

MYPLANET INTERNATIONAL A/S
SØREN FRICHS VEJ 38K 1., 8230 ÅBYHØJ
ANNUAL REPORT
1 OCTOBER 2022 - 30 SEPTEMBER 2023

**The Annual Report has been presented and
adopted at the Company's Annual General
Meeting on 10 April 2024**

Shruthi Nesargikar

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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 Municipality: Aarhus Financial Year: 1 October 2022 - 30 September 2023
Board of Directors	Alexander Metzler, chairman Shruthi Nesargikar Parikshat Laxminarayan
Executive Board	Shruthi Nesargikar
Auditor	BDO Statsautoriseret revisionsaktieselskab Vestre Ringgade 28 8000 Aarhus C
Bank	Nordea Frederiks Plads 40 8000 Aarhus C
	HSBC Bank plc 8 Canada Square London E14 5HQ

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 2022 - 30 September 2023.

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 2023 and of the results of the Company's operations for the financial year 1 October 2022 - 30 September 2023.

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, 10 April 2024

Executive Board

Shruthi Nesargikar

Board of Directors

Alexander Metzler
Chairman

Shruthi Nesargikar

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 2022 - 30 September 2023, 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 2023 and of the results of the Company's operations for the financial year 1 October 2022 - 30 September 2023 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' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

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:

- 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.

INDEPENDENT AUDITOR'S REPORT

- 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 Commentary

Management is responsible for Management Commentary.

Our opinion on the Financial Statements does not cover Management Commentary, 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 Commentary and, in doing so, consider whether Management Commentary 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 Commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that Management Commentary 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 Commentary.

Aarhus, 10 April 2024

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Morten Kristensen
State Authorised Public Accountant
MNE no. mne47785

Morten Trap Olesen
State Authorised Public Accountant
MNE no. mne35625

FINANCIAL HIGHLIGHTS

	2022/23 DKK '000	2021/22 DKK '000
Income statement		
Operating profit/loss of main activities.....	805	-4,646
Financial income and expenses, net.....	-1,177	863
Profit/loss for the year.....	-4,520	-6,237
Balance sheet		
Total assets.....	52,780	38,979
Equity.....	5,023	-35,330
Investment in property, plant and equipment.....	0	0
Average number of full-time employees.....	8	11
Key ratios		
Equity ratio.....	9.5	Neg.

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

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

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 office in Aarhus 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.

Development in activities and financial and economic position

The income statement of the Company for 2022/23 shows a loss of DKK'000 4,520 and at September 2023 the balance sheet of the Company shows a positive equity of DKK'000 5,023.

The operating profit ex other operating income shows a positive result of DKK'000 805. The result of the year of DKK'000 -4,520 is highly effect by a negative result in MyPlanet Sweden AB of DKK'000 -4,219.

The company has secured liquidity to the expected growth and return to profitability through a capital raise in March 2023 and 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 "Basis for continued operations".

Profit/loss for the year compared to the expected development

The current year resulted in a loss of TDKK 4,520. The operating profit ex other operating income shows a positive result of DKK'000 805. The result of the year of DKK'000 -4,520 is highly effect by a negative result in MyPlanet Sweden AB of DKK'000 -4,219.

The results of MyPlanet Denmark International A/S are in line with our expectations. In the middle of the year management made a strategic decision to route ET German sales back through ET for bonding purposes. This lowered the revenue compared to our original budget and was a planned decision. The rest of our performance is in line with expectations

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.

Financial risk

The company has significant purchases in foreign currency since a lot of travels are bought in local currency around the world.

Therefore, the company are exposed to changes in exchange rates. To minimize the risk of beeing exposed to changes in exchange rates, management hedges relevant exchange rates.

Environmental situation

The company is focussing on minimalizing their environmental impact to an as low level as possible.

MANAGEMENT COMMENTARY

Future expectations

We expect to drive growth in Denmark and Sweden. The time with Covid have made the activity very low, but since the world opened again after Covid there has been a very good activity, which we expect to continue in the coming financial year.

Similar to prior years, the company is exposed to changes in exchange rates. Future expectations are based on the same impact from changes in exchange rates the coming year, as prior years.

Revenue is in the coming year expected to decrease in MyPlanet Denmark due to the fact that prior years a lot of travels have been sold via Denmark from the German sistercompany, but this sales have now stopped, which is leading to an expectation of a decrease in revenue.

We expect the next financial year will show a result of DKK'000 -1,000 to -3,000.

