

MYPLANET INTERNATIONAL A/S
P. HIORT-LORENZENS VEJ 2, 8000 AARHUS C
ANNUAL REPORT
1 OCTOBER 2017 - 30 SEPTEMBER 2018

**The Annual Report has been presented and
adopted at the Company's Annual General
Meeting on 28 February 2019**

Anders Houind Ulsøe

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COMPANY DETAILS

Company	MyPlanet International A/S P. Hiort-Lorenzens Vej 2 8000 Aarhus C CVR no.: 15 63 52 90 Established: 1 November 1991 Registered Office:Aarhus Financial Year: 1 October 2017 - 30 September 2018
Board of Directors	John Gerard Devereux Sally Ann Cowdry Anders Houlind Ulsøe
Board of Executives	Sally Ann Cowdry
Auditor	BDO Statsautoriseret revisionsaktieselskab Kystvejen 29 8000 Aarhus C
Bank	Nordea Skt. Clemens Torv 2-6 8000 Aarhus C

STATEMENT BY BOARD OF DIRECTORS AND BOARD OF EXECUTIVES

Today the Board of Directors and Board of Executives have discussed and approved the Annual Report of MyPlanet International A/S for the financial year 1 October 2017 - 30 September 2018.

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

In our opinion the Financial Statements give a true and fair view of the Company's financial position at 30 September 2018 and of the results of the Company's operations and cash flows for the financial year 1 October 2017 - 30 September 2018.

The Management's Review includes in our opinion a fair presentation of the matters dealt with in the Review.

We recommend the Annual Report be approved at the Annual General Meeting.

Aarhus, 26 February 2019

Board of Executives

Sally Ann Cowdry

Board of Directors

John Gerard Devereux

Sally Ann Cowdry

Anders Houkind Ulsøe

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of MyPlanet International A/S

Opinion

We have audited the Financial Statements of MyPlanet International A/S for the financial year 1 October 2017 - 30 September 2018, which comprise income statement, balance sheet, statement of changes in equity, cash flows, notes and 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 assets, liabilities and financial position of the Company's at 30 September 2018 and of the results of the Company's operations and cash flows for the financial year 1 October 2017 - 30 September 2018 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 evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Emphasis of matter

We draw attention to the note "Information on uncertainty with respect to recognition and measurement" in the financial statements, which describes the uncertainty associated with the recognized intangible fixed assets of DKK'000 6,510 and tax asset of DKK'000 0. Our conclusion is not modified regarding this relationship.

Management's Responsibility 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 judgment and maintain professional skepticism throughout the audit. We also:

INDEPENDENT AUDITOR'S REPORT

- 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.

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, we conclude that 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 of Management's Review.

Aarhus, 26 February 2019

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Morten Trap Olesen
State Authorised Public Accountant
MNE no. mne35625

FINANCIAL HIGHLIGHTS

	2017/18 DKK '000	2016/17 DKK '000	2015/16 DKK '000	2014/15 DKK '000	2013/14 DKK '000
Income statement					
Operating profit/loss.....	-8.684	-3.998	-3.146	218	1.501
Financial income and expenses, net.....	-1.069	-699	-816	-179	-382
Profit/loss for the year.....	-9.753	-8.800	-4.632	32	1.238
Balance sheet					
Balance sheet total.....	46.325	40.110	51.347	64.818	64.105
Equity.....	-20.587	-12.007	-630	1.924	2.488
Cash flows					
Investment in tangible fixed assets.....	-98	-70	-737	-68	1.338
Average number of full-time employees.....					
	45	48	52	54	53
Ratios					
Solvency ratio.....	Neg.	Neg.	Neg.	3.0	3.9
Return on equity.....	Neg.	Neg.	Neg.	1.5	61.9

The ratios stated in the list of key figures and ratios have been calculated as follows:

Solvency ratio:
$$\frac{\text{Equity ex. minorities, at year end} \times 100}{\text{Total equity and liabilities, at year end}}$$

Return on equity:
$$\frac{\text{Profit/loss after tax} \times 100}{\text{Average equity}}$$

The ratios follow in all material respects the recommendations of the Danish Finance Society.

MANAGEMENT'S REVIEW

Principal activities

The Company's main activity is to carry on trade with sale of individual travels and related services and products. The tours are sold via the two brands MyPlanet and MarcoPolo.

Sales are effected through the Company's offices in Aarhus and Copenhagen and the subsidiary MyPlanet Sweden AB with office in Gothenburg.

The major part of sales is effected from Denmark and Sweden which are MyPlanet International A/S's largest markets.

