstrupvej 91  
DK-4000 Roskilde

CVR No: 20 94 07 78

Financial period: 1 January - 31 December

Municipality of reg. office: Roskilde

### **Board of Directors**

Petrus Thomas Adrianus van der Zande, Chairman  
Bo Kühnel Matthisson  
Richard Lawrence Spoor  
Thomas Arthur Nicholson

### **Executive Board**

Thomas Arthur Nicholson

### **Auditors**

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Strandvejen 44  
DK-2900 Hellerup

## 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
<b>Key figures</b>					
<b>Profit/loss</b>					
Operating profit/loss	8.536	6.912	5.659	7.587	3.414
Profit/loss before financial income and expenses	8.536	6.912	5.659	7.598	4.055
Net financials	-169.021	-184.168	-184.099	-299.299	-299.121
Net profit/loss for the year	-154.992	-174.403	-138.822	-224.670	-240.923
<b>Balance sheet</b>					
Balance sheet total	7.937.634	8.245.587	8.255.879	8.211.161	8.136.372
Equity	7.512.037	3.595.644	1.528.329	1.667.151	1.891.821
Investment in property, plant and equipment	0	4	-105	-40	0
Number of employees	13	13	11	12	13
<b>Ratios</b>					
Return on assets	0,1%	0,1%	0,1%	0,1%	0,0%
Solvency ratio	94,6%	43,6%	18,5%	20,3%	23,3%
Return on equity	-2,8%	-6,8%	-8,7%	-12,6%	-12,0%

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 consists of trading consumer goods and instruments at the biological field.

## **Development in the year**

The income statement of the Company for 2020 shows a loss of TDKK 154,992, and at 31 December 2020 the balance sheet of the Company shows equity of TDKK 7,512,037.

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

The management assesses that this year's result is satisfying and in line with expectations.

## **External environment**

The Company is aware of the environment and works on reducing the environmental impact from its activities.

## **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.

## **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 TDKK	2019 TDKK
<b>Gross profit/loss</b>		<b>12.382</b>	<b>10.367</b>
Staff expenses	1	-3.820	-3.429
Depreciation, amortisation and impairment of property, plant and equipment		-26	-26
<b>Profit/loss before financial income and expenses</b>		<b>8.536</b>	<b>6.912</b>
Financial income		364	442
Financial expenses	2	-169.385	-184.610
<b>Profit/loss before tax</b>		<b>-160.485</b>	<b>-177.256</b>
Tax on profit/loss for the year	3	5.493	2.853
<b>Net profit/loss for the year</b>		<b>-154.992</b>	<b>-174.403</b>

# Balance Sheet 31 December

## Assets

	Note	2020 TDKK	2019 TDKK
Other fixtures and fittings, tools and equipment		0	4
Leasehold improvements		76	102
<b>Property, plant and equipment</b>	4	<b>76</b>	<b>106</b>
Investments in subsidiaries	5	7.875.868	7.875.868
<b>Fixed asset investments</b>		<b>7.875.868</b>	<b>7.875.868</b>
<b>Fixed assets</b>		<b>7.875.944</b>	<b>7.875.974</b>
Finished goods and goods for resale		2.658	2.379
<b>Inventories</b>		<b>2.658</b>	<b>2.379</b>
Trade receivables		22.841	18.120
Receivables from group enterprises		29.082	345.327
Other receivables		2.094	934
Corporation tax receivable from group enterprises		5.000	2.853
Prepayments		15	0
<b>Receivables</b>		<b>59.032</b>	<b>367.234</b>
<b>Currents assets</b>		<b>61.690</b>	<b>369.613</b>
<b>Assets</b>		<b>7.937.634</b>	<b>8.245.587</b>

