



Momondo A/S

Løvstræde 1, 1.
1152 København K
CVR No. 20181397

Annual report 2021

The Annual General Meeting adopted the
annual report on 13.07.2022

Daniel Stephen Hafner

Chairman of the General Meeting

Contents

Entity details	2
Statement by Management	3
Independent auditor's report	4
Management commentary	7
Income statement for 2021	9
Balance sheet at 31.12.2021	10
Statement of changes in equity for 2021	12
Cash flow statement for 2021	13
Notes	14
Accounting policies	18

Entity details

Entity

Momondo A/S
Løvstræde 1, 1.
1152 København K

Business Registration No.: 20181397
Registered office: København
Financial year: 01.01.2021 - 31.12.2021

Board of Directors

Tore Pein Jensen
Daniel Stephen Hafner
Peer d'Artagnan Büller
Susana Alves D'Emic

Executive Board

Tore Pein Jensen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
2300 Copenhagen S

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Momondo A/S for the financial year 01.01.2021 - 31.12.2021.

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 Entity's financial position at 31.12.2021 and of the results of its operations and cash flows for the financial year 01.01.2021 - 31.12.2021.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 13.07.2022

Executive Board

Tore Pein Jensen

Board of Directors

Tore Pein Jensen

Daniel Stephen Hafner

Peer d'Artagnan Büller

Susana Alves D'Emic

Independent auditor's report

To the shareholders of Momondo A/S

Opinion

We have audited the financial statements of Momondo A/S for the financial year 01.01.2021 - 31.12.2021, which comprise the income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including 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 Entity's financial position at 31.12.2021 and of the results of its operations and cash flows for the financial year 01.01.2021 - 31.12.2021 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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 the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the 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 the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the 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 the management commentary.

Copenhagen, 13.07.2022

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

Christian Sanderhage

State Authorised Public Accountant

Identification No (MNE) mne23347

Jacob Medard Frederiksen

State Authorised Public Accountant

Identification No (MNE) mne44110

Management commentary

Financial highlights

	2021 DKK'000	2020 DKK'000	2019 DKK'000	2018 DKK'000	2017 DKK'000
Key figures					
Gross profit/loss	65,271	100,491	349,600	261,714	153,698
Operating profit/loss	(15,013)	(19,297)	208,165	104,588	(1,998)
Net financials	1,200	546	192	(584)	(3,706)
Profit/loss for the year	(13,641)	(14,809)	163,380	107,749	(30,134)
Total assets	342,339	362,669	384,936	229,080	138,508
Investments in property, plant and equipment	206	73	1,086	2,324	2,232
Equity	281,967	295,608	310,417	147,037	(103,301)
Average number of employees	109	159	205	229	177
Ratios					
Return on equity (%)	N/A	71.48	492.72	N/A	N/A
Equity ratio (%)	82.36	81.51	80.64	64.19	(74.58)

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

Return on equity (%):

$\frac{\text{Profit/loss for the year} * 100}{\text{Average equity}}$

Average equity

Equity ratio (%):

$\frac{\text{Equity} * 100}{\text{Total assets}}$

Total assets

Primary activities

The Company's primary activity is to conduct internet business, web solutions for travel search and development in relation thereof.

Development in activities and finances

Booking Holdings Inc. (NASDAQ: BKNG) acquired ownership of Momondo Group Holdings Limited through its wholly owned subsidiary, Priceline.com International Limited, in July 2017. Following the acquisition, Momondo A/S has been managed by KAYAK, a subsidiary of Booking Holdings Inc. Under the leadership of KAYAK, Momondo A/S remained committed to growing its international footprint and expanding on its product portfolio and mobile offerings. As a result of the COVID-19 crisis our global travel revenue has declined since 2019. Whilst 2021 has seen some improvement, the continued uncertainty and the emergence of new variants throughout the year hampered a full recovery. Despite the slow recovery in revenue, benefits were seen as a result of the decisions taken in 2020 to reduce the size of the team and significantly reduce spending. Equity at the end of the year is 282m DKK.

Profit/loss for the year in relation to expected developments

Momondo A/S's operating results continued to be negatively impacted by COVID-19 in 2021 which is in line with the expectations from 2020, although signs of recovery were seen, particularly in respect of staff costs as a result of actions taken in 2020. Continued uncertainties and emergence of new variants hampered full recovery. Revenues improved by nearly 8% whilst staff costs decreased by 32% corresponding to 38.1m DKK. Depreciation, amortization and impairment losses decreased from 2.1m DKK to 0.9m DKK.

