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24I UNIT MEDIA A/S
GAMMEL LUNDTOFTEVEJ 1E, 2800 KGS. LYNGBY
ANNUAL REPORT
1 DECEMBER 2022 - 30 NOVEMBER 2023

**The Annual Report has been presented and
adopted at the Company's Annual General
Meeting on 4 June 2024**

Sebastian Christoph Braun

The English part of this document is an unofficial translation of the original Danish text, and in case of any discrepancy between the Danish text and the English translation, the Danish text shall prevail.

CVR NO. 20 72 95 46

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COMPANY DETAILS

Company	24i Unit Media A/S Gammel Lundtoftevej 1E 2800 Kgs. Lyngby CVR No.: 20 72 95 46 Established: 16 March 1998 Municipality: Lyngby-Taarbæk Financial Year: 1 December 2022 - 30 November 2023
Board of Directors	Mark Andrew Russell Carlisle, chairman Sebastian Christoph Braun Donald Kevin McGarva
Executive Board	Sebastian Christoph Braun
Auditor	BDO Statsautoriseret revisionsaktieselskab Havneholmen 29 1561 Copenhagen V
Bank	Nykredit

MANAGEMENT'S STATEMENT

Today the Board of Directors and Executive Board have discussed and approved the Annual Report of 24i Unit Media A/S for the financial year 1 December 2022 - 30 November 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 November 2023 and of the results of the Company's operations for the financial year 1 December 2022 - 30 November 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.

Kgs. Lyngby, 4 June 2024

Executive Board

Sebastian Christoph Braun

Board of Directors

Mark Andrew Russell Carlisle
Chairman

Sebastian Christoph Braun

Donald Kevin McGarva

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of 24i Unit Media A/S

Opinion

We have audited the Financial Statements of 24i Unit Media A/S for the financial year 1 December 2022 - 30 November 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 November 2023 and of the results of the Company's operations for the financial year 1 December 2022 - 30 November 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.

Copenhagen, 4 June 2024

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Ole C. K. Nielsen
State Authorised Public Accountant
MNE no. mne23299

MANAGEMENT COMMENTARY

Principal activities

24i Unit Media A/S develops and sells a software platform for TV- and video services, helping 24i Unit Media A/S's customers to provide their content such as film, series, TV channels, streaming services, and apps to their end-users in a good and cost-effective way.

Over the last more than 20 years, 24i Unit Media A/S has further developed and optimized this software platform called "fokusOn".

FokusOn is a dynamic and flexible platform that provides 24i's customers with the tools to develop and operate a TV - and video platform that suits the customers' present demands and at the same time provides the freedom of further developing the platform as end-user behavior and demands of the types of units used are changed.

24i Unit Media A/S's solutions that cover from back-end to user interface are used worldwide on a daily basis and can be provided and used everywhere and from all types of units from TV boxes to the newest multi-screen devices including Smart TVs

Development in activities and financial and economic position

The gross profit for the year totals DKK 23,714,488 against DKK 30,167,544 last year.

Income or loss from ordinary activities after tax totals DKK 1,575,829 against DKK 1,119,371 last year.

In 2024, the company's activities were again primarily within IP TV and related areas where 24i Unit Media A/S's product line fokusOn has gone through an ongoing expansion for the benefit of present and future customers.

In 2023, the company achieved a significant milestone through the development of its TV-as-a-Service ("TVaaS") offering through its partnership with Swisscom towards the end of the last financial year. Significant product development effort was incurred in the first quarter of 2023, and in the last quarter of the financial year, the Company added a fourth customer to this network.

In 2023, 24i Unit Media A/S's product fokusOn has maintained and to some extent expanded its position in Denmark and Europe. Together with North America, these markets are still the company's most important markets.

In 2023, 24i Unit Media A/S has again invested in the development of the product fokusOn and the integration of 24i Unit Media A/S into 24i is expected to add considerable to the future sales of fokusOn.