# Balance Sheet 31 December

## Liabilities and equity

	Note	2020 TDKK	2019 TDKK
Share capital		502	502
Retained earnings		7.511.535	3.595.142
<b>Equity</b>		<b>7.512.037</b>	<b>3.595.644</b>
Other payables		0	383
<b>Long-term debt</b>	7	<b>0</b>	<b>383</b>
Trade payables		2.889	3.088
Payables to group enterprises		415.889	4.642.305
Other payables	7	6.071	3.582
Deferred income	8	748	585
<b>Short-term debt</b>		<b>425.597</b>	<b>4.649.560</b>
<b>Debt</b>		<b>425.597</b>	<b>4.649.943</b>
<b>Liabilities and equity</b>		<b>7.937.634</b>	<b>8.245.587</b>
Distribution of profit	6		
Contingent assets, liabilities and other financial obligations	9		
Related parties	10		
Accounting Policies	12		

## Statement of Changes in Equity

	Share capital	Retained earnings	Total
	TDKK	TDKK	TDKK
Equity at 1 January	502	3.595.141	3.595.643
Contribution from group	0	4.071.386	4.071.386
Net profit/loss for the year	0	-154.992	-154.992
<b>Equity at 31 December</b>	<b>502</b>	<b>7.511.535</b>	<b>7.512.037</b>

# Notes to the Financial Statements

	2020 <u>TDKK</u>	2019 <u>TDKK</u>
<b>1 Staff expenses</b>		
Wages and salaries	2.948	2.537
Pensions	827	846
Other social security expenses	45	46
	<u>3.820</u>	<u>3.429</u>
<b>Average number of employees</b>	<u>13</u>	<u>13</u>
Remuneration to the Executive Board has not been disclosed in accordance with section 98 B(3) of the Danish Financial Statements Act.		
<b>2 Financial expenses</b>		
Interest paid to group enterprises	168.603	184.266
Other financial expenses	14	1
Exchange adjustments, expenses	768	343
	<u>169.385</u>	<u>184.610</u>
<b>3 Tax on profit/loss for the year</b>		
Current tax for the year	-5.000	-2.853
Adjustment of tax concerning previous years	-493	0
	<u>-5.493</u>	<u>-2.853</u>

# Notes to the Financial Statements

## 4 Property, plant and equipment

	Leasehold improvements TDKK
Cost at 1 January	223
Cost at 31 December	223
Impairment losses and depreciation at 1 January	121
Depreciation for the year	26
Impairment losses and depreciation at 31 December	147
<b>Carrying amount at 31 December</b>	<b>76</b>
Depreciated over	5 years

## Notes to the Financial Statements

	2020 TDKK	2019 TDKK
<b>5 Investments in subsidiaries</b>		
Cost at 1 January	7.875.868	7.875.868
<b>Carrying amount at 31 December</b>	<b>7.875.868</b>	<b>7.875.868</b>

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Votes and ownership	Equity	Net profit/loss for the year
CB Diagnostics Holding AB, TSEK	Uppsala, Sweden	100	100%	1.081.247	-360.036
CB Diagnostics AB, TSEK	Uppsala, Sweden	100	100%	2.300.871	-159.198
Sweden DIA (Sweden) AB, TSEK	Uppsala, Sweden	127	100%	91.417	-1
Phadia Sweden AB, TSEK	Uppsala, Sweden	100	100%	109	0
Phadia Holding AB, TSEK	Sweden	100	100%	1.364.600	-110.341
	Dover, Delaware,				
Phadia US Inc., TUSD	U.S.A.		100%	0	0
Phadia AB, TSEK	Uppsala, Sweden	40.000	100%	10.367.789	2.147.100
Phadia Real Property AB, TSEK	Uppsala, Sweden	100	100%	12.515	2.864
Allergon AB, TSEK	Uppsala, Sweden	100	100%	218.760	-256
Nanjing WeiKangLe Trading Industrial Co., Ltd., TCNY	Nanjing, China	5.000	100%	15.892	129
Beijing Phadia Diagnostics Co., Ltd., TCNY	Beijing, China	6.623	100%	5.439	57
Laboratory Specialties Proprietary Ltd., TZAR	Strydompark, South Africa	4.051	100%	44.676	1.793
Phadia Diagnosticos Ltda, TBRL	Itaipava, Brazil		100%	23.939	11.143