Outlook

The COVID-19 pandemic and the resulting economic conditions and government orders have resulted in an unprecedented decline in travel activities and consumer demand for related services. The Company's financial results and prospects are almost entirely dependent on the sale of such travel services. With the roll out of vaccines and the shift by many countries to ease travel restrictions, we expect 2022 to be better than 2021, although they will not fully recover to the level of 2019. Looking forward, due to the value of our platform, our cost structure and strong liquidity, we expect to emerge from this crisis in a strong position.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date which would influence the evaluation of this annual report

Income statement for 2021

	Notes	2021 DKK	2020 DKK
Gross profit/loss	2	65,270,501	100,490,887
Staff costs	3	(79,371,249)	(117,664,650)
Depreciation, amortisation and impairment losses	4	(911,772)	(2,123,385)
Operating profit/loss		(15,012,520)	(19,297,148)
Other financial income	5	1,633,258	580,581
Other financial expenses	6	(433,489)	(34,158)
Profit/loss before tax		(13,812,751)	(18,750,725)
Tax on profit/loss for the year	7	171,538	3,941,459
Profit/loss for the year	8	(13,641,213)	(14,809,266)

Balance sheet at 31.12.2021

Assets

	Notes	2021 DKK	2020 DKK
Acquired intangible assets		0	0
Development projects in progress	10	749,796	0
Intangible assets	9	749,796	0
Other fixtures and fittings, tools and equipment		508,531	754,055
Leasehold improvements		174,891	643,765
Property, plant and equipment	11	683,422	1,397,820
Deferred tax	13	8,773,870	6,434,159
Financial assets	12	8,773,870	6,434,159
Fixed assets		10,207,088	7,831,979
Trade receivables		697,498	578,177
Receivables from group enterprises		281,550,556	337,102,308
Other receivables		5,270,447	4,304,122
Tax receivable		10,430,376	1,979,221
Prepayments	14	839,280	1,107,266
Receivables		298,788,157	345,071,094
Cash		33,343,546	9,766,346
Current assets		332,131,703	354,837,440
Assets		342,338,791	362,669,419

Equity and liabilities

	Notes	2021 DKK	2020 DKK
Contributed capital	15	1,672,600	1,672,600
Retained earnings		280,294,039	293,935,252
Equity		281,966,639	295,607,852
Other provisions	16	20,923,728	24,175,380
Provisions		20,923,728	24,175,380
Prepayments received from customers		502,696	820,513
Trade payables		17,198,753	3,498,921
Payables to group enterprises		2,924,017	7,897,034
Other payables		18,822,958	30,669,719
Current liabilities other than provisions		39,448,424	42,886,187
Liabilities other than provisions		39,448,424	42,886,187
Equity and liabilities		342,338,791	362,669,419

Events after the balance sheet date	1
Unrecognised rental and lease commitments	18
Contingent liabilities	19
Transactions with related parties	20
Group relations	21

Statement of changes in equity for 2021

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	1,672,600	293,935,252	295,607,852
Profit/loss for the year	0	(13,641,213)	(13,641,213)
Equity end of year	1,672,600	280,294,039	281,966,639

Cash flow statement for 2021

	Notes	2021 DKK	2020 DKK
Operating profit/loss		(15,012,520)	(19,297,148)
Amortisation, depreciation and impairment losses		911,772	2,123,385
Other provisions		(3,251,652)	7,120,940
Working capital changes	17	717,595	19,821,758
Cash flow from ordinary operating activities		(16,634,805)	9,768,935
Financial income received		1,633,258	580,581
Financial expenses paid		(433,489)	(34,158)
Taxes refunded/(paid)		(10,610,897)	(8,352,365)
Cash flows from operating activities		(26,045,933)	1,962,993
Acquisition etc of intangible assets		(749,796)	0
Acquisition etc of property, plant and equipment		(205,806)	(73,039)
Sale of property, plant and equipment		0	679
Cash flows from investing activities		(955,602)	(72,360)
Free cash flows generated from operations and investments before financing		(27,001,535)	1,890,633
Change in debt to group enterprises		(7,897,034)	5,337,860
Change in receivables from group enterprises		58,475,769	(42,189,883)
Cash flows from financing activities		50,578,735	(36,852,023)
Increase/decrease in cash and cash equivalents		23,577,200	(34,961,390)
Cash and cash equivalents beginning of year		9,766,346	44,727,736
Cash and cash equivalents end of year		33,343,546	9,766,346
Cash and cash equivalents at year-end are composed of:			
Cash		33,343,546	9,766,346
Cash and cash equivalents end of year		33,343,546	9,766,346

Notes

1 Events after the balance sheet date

No events have occurred after the balance sheet date to this date which would influence the evaluation of this annual report.

2 Gross profit/loss

In the gross profit/loss is included a cost of 4,142,952 DKK related to repayment of all government grants received in relation to COVID-19 which was received and recognized in the financial statements for 2020.

3 Staff costs

	2021	2020
	DKK	DKK
Wages and salaries	75,231,979	112,811,791
Pension costs	2,696,056	3,402,319
Other social security costs	165,635	524,046
Other staff costs	1,277,579	926,494
	79,371,249	117,664,650
Average number of full-time employees	63	109

Information on remuneration to management has been omitted with reference to the Annual Accounts Act, section 98b, paragraph 3.