Uncertainty as to recognition and measurement

Intangible fixed assets are recognized with DKK'000 6,510. The valuation of these are dependent of future earnings. The management has made budgets for the coming years showing profit within the coming two years. We are aware of the uncertainty of future expectations, which is the prerequisite for the valuation of the intangible fixed assets.

The company has a tax loss to be carried forward of DKK'000 17,619. The value of the tax loss to be carried forward depends on future earnings. Due to uncertainty of future expectations, has the management chosen not to recognize a deferred tax asset of the tax loss to be carried forward.

Development in activities and financial position

The income statement of the Company for 2017/18 shows a loss of TDKK 9,753, and at September 2018 the balance sheet of the Company shows negative equity of TDKK 20,587.

Results for the year are unsatisfactory.

The company has secured liquidity to the expected growth and return to profitability through strong support statement from the parent company. A positive cash flow is expected within the coming years, and the liquidity is secured through the parent company at least one year. The annual report is presented on the assumption of a going concern due to the strong support statement from the parent company. We refer to the note "Uncertainty with respect to going concern".

Profit/loss for the year compared to future expectations

The current year resulted in a loss of TDKK 9.753. We expect growth and a return to profitability within 2 years. The business is currently undergoing a turnaround plan that will bring it back to profitability.

Significant events after the end of the financial year

The company has given share contribution to MyPlanet Sweden AB in February 2019 on SEK'000 5,000. The share contribution is covering a loss for 2017/18 in MyPlanet Sweden AB and will be a cost in the 2018/19 accounts for this company on DKK'000 3.137. Payment to MyPlanet Sweden will be covered by the mother company.

No further events have occurred after the end of the financial year of material importance for the company's financial position.

Future expectations

We expect to drive growth in Denmark. In Sweden (the subsidiary) we expect to double the revenue over the coming 3-4 years.

INCOME STATEMENT 1 OCTOBER - 30 SEPTEMBER

	Note	2017/18 DKK '000	2016/17 DKK '000
GROSS PROFIT		15.572	20.253
Staff costs.....	1	-21.746	-21.452
Depreciation, amortisation and impairment.....		-2.494	-2.799
Other operating expenses.....		-16	0
OPERATING LOSS		-8.684	-3.998
Result of equity investments in group and associates.....		0	-4.568
Other financial income.....	2	130	116
Other financial expenses.....	3	-1.199	-815
PROFIT BEFORE TAX		-9.753	-9.265
Tax on profit/loss for the year.....	4	0	465
PROFIT FOR THE YEAR	5	-9.753	-8.800

BALANCE SHEET AT 30 SEPTEMBER

ASSETS	Note	2018 DKK '000	2017 DKK '000
Intangible fixed assets acquired.....		6.510	7.729
Intangible fixed assets.....	6	6.510	7.729
Other plant, machinery, tools and equipment.....		494	533
Leasehold improvements.....		9	34
Tangible fixed assets.....	7	503	567
Equity investments in group enterprises.....		0	0
Rent deposit and other receivables.....		478	401
Fixed asset investments.....	8	478	401
FIXED ASSETS.....		7.491	8.697
Trade receivables.....		2.907	2.321
Receivables from group enterprises.....		5.701	6.284
Other receivables.....		1.024	1.335
Prepayments and accrued income.....	9	15.515	14.231
Receivables.....		25.147	24.171
Cash and cash equivalents.....		13.687	7.242
CURRENT ASSETS.....		38.834	31.413
ASSETS.....		46.325	40.110
EQUITY AND LIABILITIES			
Share capital.....	10	1.000	1.000
Retained profit.....		-21.587	-13.007
EQUITY.....		-20.587	-12.007
Prepayments received from customers.....		29.902	29.497
Trade payables.....		5.895	3.052
Payables to group enterprises.....		29.011	15.187
Other liabilities.....		2.104	4.381
Current liabilities.....		66.912	52.117
LIABILITIES.....		66.912	52.117
EQUITY AND LIABILITIES.....		46.325	40.110
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EQUITY

	Share capital	Retained profit	Total
Equity at 1 October 2017.....	1.000	-13.007	-12.007
Net regulation of hedging instruments.....		1.173	1.173
Proposed distribution of profit.....		-9.753	-9.753
Equity at 30 September 2018.....	1.000	-21.587	-20.587

