

**MYPLANET INTERNATIONAL A/S**  
**SILKEBORGVEJ 43, 1., 8000 AARHUS C**  
**ANNUAL REPORT**  
**1 OCTOBER 2018 - 30 SEPTEMBER 2019**

**The Annual Report has been presented and  
adopted at the Company's Annual General  
Meeting on 20 February 2020**

---

**Anders Houind Ulsøe**

## CONTENTS

	<b>Page</b>
<b>Company Details</b>	
Company Details.....	3
<b>Statement and Report</b>	
Statement by Board of Directors and Board of Executives.....	4
Independent Auditor's Report.....	5-6
<b>Management's Review</b>	
Financial Highlights.....	7
Management's Review.....	8
<b>Financial Statements 1 October 2018 - 30 September 2019</b>	
Income Statement.....	9
Balance Sheet.....	10
Equity.....	11
Cash Flow Statement.....	12
Notes.....	13-16
Accounting Policies.....	17-20

**COMPANY DETAILS**

<b>Company</b>	MyPlanet International A/S Silkeborgvej 43, 1. 8000 Aarhus C  CVR No.: 15 63 52 90 Established: 1 November 1991 Registered Office: Aarhus Financial Year: 1 October 2018 - 30 September 2019
<b>Board of Directors</b>	Sally Ann Cowdry Anders Houlind Ulsøe Leon Robert Brett
<b>Board of Executives</b>	Sally Ann Cowdry
<b>Auditor</b>	BDO Statsautoriseret revisionsaktieselskab Kystvejen 29 8000 Aarhus C
<b>Bank</b>	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 2018 - 30 September 2019.

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 2019 and of the results of the Company's operations and cash flows for the financial year 1 October 2018 - 30 September 2019.

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, 18 February 2020

Board of Executives

---

Sally Ann Cowdry

Board of Directors

---

Sally Ann Cowdry

---

Anders Houkind Ulsøe

---

Leon Robert Brett

## 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 2018 - 30 September 2019, 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 at 30 September 2019 and of the results of the Company's operations and cash flows for the financial year 1 October 2018 - 30 September 2019 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 3,446 and 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, 18 February 2020

BDO Statsautoriseret revisionsaktieselskab  
CVR no. 20 22 26 70

Morten Trap Olesen  
State Authorised Public Accountant  
MNE no. mne35625

## FINANCIAL HIGHLIGHTS

	2018/19 DKK '000	2017/18 DKK '000	2016/17 DKK '000	2015/16 DKK '000	2014/15 DKK '000
<b>Income statement</b>					
Operating profit/loss.....	-5.168	-8.684	-3.998	-3.146	218
Financial income and expenses, net.....	-1.188	-1.069	-699	-816	-179
Profit/loss for the year.....	-13.975	-9.753	-8.800	-4.632	32
<b>Balance sheet</b>					
Balance sheet total.....	29.548	46.325	40.110	51.347	64.818
Equity.....	-10.312	-20.587	-12.007	-630	1.924
<b>Cash flows</b>					
Investment in tangible fixed assets.....	0	-98	-70	-737	-68
<b>Average number of full-time employees.....</b>					
	<b>32</b>	<b>45</b>	<b>48</b>	<b>52</b>	<b>54</b>
<b>Ratios</b>					
Solvency ratio.....	Neg.	Neg.	Neg.	Neg.	3.0
Return on equity.....	Neg.	Neg.	-1.360.1	-210.0	1.6

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 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.

### Uncertainty as to recognition and measurement

Intangible fixed assets are recognized with DKK'000 3,446. 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 20,808. 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 2018/19 shows a loss of TDKK 13,975, and at September 2019 the balance sheet of the Company shows negative equity of TDKK 10,312. This year's result was negatively affected by closing down the Marco Polo brand and restructuring in general with tDKK 4,764

The company has given share contribution to MyPlanet Sweden AB in February 2019 on tSEK 5,000 and in April 2019 on tSEK 8,000.

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 13,975. 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

No 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 and Sweden.



## INCOME STATEMENT 1 OCTOBER - 30 SEPTEMBER

	Note	2018/19 DKK '000	2017/18 DKK '000
<b>GROSS PROFIT</b> .....		<b>18.137</b>	<b>15.572</b>
Staff costs.....	1	-19.676	-21.746
Depreciation, amortisation and impairment.....		-2.218	-2.494
Other operating expenses.....		-1.411	-16
<b>OPERATING LOSS</b> .....		<b>-5.168</b>	<b>-8.684</b>
Result of equity investments in group and associates.....		-7.644	0
Other financial income.....	2	111	130
Other financial expenses.....	3	-1.299	-1.199
<b>LOSS BEFORE TAX</b> .....		<b>-14.000</b>	<b>-9.753</b>
Tax on profit/loss for the year.....	4	25	0
<b>LOSS FOR THE YEAR</b> .....	5	<b>-13.975</b>	<b>-9.753</b>