4 Depreciation, amortisation and impairment losses

	2021	2020
	DKK	DKK
Depreciation of property, plant and equipment	907,811	2,005,187
Profit/loss from sale of intangible assets and property, plant and equipment	3,961	118,198
	911,772	2,123,385

5 Other financial income

	2021	2020
	DKK	DKK
Other interest income	1,404,622	401,320
Exchange rate adjustments	228,636	179,261
	1,633,258	580,581

6 Other financial expenses

	2021 DKK	2020 DKK
Other interest expenses	74,952	31,411
Exchange rate adjustments	358,537	2,747
	433,489	34,158

7 Tax on profit/loss for the year

	2021 DKK	2020 DKK
Current tax	0	968,161
Change in deferred tax	(2,339,710)	(2,071,329)
Adjustment concerning previous years	2,168,172	(2,838,291)
	(171,538)	(3,941,459)

8 Proposed distribution of profit and loss

	2021 DKK	2020 DKK
Retained earnings	(13,641,213)	(14,809,266)
	(13,641,213)	(14,809,266)

9 Intangible assets

	Acquired intangible assets DKK	Development projects in progress DKK
Cost beginning of year	150,965	0
Additions	0	749,796
Cost end of year	150,965	749,796
Amortisation and impairment losses beginning of year	(150,965)	0
Amortisation and impairment losses end of year	(150,965)	0
Carrying amount end of year	0	749,796

10 Development projects

Internally Developed Software costs are capitalised once it meets the capitalisation criteria and will be amortised once the project is complete for its intended use.

11 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost beginning of year	5,436,575	3,233,641
Additions	205,806	0
Disposals	(1,323,022)	(776,275)
Cost end of year	4,319,359	2,457,366
Depreciation and impairment losses beginning of year	(4,682,520)	(2,589,876)
Depreciation for the year	(733,556)	(174,255)
Reversal regarding disposals	1,605,248	481,656
Depreciation and impairment losses end of year	(3,810,828)	(2,282,475)
Carrying amount end of year	508,531	174,891

12 Financial assets

	Deferred tax DKK
Cost beginning of year	6,434,159
Additions	2,339,711
Cost end of year	8,773,870
Carrying amount end of year	8,773,870

13 Deferred tax

	2021 DKK	2020 DKK
Intangible assets	1,613	3,227
Property, plant and equipment	498,031	530,706
Receivables	0	154,159
Provisions	4,603,220	5,318,584
Liabilities other than provisions	501,400	427,483
Tax losses carried forward	3,169,606	0
Deferred tax	8,773,870	6,434,159
	2021 DKK	2020 DKK
Changes during the year		
Beginning of year	6,434,159	4,362,830
Recognised in the income statement	2,339,711	2,071,329
End of year	8,773,870	6,434,159

Deferred tax assets

The deferred tax assets is expected to be realized over the next 3-5 years.

14 Prepayments

Prepayments comprise incurred costs relating to subsequent financial years.

15 Share capital

	Number	Par value DKK	Nominal value DKK
Stocks	16,726	100	1,672,600
	16,726		1,672,600

16 Other provisions

Other provisions comprise contractual liabilities regarding restricted stock units in Booking Holdings, Connecticut, US, acquired by employees and executives in Momondo A/S.

17 Changes in working capital

	2021 DKK	2020 DKK
Increase/decrease in receivables	(817,659)	31,495,094
Increase/decrease in trade payables etc	1,535,254	(11,673,336)
	717,595	19,821,758

18 Unrecognised rental and lease commitments

	2021 DKK	2020 DKK
Liabilities under rental or lease agreements until maturity in total	7,995,891	7,995,891

19 Contingent liabilities

A business partner has in 2017 sued Momondo A/S for breach of licence agreement. The size of any claim for damages against the company has not yet been made more specific for which reason a provision for such claim has not been made in the financial statements apart from a provision for legal expenses related to the lawsuit.

20 Transactions with related parties

Only non-arm's-length transactions with related parties are disclosed in the financial statements. All related party transactions carried out during the financial year have been made in an arm's length basis.

21 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group: Booking Holdings Inc., 800 Connecticut Avenue, Norwalk, CT 06854, United States.

Accounting policies

Reporting class

This annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

The accounting policies applied to these financial statements are consistent with those applied last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, other operating income and external expenses.

Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of intangible assets and property, plant and equipment.

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets, and tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Balance sheet**Intellectual property rights etc**

Intellectual property rights etc comprise development projects completed and in progress with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity in the reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and

indirectly attributable to the development projects.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised on a straight-line basis over their remaining duration, and licences are amortised over the term of the agreement., but over no more than 5 years.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	2-4 years
Leasehold improvements	5 years

For leasehold improvements, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

Equipment are written down to the lower of recoverable amount and carrying amount.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Tax payable or receivable

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Other provisions

Other provisions comprise contractual liabilities.

Other provisions are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date. Provisions that are estimated to mature more than one year after the balance sheet date are measured at their discounted value.

Operating leases

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities, and cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes and income taxes paid.

Cash flows from investing activities comprise payments in connection with fixed asset investments as well as purchase, development, improvement and sale, etc of intangible assets and property, plant and equipment, including acquisition of assets held under finance leases.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs, and the raising of loans, inception of finance leases, repayments of interest-bearing debt, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash and short-term securities with an insignificant price risk less short-term bank loans.