Following further integration of operations within the wider 24i group, there has been some restructuring resulting in a reduction to headcount. These actions were required as the 24i group transitions to a single platform solution, whereby the fokusOn platform will be a key offering to many of the company's PayTV operator customer base.

The management considers the year's revenue and profit to be satisfactory and the company has initiated and completed further measures for the future growth of the company. It is the management's assessment that these measures along with the integration of 24i Unit Media A/S into 24i with regards to development, sales and more in the years from 2024 onwards will have a beneficial effect on revenue and profit. The company expect a profit before taxes in the range of 10 - 13 mio. DKK in FY2024.

Significant events after the end of the financial year

There were no events after the expiry of the financial year that will significantly affect the company's financial position.

MANAGEMENT COMMENTARY

Treasury shares

	2023 DKK	2022 DKK
The amount of own shares comprise of:		
24i Unit Media A/S, 2.600.000 stk. a nom. 1 øre.....	26.000.000	26.000.000
	26.000.000	26.000.000
Own shares in % of share capital:		
24i Unit Media A/S.....	4,2	4,2
	4,2	4,2

INCOME STATEMENT 1 DECEMBER - 30 NOVEMBER

	Note	2022/23 DKK	2021/22 DKK
GROSS PROFIT		23.714.888	30.167.544
Staff costs.....	1	-13.371.621	-20.057.649
Depreciation, amortisation and impairment.....		-8.106.336	-8.272.096
Other operating expenses.....		1.959	-2.606
OPERATING PROFIT		2.238.890	1.835.193
Other financial income.....		6.403	97.832
Other financial expenses.....	2	-242.870	-506.981
PROFIT BEFORE TAX		2.002.423	1.426.044
Tax on profit/loss for the year.....	3	-426.594	-306.673
PROFIT FOR THE YEAR		1.575.829	1.119.371
PROPOSED DISTRIBUTION OF PROFIT			
Retained earnings.....		1.575.829	1.119.371
TOTAL		1.575.829	1.119.371

BALANCE SHEET AT 30 NOVEMBER

ASSETS	Note	2023 DKK	2022 DKK
Development projects completed.....		20.286.613	20.308.815
Intangible assets.....	4	20.286.613	20.308.815
Land and buildings.....		1.787.417	1.495.948
Other plants, machinery, tools and equipment.....		132.822	321.909
Leasehold improvements.....		132.805	103.375
Property, plant and equipment.....	5	2.053.044	1.921.232
Rent deposit and other receivables.....		125.777	265.166
Financial non-current assets.....	6	125.777	265.166
NON-CURRENT ASSETS.....		22.465.434	22.495.213
Trade receivables.....		6.243.014	4.930.298
Contract work in progress.....	7	0	1.041.000
Receivables from group enterprises.....		82.421	1.435.292
Prepayments and accrued income.....		140.037	140.037
Receivables.....		6.465.472	7.546.627
Cash and cash equivalents.....		6.107.462	11.047
CURRENT ASSETS.....		12.572.934	7.557.674
ASSETS.....		35.038.368	30.052.887

BALANCE SHEET AT 30 NOVEMBER

EQUITY AND LIABILITIES	Note	2023 DKK	2022 DKK
Share Capital.....		616.944	616.944
Reserve for development costs.....		16.460.314	16.482.314
Retained profit.....		-1.065.068	-2.662.897
EQUITY.....		16.012.190	14.436.361
Provision for deferred tax.....		2.596.850	2.170.256
PROVISIONS.....		2.596.850	2.170.256
Lease liabilities.....		1.318.291	512.090
Other liabilities.....		0	1.968.682
Non-current liabilities.....	8	1.318.291	2.480.772
Bank debt.....		70.542	840.023
Lease liabilities.....		581.242	1.005.280
Prepayments from customers.....		6.146.716	3.967.692
Trade payables.....		398.868	610.769
Payables to group enterprises.....		2.093.035	0
Other liabilities.....		5.820.634	4.541.734
Current liabilities.....		15.111.037	10.965.498
LIABILITIES.....		16.429.328	13.446.270
EQUITY AND LIABILITIES.....		35.038.368	30.052.887
Contingencies etc.	9		
Charges and securities	10		