INCOME STATEMENT 1 OCTOBER - 30 SEPTEMBER

	Note	2022/23 DKK	2021/22 DKK
GROSS PROFIT		7,866,843	4,543,304
Staff costs.....	1	-6,922,757	-7,552,721
Depreciation, amortisation and impairment.....		-67,860	-91,983
OPERATING PROFIT		876,226	-3,101,400
Result of equity investments in group enterprises.....		-4,219,292	-3,997,913
Other financial income.....	2	318,490	1,833,640
Other financial expenses.....	3	-1,495,845	-971,019
LOSS BEFORE TAX		-4,520,421	-6,236,692
Tax on profit/loss for the year.....		0	0
LOSS FOR THE YEAR	4	-4,520,421	-6,236,692

BALANCE SHEET AT 30 SEPTEMBER

ASSETS	Note	2023 DKK	2022 DKK
Intangible fixed assets acquired.....		82,885	150,741
Intangible assets.....	5	82,885	150,741
Other plant, machinery, tools and equipment.....		0	0
Property, plant and equipment.....	6	0	0
Equity investments in group enterprises.....		1,233,276	1,717,734
Financial non-current assets.....	7	1,233,276	1,717,734
NON-CURRENT ASSETS.....		1,316,161	1,868,475
Trade receivables.....		0	854,498
Receivables from group enterprises.....		3,718,607	2,558,547
Other receivables.....	8	0	327,082
Other receivables.....		1,552,466	448,286
Prepayments and accrued income.....	9	6,531,920	25,613,935
Receivables.....		11,802,993	29,802,348
Cash and cash equivalents.....		39,660,377	7,308,273
CURRENT ASSETS.....		51,463,370	37,110,621
ASSETS.....		52,779,531	38,979,096

BALANCE SHEET AT 30 SEPTEMBER

EQUITY AND LIABILITIES	Note	2023 DKK	2022 DKK
Share Capital.....	10	25,101,000	25,100,000
Retained profit.....		-20,078,344	-60,430,153
EQUITY.....		5,022,656	-35,330,153
Other liabilities.....		2,464,529	2,126,113
Non-current liabilities.....	11	2,464,529	2,126,113
Bank debt.....		0	1,658,441
Prepayments received from customers.....		29,937,134	50,092,026
Trade payables.....		7,301,492	9,361,693
Payables to group enterprises.....		6,602,516	8,851,345
Derived financial instruments.....	8	19,402	0
Other liabilities.....		1,431,802	2,219,631
Current liabilities.....		45,292,346	72,183,136
LIABILITIES.....		47,756,875	74,309,249
EQUITY AND LIABILITIES.....		52,779,531	38,979,096
 Contingencies etc.	 12		
Related parties	13		
Basis for continued operation	14		
Consolidated Financial Statements	15		

EQUITY

	Share capital	Share premium account	Reserve for net revaluation according to equity value method	Retained profit	Total
Equity at 1 October 2022.....	25,100,000	0	0	-60,430,153	-35,330,153
Proposed profit allocation, see note 4....			-4,219,292	-301,129	-4,520,421
Transactions with owners					
Capital increase.....	1,000	44,999,000			45,000,000
Other legal bindings					
Foreign exchange adjustments.....			219,714		219,714
Net adjustment of hedging.....				-346,484	-346,484
Transfers					
Retained premium.....		-44,999,000		44,999,000	0
Allowed equalization.....			3,999,578	-3,999,578	0
Equity at 30 September 2023.....	25,101,000	0	0	-20,078,344	5,022,656

During the year there have been made a capital increase of 1,000 new shares with a value of DKK 1. Retained premium is DKK 49,999,000.

NOTES

	2022/23 DKK	2021/22 DKK	Note
Staff costs			1
Average number of full time employees	8	11	
Wages and salaries.....	6,449,341	7,078,670	
Pensions.....	359,998	358,231	
Social security costs.....	113,418	115,820	
	6,922,757	7,552,721	
Information regarding the management salaries has been withhold according to the exemption in The Danish Financial Statements Act § 98 b, act. 3 no. 2			
Other financial income			2
Group enterprises.....	0	174,056	
Other interest income.....	318,490	1,659,584	
	318,490	1,833,640	
Other financial expenses			3
Other interest expenses.....	1,495,845	971,019	
	1,495,845	971,019	
Proposed distribution of profit			4
Allocation to reserve for net revaluation according to equity...	-4,219,292	-3,997,913	
Retained earnings.....	-301,129	-2,238,779	
	-4,520,421	-6,236,692	
Intangible assets			5
		Intangible fixed assets acquired	
Cost at 1 October 2022.....		4,360,903	
Disposals.....		-3,950,213	
Cost at 30 September 2023.....		410,690	
Amortisation at 1 October 2022.....		4,208,219	
Reversal of amortisation of assets disposed of		-3,950,213	
Amortisation for the year.....		69,799	
Amortisation at 30 September 2023.....		327,805	
Carrying amount at 30 September 2023.....		82,885	

