

MYPLANET INTERNATIONAL A/S
SØREN FRICHS VEJ 38K 1., 8230 ÅBYHØJ
ANNUAL REPORT
1 OCTOBER 2019 - 30 SEPTEMBER 2020

**The Annual Report has been presented and
adopted at the Company's Annual General
Meeting on 15 March 2021**

Anders Houind Ulsøe

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COMPANY DETAILS

Company	MyPlanet International A/S Søren Frichs Vej 38K 1. 8230 Åbyhøj CVR No.: 15 63 52 90 Established: 1 November 1991 Registered Office: Aarhus Financial Year: 1 October 2019 - 30 September 2020
Board of Directors	Alexander Metzler, chairman Anders Houlind Ulsøe Parikshat Laxminarayan
Executive Board	Anders Houlind Ulsøe
Auditor	BDO Statsautoriseret revisionsaktieselskab Kystvejen 29 8000 Aarhus C
Bank	Nordea Skt. Clemens Torv 2-6 8000 Aarhus C HSBC Bank plc 8 Canada Square London E14 5HQ

BOARD OF DIRECTORS STATEMENT AND MANAGEMENT'S STATEMENT

Today the Board of Directors and Executive Board have discussed and approved the Annual Report of MyPlanet International A/S for the financial year 1 October 2019 - 30 September 2020.

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 assets, liabilities and financial position at 30 September 2020 and of the results of the Company's operations for the financial year 1 October 2019 - 30 September 2020.

The Management Commentary includes in our opinion a fair presentation of the matters dealt with in the Commentary.

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

Aarhus, 12 March 2021

Executive Board

Anders Houkind Ulsøe

Board of Directors

Alexander Metzler
Chairman

Anders Houkind Ulsøe

Parikshat Laxminarayan

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 2019 - 30 September 2020, which comprise income statement, Balance Sheet, statement of changes in equity, 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 at 30 September 2020 and of the results of the Company's operations for the financial year 1 October 2019 - 30 September 2020 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 assets of DKK'000 479, receivable from group enterprise of DKK'000 5,753 and deferred tax asset of DKK'000 0. Our conclusion is not modified regarding this relationship.

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 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, 12 March 2021

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Morten Trap Olesen
State Authorised Public Accountant
MNE no. mne35625

MANAGEMENT COMMENTARY

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 MyPlanet brand.

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.

Recognition and measurement uncertainty

Intangible fixed assets are recognized with DKK'000 479 and receivable from group enterprise are recognized with DKK'000 5,753. The valuation of these assets 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 and the receivable from a group enterprise.

The company has a tax loss to be carried forward of DKK'000 33,928. 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. We refer to the note "Information on uncertainty with respect to recognition and measurement"

Development in activities and financial and economic position

The income statement of the Company for 2019/20 shows a loss of DKK'000 17,921, and at September 2020 the balance sheet of the Company shows negative equity of DKK'000 21,260. This year's result was negatively affected by COVID-19 which shut down every opportunity for travelling.

The accounts for 2019/20 are positively affected by the few governmental compensations under COVID-19 for travel agencies. The cash situation is positively affected from a capital raise during 2019/20 on DKK'000 7,391.

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".

Significant events after the end of the financial year

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

INCOME STATEMENT 1 OCTOBER - 30 SEPTEMBER

	Note	2019/20 DKK	2018/19 DKK
GROSS PROFIT	1	4,002,938	18,135,883
Staff costs.....	2	-13,718,421	-19,675,126
Depreciation, amortisation and impairment.....		-3,297,990	-2,218,129
Other operating expenses.....		0	-1,410,481
OPERATING LOSS		-13,013,473	-5,167,853
Result of equity investments in group enterprises.....		-3,214,287	-7,644,018
Other financial income.....	3	505	110,941
Other financial expenses.....	4	-1,695,050	-1,298,354
LOSS BEFORE TAX		-17,922,305	-13,999,284
Tax on profit/loss for the year.....	5	409	24,565
LOSS FOR THE YEAR		-17,921,896	-13,974,719
PROPOSED DISTRIBUTION OF DIVIDEND			
Retained earnings.....		-17,921,896	-13,974,719
TOTAL		-17,921,896	-13,974,719