CASH FLOW STATEMENT 1 OCTOBER - 30 SEPTEMBER

	2017/18 DKK '000	2016/17 DKK '000
Profit/loss for the year.....	-9.753	-8.800
Reversed depreciation of the year.....	2.494	2.799
Reversed realization gains.....	16	0
Loss from subsidiaries.....	0	4.568
Adjustment of other financial expenses.....	1.173	-2.556
Reversed tax on profit/loss for the year.....	0	-465
Other adjustments.....	0	422
Corporation tax paid.....	0	43
Change in inventory.....	0	1
Change in receivables.....	-976	7.208
Change in current liabilities (ex bank and tax).....	971	-3.523
Other cash flows from operating activities.....	0	41
CASH FLOWS FROM OPERATING ACTIVITY.....	-6.075	-262
Purchase of intangible fixed assets.....	-1.129	-776
Purchase of tangible fixed assets.....	-98	-70
Purchase of financial assets.....	-77	-6
CASH FLOWS FROM INVESTING ACTIVITY.....	-1.304	-852
Other cash flows from financing activities.....	13.824	3.663
CASH FLOWS FROM FINANCING ACTIVITY.....	13.824	3.663
CHANGE IN CASH AND CASH EQUIVALENTS.....	6.445	2.549
Cash and cash equivalents at 1. oktober.....	7.242	4.693
CASH AND CASH EQUIVALENTS AT 30. SEPTEMBER.....	13.687	7.242
Specification of cash and cash equivalents at 30 September: Cash and cash equivalents.....	13.687	7.242
CASH AND CASH EQUIVALENTS, NET DEBT.....	13.687	7.242

NOTES

	2017/18 DKK '000	2016/17 DKK '000	Note
Staff costs			1
Average number of employees 45 (2016/17: 48)			
Wages and salaries.....	18.380	18.110	
Pensions.....	1.427	1.292	
Social security costs.....	226	364	
Other staff costs.....	1.713	1.686	
	21.746	21.452	
According to The Danish Financial Statements Act § 98b. section 3. information about the managements fee is leaved out, because only one of the board members receives fees.			
Other financial income			2
Group enterprises.....	0	111	
Other interest income.....	130	5	
	130	116	
Other financial expenses			3
Group enterprises.....	301	133	
Other interest expenses.....	898	682	
	1.199	815	
Tax on profit/loss for the year			4
Adjustment of tax in previous years.....	0	-465	
	0	-465	
Proposed distribution of profit			5
Allocation to reserve for net revaluation according to equity...	0	-282	
Accumulated profit.....	-9.753	-8.518	
	-9.753	-8.800	

NOTES

			Note
Intangible fixed assets			6
		Intangible fixed assets acquired	
Cost at 1 October 2017.....		15.010	
Additions.....		1.129	
Disposals.....		-4.257	
Cost at 30 September 2018.....		11.882	
Amortisation at 1 October 2017.....		7.281	
Reversal of amortisation of assets disposed of		-4.201	
Depreciation for the year.....		2.292	
Depreciation at 30 September 2018.....		5.372	
Carrying amount at 30 September 2018.....		6.510	
Tangible fixed assets			7
	Other plant, machinery, tools and equipment	Leasehold improvements	
Cost at 1 October 2017.....	2.167	521	
Additions.....	98	0	
Disposals.....	-1.344	-471	
Cost at 30 September 2018.....	921	50	
Depreciation and impairment losses at 1 October 2017.....	1.634	487	
Reversal of depreciation of assets disposed of	-1.384	-471	
Depreciation for the year.....	177	25	
Depreciation and impairment losses at 30 September 2018..	427	41	
Carrying amount at 30 September 2018.....	494	9	
Fixed asset investments			8
	Equity investments in group enterprises	Rent deposit and other receivables	
Cost at 1 October 2017.....	4.286	401	
Additions.....	0	77	
Cost at 30 September 2018.....	4.286	478	
Revaluation and losses at 1 October 2017.....	-4.286	0	
Revaluation and losses at 30 September 2018.....	-4.286	0	
Carrying amount at 30 September 2018.....	0	478	
Investments in subsidiaries (DKK '000)			
Name and registered office	Equity	Profit/loss for the year	Ownership
MyPlanet Sweden AB, Gothenburg, Sweden.....	-3.860	-3.745	100 %