## Notes to the Financial Statements

	2020 TDKK	2019 TDKK
<b>6 Distribution of profit</b>		
Retained earnings	-154.992	-174.403
	<b>-154.992</b>	<b>-174.403</b>

### 7 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	0	383
Long-term part	0	383
Other short-term payables	6.071	3.582
	<b>6.071</b>	<b>3.965</b>

### 8 Deferred income

Deferred income consists of payments received in respect of income in subsequent years

	2020 TDKK	2019 TDKK
<b>9 Contingent assets, liabilities and other financial obligations</b>		
<b>Rental and lease obligations</b>		
Lease obligations under operating leases. Total future lease payments:		
Within 1 year	549	708
Between 1 and 5 years	894	807
	<b>1.443</b>	<b>1.515</b>

# Notes to the Financial Statements

## 9 Contingent assets, liabilities and other financial obligations (continued)

### Other contingent liabilities

Fisher Scientific Biotechline ApS is jointly taxed with the Danish companies in the Thermo Fisher Scientific Group. The joint taxation also covers withholding taxes in form of dividend tax, royalty tax and interest tax. The Danish companies are jointly and individually liable for the joint taxation. Any subsequent adjustment to income taxes may lead to a larger liability. The tax for the individual companies is allocated in full basis of the expected taxable income.

## 10 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.

There have been no transactions with the Supervisory Board, the Executive Board, senior officers, significant shareholders, group enterprises or other related parties, except for intercompany transactions and normal management remuneration.

### Consolidated Financial Statements

The Company's ultimate Parent Company, which prepares Consolidated Financial Statements in which the Company is incorporated as subsidiary, is

<u>Name</u>	<u>Place of registered office</u>
Thermo Fisher Scientific Inc	Massachusetts, USA

The Group Annual Report of Thermo Fisher Scientific Inc may be obtained at the following address:

Thermo Fisher Scientific Inc., 81 Wyman Street, Waltham, MA 02454, USA

## 11 Payables to group enterprises

Payables to group enterprises include primarily debt to the sister company Phadia Luxembourg Holdings S.á.r.l. The parent company, Perbio Science Sweden Holdings AB, has issued a letter of comfort with commitment to provide necessary liquidity to ensure that the company will be able to fulfill its obligations as they fall due. The letter of comfort is effective until 31 May 2022.

# Notes to the Financial Statements

## 12 Accounting Policies

The Annual Report of Fisher Scientific Biotech Line ApS for 2020 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 2020 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 Thermo Fisher Scientific Inc, 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 Thermo Fisher Scientific Inc, 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.

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.

# Notes to the Financial Statements

## 12 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.

## Income Statement

### Revenue

Revenue from the sale of goods for resale and finished goods is recognised in the income statement when the sale is considered effected based on the following criteria:

- delivery has been made before year end;
- a binding sales agreement has been made;
- the sales price has been determined; and
- payment has been received or may with reasonable certainty be expected to be received.

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

### Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve revenue for the year.

### Other external expenses

Other external expenses comprise indirect production costs and 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.

# Notes to the Financial Statements

## 12 Accounting Policies (continued)

### 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.

### 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 Danish subsidiaries in the Thermo Fisher Scientific Group. The tax effect of the joint taxation is allocated to 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	2-10 years
Leasehold improvements	5 years

Depreciation period and residual value are reassessed annually.

Assets costing less than DKK 30,000 are expensed in the year of acquisition.

# Notes to the Financial Statements

## 12 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 measured at cost. Where cost exceeds the recoverable amount, write-down is made to this lower value.

### **Inventories**

Inventories are measured at the lower of cost under the FIFO method and net realisable value.

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

The cost of goods for resale, raw materials and consumables equals landed cost.

# Notes to the Financial Statements

## 12 Accounting Policies (continued)

The cost of finished goods and work in progress comprises the cost of raw materials, consumables and direct labour with addition of indirect production costs. Indirect production costs comprise the cost of indirect materials and labour as well as maintenance and depreciation of the machinery, factory buildings and equipment used in the manufacturing process as well as costs of factory administration and management.

### 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.

### 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

## 12 Accounting Policies (continued)

### Deferred income

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

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