BALANCE SHEET AT 30 SEPTEMBER

ASSETS	Note	2020 DKK	2019 DKK
Intangible fixed assets acquired.....		479,089	3,445,754
Intangible assets.....	6	479,089	3,445,754
Other plant, machinery, tools and equipment.....		84,986	241,714
Property, plant and equipment.....	7	84,986	241,714
Equity investments in group enterprises.....		6,200,003	2,005,898
Rent deposit and other receivables.....		298,235	715,373
Financial non-current assets.....	8	6,498,238	2,721,271
NON-CURRENT ASSETS.....		7,062,313	6,408,739
Trade receivables.....		319,103	1,238,276
Receivables from group enterprises.....		5,763,856	5,724,196
Derived financial instruments.....	11	0	348,200
Other receivables.....		1,965,164	728,831
Prepayments and accrued income.....		1,079,410	8,230,063
Receivables.....		9,127,533	16,269,566
Cash and cash equivalents.....		9,659,507	6,874,518
CURRENT ASSETS.....		18,787,040	23,144,084
ASSETS.....		25,849,353	29,552,823

BALANCE SHEET AT 30 SEPTEMBER

EQUITY AND LIABILITIES	Note	2020 DKK	2019 DKK
Share capital.....	9	25,100,000	25,000,000
Retained profit.....		-46,360,151	-35,311,917
EQUITY.....		-21,260,151	-10,311,917
Other liabilities.....		10,282,020	0
Non-current liabilities.....	10	10,282,020	0
Prepayments received from customers.....		16,556,409	21,568,828
Trade payables.....		877,310	3,588,327
Payables to group enterprises.....		12,531,487	11,007,159
Derived financial instruments.....	11	86,277	0
Other liabilities.....		6,776,001	3,700,426
Current liabilities.....		36,827,484	39,864,740
LIABILITIES.....		47,109,504	39,864,740
EQUITY AND LIABILITIES.....		25,849,353	29,552,823
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EQUITY

	Share capital	Share premium account	Retained profit	Total
Equity at 1 October 2019.....	25,000,000	0	-35,313,502	-10,313,502
Proposed profit allocation.....			-17,921,896	-17,921,896
Transactions with owners				
Capital increase.....	100,000	7,291,331		7,391,331
Other legal bindings				
Foreign exchange adjustments.....			18,392	18,392
Net adjustment of hedging.....			-434,476	-434,476
Transfer				
Transfer of share premium account.....		-7,291,331	7,291,331	0
Equity at 30 September 2020.....	25,100,000	0	-46,360,151	-21,260,151

NOTES

	2019/20 DKK	2018/19 DKK	Note
Special items			1
The company has received governmental compensation caused by COVID-19 during the year with a total of DKK'000 1,564.			
Staff costs			2
Average number of employees	20	32	
Wages and salaries.....	9,370,856	14,920,434	
Pensions.....	634,988	906,809	
Social security costs.....	148,475	276,900	
Other staff costs.....	3,564,102	3,570,983	
	13,718,421	19,675,126	
Other financial income			3
Other interest income.....	505	110,941	
	505	110,941	
Other financial expenses			4
Group enterprises.....	145,772	415,785	
Other interest expenses.....	1,549,278	882,569	
	1,695,050	1,298,354	
Tax on profit/loss for the year			5
Calculated tax on taxable income of the year.....	-409	-24,565	
	-409	-24,565	
Intangible assets			6
		Intangible fixed assets acquired	
Cost at 1 October 2019.....		9,106,202	
Additions.....		174,598	
Cost at 30 September 2020.....		9,280,800	
Amortisation at 1 October 2019.....		5,660,449	
Impairment losses.....		1,425,449	
Amortisation for the year.....		1,715,813	
Amortisation at 30 September 2020.....		8,801,711	
Carrying amount at 30 September 2020.....		479,089	