## BALANCE SHEET AT 30 SEPTEMBER

ASSETS	Note	2019 DKK '000	2018 DKK '000
Intangible fixed assets acquired.....		3.446	6.510
<b>Intangible fixed assets.....</b>	<b>6</b>	<b>3.446</b>	<b>6.510</b>
Other plant, machinery, tools and equipment.....		241	494
Leasehold improvements.....		0	9
<b>Tangible fixed assets.....</b>	<b>7</b>	<b>241</b>	<b>503</b>
Equity investments in group enterprises.....		2.006	0
Rent deposit and other receivables.....		715	478
<b>Fixed asset investments.....</b>	<b>8</b>	<b>2.721</b>	<b>478</b>
<b>FIXED ASSETS.....</b>		<b>6.408</b>	<b>7.491</b>
Trade receivables.....		1.238	2.907
Receivables from group enterprises.....		5.724	5.701
Other receivables.....		1.073	1.024
Prepayments and accrued income.....	9	8.230	15.515
<b>Receivables.....</b>		<b>16.265</b>	<b>25.147</b>
<b>Cash and cash equivalents.....</b>		<b>6.875</b>	<b>13.687</b>
<b>CURRENT ASSETS.....</b>		<b>23.140</b>	<b>38.834</b>
<b>ASSETS.....</b>		<b>29.548</b>	<b>46.325</b>
<b>EQUITY AND LIABILITIES</b>			
Share capital.....	10	25.000	1.000
Retained profit.....		-35.312	-21.587
<b>EQUITY.....</b>		<b>-10.312</b>	<b>-20.587</b>
Prepayments received from customers.....		21.568	29.872
Trade payables.....		3.587	5.895
Payables to group enterprises.....		11.006	29.011
Other liabilities.....		3.699	2.134
<b>Current liabilities.....</b>		<b>39.860</b>	<b>66.912</b>
<b>LIABILITIES.....</b>		<b>39.860</b>	<b>66.912</b>
<b>EQUITY AND LIABILITIES.....</b>		<b>29.548</b>	<b>46.325</b>
Contingencies etc.	11		
Related parties	12		
Uncertainty with respect to going concern	13		
Information on uncertainty with respect to recognition and measurement	14		
Derivative financial instruments	15		

## EQUITY

	Share capital	Retained profit	Total
Equity at 1 October 2018.....	1.000	-21.588	-20.588
Capital increase.....	24.000		24.000
Net regulation of hedging instruments.....		251	251
Proposed distribution of loss for the year.....		-13.975	-13.975
<b>Equity at 30 September 2019.....</b>	<b>25.000</b>	<b>-35.312</b>	<b>-10.312</b>

During the financial year, nominal 24,000,000 new shares at a face value of DKK 24,000,000 has been subscribed.

## CASH FLOW STATEMENT 1 OCTOBER - 30 SEPTEMBER

	2018/19 DKK '000	2017/18 DKK '000
Profit/loss for the year.....	-13.975	-9.753
Reversed depreciation of the year.....	2.218	2.494
Reversed fixed asset disposals.....	1.411	16
Profit/loss from subsidiaries.....	7.644	0
Adjustment of other financial expenses.....	251	1.173
Reversed tax on profit/loss for the year.....	-25	0
Change in receivables.....	8.882	-976
Change in current liabilities (ex bank and tax).....	-27.052	971
<b>CASH FLOWS FROM OPERATING ACTIVITY.....</b>	<b>-20.646</b>	<b>-6.075</b>
Purchase of intangible fixed assets.....	-349	-1.129
Purchase of tangible fixed assets.....	0	-98
Sale of tangible fixed assets.....	66	0
Purchase of financial assets.....	-9.883	-77
<b>CASH FLOWS FROM INVESTING ACTIVITY.....</b>	<b>-10.166</b>	<b>-1.304</b>
Capital increase.....	24.000	0
Other cash flows from financing activities.....	0	13.824
<b>CASH FLOWS FROM FINANCING ACTIVITY.....</b>	<b>24.000</b>	<b>13.824</b>
<b>CHANGE IN CASH AND CASH EQUIVALENTS.....</b>	<b>-6.812</b>	<b>6.445</b>
Cash and cash equivalents at 1. oktober.....	13.687	7.242
<b>CASH AND CASH EQUIVALENTS AT 30. SEPTEMBER.....</b>	<b>6.875</b>	<b>13.687</b>
Specification of cash and cash equivalents at 30 September: Cash and cash equivalents.....	6.875	13.687
<b>CASH AND CASH EQUIVALENTS, NET DEBT.....</b>	<b>6.875</b>	<b>13.687</b>