NOTES

			Note
Prepayments and accrued income			9
Accruals recognised as assets include costs incurred relating to the subsequent financial year.			
	2018	2017	
	DKK '000	DKK '000	
Share capital			10
Specification of the share capital:			
Shares, 1.000 in the denomination of 1.000 DKK.....	1.000	1.000	
	1.000	1.000	
Contingencies etc.			11
Contingent assets			
The company has a tax loss of tDKK 17.619, which is not recognized in the annual report.			
Contingent liabilities			
The company has guarantees towards the The Danish Travel Guarantee Fond of tDKK 40,000.			
<i>Rent obligations</i>			
The company has entered into rent commitments, which at the balance sheet date amount to tDKK 1.276 during the period of notice, which latest expires on April 31st 2020.			
Joint liabilities			
The company is jointly and severally liable together with the parent company and the other group companies in the jointly taxed group for tax on the group's jointly taxed income and for certain possible withholding taxes such as dividend tax and royalty tax, and for the joint registration of VAT.			
Tax payable of the group's jointly taxed income is stated in the annual report of MyPlanet Holding A/S, which serves as management company for the joint taxation.			
Related parties			12
The Controlling interest			
MyPlanet Holding ApS, Travelopia Holdings Ltd. and KKR & Co. L.P.			
Other related parties having performed transactions with the company			
The company's related parties having a significant influence comprise subsidiaries and associates as well as the companies' Board of Directors, Board of Executives and executive officers and their relatives. Related parties include also companies in which the above mentioned group of persons has material interests.			
Transactions with related parties			
The company did not carry out any substantial transactions that were not concluded on market conditions.			

NOTES

Note

Uncertainty with respect to going concern

13

The company has secured liquidity to the expected growth and return to profitability through strong support statement from the parent company. A positive cash flow is expected within the coming years, and the liquidity is secured through the parent company at least one year. The annual report is presented on the assumption of a going concern due to the strong support statement from the parent company.

Information on uncertainty with respect to recognition and measurement

14

Intangible fixed assets are recognized with DKK'000 6,510. The valuation of these are dependent of future earnings. The management has made budgets for the coming years showing profit within the coming two years. We are aware of the uncertainty of future expectations, which is the prerequisite for the valuation of the intangible fixed assets.

The company has a tax loss to be carried forward of DKK'000 17,619. The value of the tax loss to be carried forward depends on future earnings. Due to uncertainty of future expectations, has the management chosen not to recognize a deferred tax asset of the tax loss to be carried forward.

Derivative financial instruments

15

As part of hedging recognized and unrecognized transactions, the company uses hedging instruments such as forward foreign exchange contracts.

The company has entered into forward exchange contracts for hedging future purchases in USD, AUD, CAD, NZD, SEK, GBP and ZAR for a total of tDKK 49,262. In relation to the forward rate at the balance sheet date, the contracts have a positive value of tDKK 98. The capital profit is recognized in equity with tDKK 1.173. The forward exchange contracts expires within 9 months from the balance sheet date.

It is hedging of future cash flows, why the amount is recognized under equity.

ACCOUNTING POLICIES

The Annual Report of MyPlanet International A/S for 2017/18 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class C, medium enterprise.

The Annual Report is prepared consistently with the accounting principles used last year.

Consolidated financial statements

Consolidated financial statements have not been prepared because the group fulfils the exemption provisions of section 112 of the Danish Financial Statements Act on sub-groups. The company is included in the consolidated financial statements of Travelopia Holdings Limited, 108 High Street Crawley, West Sussex, United Kingdom, Company number 05934241. It can be required with Companies House, UK

INCOME STATEMENT

Net revenue

Net revenue from sale of travels and related services is recognised in the Income Statement if supply and risk transfer to purchaser has taken place before the end of the year and if the income can be measured reliably and is expected to be received. Net revenue is recognised exclusive of VAT, duties and less discounts related to the sale.

Other operating expenses

Other operating expenses include items of a secondary nature in relation to the enterprises' principal activities, including loss from sale of intangible and tangible fixed assets.

Cost of sales

Cost of sales comprise costs incurred to achieve the net revenue for the year, including direct and indirect costs of raw materials and consumables.

Other external expenses

Other external expenses include cost of sales, advertising, administration, buildings, bad debts, operational lease expenses, etc.

Staff costs

Staff costs comprise wages and salaries, including holiday pay and pensions and other costs for social security etc. for the company's employees. Repayments from public authorities are deducted from staff costs.

Investments in subsidiaries

The income statement of the parent company recognises the proportional share of the results of each subsidiary after full elimination of intercompany profits/losses and deduction of amortisation of goodwill.

Financial income and expenses

Financial income and expenses include interest income and expenses, financial expenses of finance leases, realised and unrealised gains and losses arising from debt and transactions in foreign currencies as well as charges and allowances under the tax-on-account scheme etc. Financial income and expenses are recognised in the income statement by the amounts that relate to the financial year.

Tax

The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the income statement by the portion that may be attributed to the profit for the year, and is recognised directly in the equity by the portion that may be attributed to entries directly to the equity.