NOTES

		Note
Property, plant and equipment		7
	Other plant, machinery, tools and equipment	
Cost at 1 October 2019	724,864	
Cost at 30 September 2020.....	724,864	
Depreciation and impairment losses at 1 October 2019.....	483,150	
Impairment losses.....	59,986	
Depreciation for the year.....	96,742	
Depreciation and impairment losses at 30 September 2020.....	639,878	
Carrying amount at 30 September 2020.....	84,986	
 Financial non-current assets		 8
	Equity investments in group enterprises	Rent deposit and other receivables
Cost at 1 October 2019	13,936,089	715,373
Additions.....	7,390,000	86,822
Disposals.....	0	-282,960
Cost at 30 September 2020.....	21,326,089	519,235
Revaluation and losses at 1 October 2018.....	-11,930,191	0
Revaluation and impairment losses for the year.....	-3,214,287	0
Other adjustments.....	0	-221,000
Revaluation and losses at 30 September 2019.....	-15,144,478	-221,000
Exchange adjustment.....	-18,392	0
Impairment losses and amortisation of goodwill at 30 September 2020	-18,392	0
Carrying amount at 30 September 2020.....	6,200,003	298,235
	2020 DKK	2019 DKK
Share capital		
Allocation of share capital:		
Shares, 1,000,000 unit in the denomination of 1 DKK.....	1,000,000	1,000,000
Capital increase, 24,000,000 unit in the denomination of 1 DKK.....	24,000,000	24,000,000
Capital increase, 100,000 unit in the denomination of 1 DKK...	100,000	0
	25,100,000	25,000,000
		9

NOTES

					Note
Long-term liabilities					10
	30/9 2020	Repayment	Debt	30/9 2019	
	total liabilities	next year	outstanding	total liabilities	
			after 5 years		
Other liabilities.....	10,282,020	0	3,690,313	0	
	10,282,020	0	3,690,313	0	

Derivative financial instruments

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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, NZD, SEK, GBP and ZAR for a total of DKK'000 6,103. In relation to the forward rate at the balance sheet date, the contracts have a negative value of tDKK 86. The capital profit is recognized in equity with DKK'000 251. The forward exchange contracts expires within 3 months from the balance sheet date.

The fair value is the market value of the foreign exchange contracts which has a variance between the dealt amount and the actual exchange rate adjustment on the balance sheet date.

The hedging instruments impact the Balance Sheet, Income Statement and Equity as follows:

	Engelsk DKK
Fair value at 30 September 2020	
Liabilities.....	86,277
	86,277
Value adjustment in the year recognised in Equity.....	-434,476

NOTES

Note

Contingencies etc.

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Contingent assets

The company has a tax loss of DKK'000 33,928, which is not recognized in the annual report.

Contingent liabilities

The company has guarantees towards the The Danish Travel Guarantee Fund of tDKK 40,000.

Rent obligations

The company has entered into rent commitments, which at the balance sheet date amount to tDKK 894 during the period of notice, which latest expires on April 1st 2022. The lease was terminated during the financial year, which is why the liability is recognized under the debt obligations

Joint liabilities

The company is jointly and severally liable together with the parent company and the other group companies in the joint taxable group for tax on the group's joint taxable income and for certain possible withholding taxes, such as dividend tax, etc.

Tax payable on the Group's joint taxable income is stated in the annual report of MyPlanet Holding A/S, which serves as management company for the joint taxation.

Related parties

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The Company's related parties include:

Controlling interest

MyPlanet Holding A/S, 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 material transactions that were not concluded on market conditions. According to section 98c, subsection 7 of the Danish Financial Statements Act information is given only on transactions that were not performed on common market conditions.

Uncertainty with respect to going concern

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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.

NOTES

Note

Information on uncertainty with respect to recognition and measurement

15

Intangible fixed assets are recognized with DKK'000 479 and receivable from group enterprise are recognized with DKK'000 5,753. The valuation of these assets 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 and the receivable from a group enterprise.

The company has a tax loss to be carried forward of DKK'000 33,928. 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.

ACCOUNTING POLICIES

The Annual Report of MyPlanet International A/S for 2019/20 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class B and certain provisions applying to reporting class C.

Change in accounting policies and classification

The company's changeover from reporting class C to reporting class B has not led to changes in accounting policies.

The accounting policies are consistent with the policies applied last year.

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.

Net revenue is recognised exclusive of VAT and less duties and discounts related to the sale.

Other operating income

Other operating income includes items of a secondary nature in relation to the enterprises' principal activities, including profit from sale of intangible and tangible fixed assets. Included in operating income is governmental compensation caused by COVID-19.

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.

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 plant, 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

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

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.

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 receivables, 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.

ACCOUNTING POLICIES

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.

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 receivables, 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. Cash which are lent to the group as part of the Cash-Pool in group are classified as liquid assets.

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.