## NOTES

	2018/19 DKK '000	2017/18 DKK '000	Note
<b>Staff costs</b>			<b>1</b>
Average number of employees 32 (2017/18: 45)			
Wages and salaries.....	14.921	18.380	
Pensions.....	907	1.427	
Social security costs.....	277	226	
Other staff costs.....	3.571	1.713	
	<b>19.676</b>	<b>21.746</b>	
According to The Danish Financial Statements Act § 98b. section 3. information about the managements fee is left out, since only one of the board members receives fees.			
<b>Other financial income</b>			<b>2</b>
Other interest income.....	111	130	
	<b>111</b>	<b>130</b>	
<b>Other financial expenses</b>			<b>3</b>
Group enterprises.....	416	301	
Other interest expenses.....	883	898	
	<b>1.299</b>	<b>1.199</b>	
<b>Tax on profit/loss for the year</b>			<b>4</b>
Calculated tax on taxable income of the year.....	-25	0	
	<b>-25</b>	<b>0</b>	
<b>Proposed distribution of profit</b>			<b>5</b>
Retained earnings.....	-13.975	-9.753	
	<b>-13.975</b>	<b>-9.753</b>	
<b>Intangible fixed assets</b>			<b>6</b>
		Intangible fixed assets acquired	
Cost at 1 October 2018.....		11.882	
Additions.....		349	
Disposals.....		-3.125	
<b>Cost at 30 September 2019.....</b>		<b>9.106</b>	
Amortisation at 1 October 2018.....		5.371	
Reversal of amortisation of assets disposed of .....		-1.786	
Amortisation for the year.....		2.075	
<b>Amortisation at 30 September 2019.....</b>		<b>5.660</b>	
<b>Carrying amount at 30 September 2019.....</b>		<b>3.446</b>	

## NOTES

			Note
<b>Tangible fixed assets</b>			<b>7</b>
	Other plant, machinery, tools and equipment	Leasehold improvements	
Cost at 1 October 2018.....	921	50	
Disposals.....	-196	-50	
<b>Cost at 30 September 2019.....</b>	<b>725</b>	<b>0</b>	
Depreciation and impairment losses at 1 October 2018.....	428	41	
Reversal of depreciation of assets disposed of.....	-84	-44	
Depreciation for the year.....	140	3	
<b>Depreciation and impairment losses at 30 September 2019..</b>	<b>484</b>	<b>0</b>	
<b>Carrying amount at 30 September 2019.....</b>	<b>241</b>	<b>0</b>	
 <b>Fixed asset investments</b>			 <b>8</b>
	Equity investments in group enterprises	Rent deposit and other receivables	
Cost at 1 October 2018.....	4.286	482	
Additions.....	9.650	233	
<b>Cost at 30 September 2019.....</b>	<b>13.936</b>	<b>715</b>	
Revaluation and losses at 1 October 2018.....	-4.286	0	
Revaluation and impairment losses for the year.....	-7.644	0	
<b>Revaluation and losses at 30 September 2019.....</b>	<b>-11.930</b>	<b>0</b>	
<b>Carrying amount at 30 September 2019.....</b>	<b>2.006</b>	<b>715</b>	
 <b>Investments in subsidiaries (DKK '000)</b>			
<b>Name and registered office</b>	<b>Equity</b>	<b>Profit/loss for the year</b>	<b>Ownership</b>
MyPlanet Sweden AB, Gothenburg, Sweden.....	2.006	-3.692	100 %
 <b>Prepayments and accrued income</b>			 <b>9</b>
Accruals recognised as assets include costs incurred relating to the subsequent financial year.			
	<b>2019 DKK '000</b>	<b>2018 DKK '000</b>	
<b>Share capital</b>			<b>10</b>
Specification of the share capital:			
Shares, 1.000.000 in the denomination of 1 DKK.....	1.000	1.000	
Capital increase, 24.000.000 in the denomination of 1 DKK.....	24.000	0	
	<b>25.000</b>	<b>1.000</b>	

## NOTES

### Note

#### Contingencies etc.

11

#### Contingent assets

The company has a tax loss of tDKK 20,808, 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 1,383 during the period of notice, which latest expires on April 1st 2022.

#### 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

12

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

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.

## NOTES

## Note

**Information on uncertainty with respect to recognition and measurement**

14

Intangible fixed assets are recognized with DKK'000 3,446. 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 20,808. 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, HKD and ZAR for a total of tDKK 59,065. In relation to the forward rate at the balance sheet date, the contracts have a positive value of tDKK 348. The capital profit is recognized in equity with tDKK 251. 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 2018/19 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 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

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

### 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.

### 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.

## ACCOUNTING POLICIES

### 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.