NOTES

		Note	
Property, plant and equipment		6	
	Other plant, machinery, tools and equipment		
Cost at 1 October 2022.....	522,251		
Disposals.....	-522,251		
Cost at 30 September 2023.....	0		
Depreciation and impairment losses at 1 October 2022.....	522,251		
Reversal of depreciation of assets disposed of.....	-522,251		
Depreciation and impairment losses at 30 September 2023.....	0		
Carrying amount at 30 September 2023.....	0		
 Financial non-current assets		 7	
	Equity investments in group enterprises		
Cost at 1 October 2022.....	21,252,207		
Additions.....	3,515,120		
Cost at 30 September 2023.....	24,767,327		
Revaluation at 1 October 2022.....	-19,534,473		
Exchange adjustment.....	219,714		
Revaluation and impairment losses for the year.....	-4,219,292		
Revaluation at 30 September 2023.....	-23,534,051		
Carrying amount at 30 September 2023.....	1,233,276		
 Investments in subsidiaries (DKK)			
Name and domicil	Equity	Profit/loss for the year	Ownership
MyPlanet Sweden AB, Gothenburg.....	1,233,276	-4,219,292	100 %

NOTES

Note

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, CAD, NZD, SEK, JPY and ZAR for a total of DKK'000 20,281. In relation to the forward rate at the balance sheet date, the contracts have a negative value of DKK'000 19. The capital profit is recognized in equity with DKK'000 346. The forward exchange contracts expires within 1 year from the balance sheet date.

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

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

	Forward exchange contracts
Fair value at 30 September 2023	
Liabilities.....	19,402
	19,402
Value adjustment in the year recognised in Equity.....	-346,484

Prepayments and accrued income

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

	2023 DKK	2022 DKK
Share Capital		
Allocation of share capital:		
Shares, 25,100 unit in the denomination of 1,000 DKK.....	25,100,000	25,100,000
Capital increase, 1 unit in the denomination of 1,000 DKK.....	1,000	0
	25,101,000	25,100,000

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Long-term liabilities

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	30/9 2023 total liabilities	Repayment next year	Debt outstanding after 5 years	30/9 2022 total liabilities
Other liabilities.....	2,945,316	480,787	989,407	2,744,601
	2,945,316	480,787	989,407	2,744,601

NOTES

	Note
Contingencies etc.	12
<p>The company has a deferred tax asset of tDKK 9,489, which is not recognized in the annual report.</p>	
Contingent liabilities	
<p>The company has guarantees towards the The Danish Travel Guarantee Fund of tDKK 1,800 and towards IATA of tDKK 941.</p>	
Rent obligations	
<p>The company has entered into rent commitments. The rent obligation has an yearly cost of tDKK 130 and can be resigned with a period of 6 months, which makes the contingent liability tDKK 65.</p>	
Joint liabilities	
<p>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.</p>	
<p>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.</p>	
Related parties	13
<p>The Company's related parties include:</p>	
Controlling interest	
<p>MyPlanet Holding A/S, Travelopia Holdings Ltd. and Travelopia Group Holdings Ltd.</p>	
Other related parties having performed transactions with the company	
<p>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.</p>	
Transactions with related parties	
<p>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.</p>	
Basis for continued operation	14
<p>The company has secured liquidity to the expected growth and return to profitability through a capital raise in March 2023 and 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.</p>	
Consolidated Financial Statements	15
<p>The company is included in the consolidated financial statements of Tim Midco Ltd., 108 High Street, Crawley, West Sussex, RH10 1BD, United Kingdom, Company number 10605234.</p>	

ACCOUNTING POLICIES

The Annual Report of MyPlanet International A/S for 2022/23 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class C.

Change in accounting policies and classification

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

The accounting policies are consistent with the policies applied 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 Tim Midco Ltd., 108 High Street, Crawley, West Sussex, RH10 1BD, United Kingdom, Company number 10605234. 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.

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

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 operating income

Other operating income includes items of a secondary nature in relation to the Group's and the Company's activities. In addition, profit from sale of intangible and tangible fixed assets as well as business interruption and conflict compensations are included. Compensations are recognised when the income is deemed to be realisable.

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.

Income from 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.

ACCOUNTING POLICIES

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.

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 2-5 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 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.....	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.

Financial non-current assets

Investments in subsidiaries are measured in the Parent Company Balance Sheet under the equity method, which is regarded as a method of measuring/consolidation.

Equity 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 calculated according to the acquisition method. Negative goodwill is recognised in the Income Statement when the equity interest is acquired. Where the negative goodwill is related to acquired contingent liabilities, the negative goodwill will be recognised as income when the contingent liabilities have been settled or cease.

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

ACCOUNTING POLICIES

Investments in subsidiaries are determined as the difference between the net selling price and the carrying amount of the disposed investment at the time of sale, including non-depreciated excess values and goodwill. Profit and loss are recognised in the Income Statement under income from investments.

Subsidiaries with a negative carrying equity value are measured to DKK 0 and any amounts due from these enterprises are written down 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 has a legal or actual liability to cover the subsidiaries deficit.

Impairment of fixed assets

The carrying amount of intangible fixed assets 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.

CASH FLOW STATEMENT

With reference to Section 86(4) of the Danish Financial Statements Act, the company has not prepared a cash flow statement. A cash flow statement has been prepared for the group.