ACCOUNTING POLICIES

BALANCE SHEET

Intangible fixed assets

Investments in and own development of IT projects are measured at cost less accumulated amortisation. Investments in and own development of IT projects are amortised on a straight-line basis over the expected useful life which is estimated to 3-7 years. The period of amortisation is determined based on an assessment of the acquired company's position in the market and earnings profile, and the industry-specific conditions.

Profit or loss from sale of intangible fixed assets is calculated at the difference between the sales price and the carrying amount at the time of the sale. Profit and loss are recognised in the Income Statement under other operating income or other operating expenses.

Tangible fixed assets

Other plants, fixtures and equipment and leasehold improvements are measured at cost less accumulated depreciation and impairment losses.

The depreciation base is cost less estimated residual value after end of useful life.

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used.

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value:

	Useful life	Residual value
Other plants, fixtures and equipment.....	3-5 years	0 %
Leasehold improvements.....	5 years	0 %

Profit or loss on disposal of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the time of sale. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Fixed asset investments

Investments in subsidiaries are measured in the company's balance sheet under the equity method.

Investments in subsidiaries are measured in the Balance Sheet at the proportional share of the enterprises' carrying equity value, calculated in accordance with the parent company's accounting policies with deduction or addition of unrealised intercompany profits or losses and with addition or deduction of the residual value of positive or negative goodwill

Acquired enterprises are recognised in the consolidated financial statements under the acquisition method, reassessing all identified assets and liabilities to fair value at the acquisition date. The fair value is calculated based on acquisitions made in an active market, alternatively calculated using generally accepted valuation methods. Upon calculation of the fair value of properties used in the business a discounted cash flow model is applied based on discounted cash flow of future earnings. Operating equipment is recognised at fair value based on an assessor's opinion, built on an overall assessment of the production equipments.

Net revaluation of investments in subsidiaries and associates is transferred under the equity to reserve for net revaluation under the equity value method to the extent that the carrying amount exceeds the acquisition value.

ACCOUNTING POLICIES

Subsidiaries with a negative carrying equity value are measured to DKK 0 and any amounts due from these enterprises are written down by the company's share of the negative equity to the extent that it is deemed to be irrecoverable. If the carrying negative equity value exceeds accounts receivable, the residual amount is recognised under provision for liabilities to the extent that the company's has a legal or actual liability to cover the subsidiary's deficit.

Impairment of fixed assets

The carrying amount of intangible fixed and tangible assets together with fixed assets, which are not measured at fair value, are valued on an annual basis for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the net realisable value is lower than the carrying amount, the assets are written down to the lower value.

The recoverable amount is calculated at the higher of net selling price and capital value. The capital value is determined as the fair value of the expected net cash flows from the use of the asset or group of assets and the expected net cash flows from sale of the asset or group of assets after the end of its useful life.

Receivables

Receivables are measured at amortised cost which usually corresponds to nominal value. The value is reduced by impairment losses to meet expected losses.

Accruals, assets

Accruals recognised as assets include costs incurred relating to the subsequent financial year.

Cash and cash equivalents

Liquid assets comprise cash bank balances and cash in hand.

Tax payable and deferred tax

Current tax liabilities and receivable current tax are recognised in the balance sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

The Company is subject to joint taxation with Danish group companies. The current corporation tax is distributed among the joint taxable companies in proportion to their taxable income and with full allocation and refund related to tax losses. The joint taxable companies are included in the on account tax scheme. Joint taxation contributions receivable and payable are recognised in the Balance Sheet under current assets and liabilities, respectively.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carry-forwards, are measured at the expected realisable value of the asset, either by set-off against 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 under the legislation in force on the balance sheet date would be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

ACCOUNTING POLICIES

Liabilities

Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less borrowing costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the income statement over the term of loan.

Amortised cost of current liabilities usually corresponds to nominal value.

CASH FLOW STATEMENT

The cash flow statement shows the company's cash flows for the year for operating activities, investing activities and financing activities in the year, the change in cash and cash equivalents of the year and cash and cash equivalents at beginning and end of the year.

Cash flows from operating activities:

Cash flows from operating activities are computed as the results for the year adjusted for non-cash operating items, changes in net working capital and corporation tax paid.

Cash flows from investing activities:

Cash flows from investing activities include payments in connection with purchase and sale of intangible and tangible fixed asset and fixed asset investments.

Cash flows from financing activities:

Cash flows from financing activities include changes in the size or composition of share capital and related costs, and borrowings and repayment of interest-bearing debt and payment of dividend to shareholders.

Cash and cash equivalents:

Cash and cash equivalents include bank overdraft and cash in hand.