EQUITY

DKK	Share Capital	Reserve for development costs	Retained profit	Total
Equity at 1 December 2022	616.944	16.482.314	-2.662.897	14.436.361
Proposed profit allocation.....			1.575.829	1.575.829
Other legal bindings				
Capitalized development costs.....		-22.000	22.000	0
Equity at 30 November 2023.....	616.944	16.460.314	-1.065.068	16.012.190

NOTES

	2022/23 DKK	2021/22 DKK	Note
Staff costs			1
	14	24	
Wages and salaries.....	12.400.305	18.352.785	
Pensions.....	483.403	940.549	
Social security costs.....	150.578	267.106	
Other staff costs.....	337.335	497.209	
	13.371.621	20.057.649	
Other financial expenses			2
Other interest expenses.....	242.870	506.981	
	242.870	506.981	
Tax on profit/loss for the year			3
Adjustment of tax for previous years.....	13.546	0	
Adjustment of deferred tax.....	413.048	306.673	
	426.594	306.673	
Intangible assets			4
		Development projects completed	
Cost at 1 December 2022.....		39.604.600	
Additions.....		7.368.000	
Cost at 30 November 2023		46.972.600	
Amortisation at 1 December 2022.....		19.295.785	
Amortisation for the year.....		7.390.202	
Amortisation at 30 November 2023		26.685.987	
Carrying amount at 30 November 2023		20.286.613	

The carrying amount of t.DKK 20.287 relates to the software platform "fokusOn" and other developed software functionalities hereto which already is used for sales activity and hereof generates revenue.

NOTES

				Note
Property, plant and equipment				5
	Land and buildings	Other plants, machinery, tools and equipment	Leasehold improvements	
Cost at 1 December 2022.....	3.407.438	1.981.862	554.771	
Transferred.....	0	-465.185	465.185	
Additions.....	2.144.901	111.579	14.093	
Disposals.....	-3.407.438	-123.878	-504.350	
Cost at 30 November 2023.....	2.144.901	1.504.378	529.699	
Depreciation and impairment losses at 1 December 2022.....	1.911.490	1.266.198	845.150	
Reversal of depreciation of assets disposed of..	-2.327.031	0	-549.036	
Depreciation for the year.....	773.025	105.358	100.780	
Depreciation and impairment losses at 30 November 2023.....	357.484	1.371.556	396.894	
Carrying amount at 30 November 2023.....	1.787.417	132.822	132.805	
Finance lease assets.....	1.787.417			
Financial non-current assets			Rent deposit and other receivables	6
Cost at 1 December 2022.....			125.777	
Cost at 30 November 2023.....			125.777	
Carrying amount at 30 November 2023.....			125.777	
		2023	2022	
		DKK	DKK	
Contract work in progress				7
Sales value of completed work.....		0	1.041.000	
Contract work in progress, net.....		0	1.041.000	
Recognised as below:				
Contract work in progress (asset).....		0	1.041.000	
		0	1.041.000	

NOTES

					Note
Long-term liabilities					8
	30/11 2023	Repayment	Debt	30/11 2022	
	total liabilities	next year	outstanding	total liabilities	
			after 5 years		
Lease liabilities.....	1.899.533	581.242	0	1.517.370	
Other liabilities.....	0	0	0	1.968.682	
	1.899.533	581.242	0	3.486.052	
 Contingencies etc.					 9
Contingent liabilities					
The Company has entered into rental agreements with a notice period. The liability during this period represents t.DKK 1.136.					
 Charges and securities					 10
For bank liabilities, the company has provided security in company assets representing a nominal value of t.DKK 5.000. This security comprises the assets below, stating the carrying amounts in DKK:					
Other plants, machinery, tools and equipment.....				132.822	
Leasehold improvements.....				132.805	

ACCOUNTING POLICIES

The Annual Report of 24i Unit Media A/S for 2022/23 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class B and certain provisions applying to reporting class C.

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

INCOME STATEMENT

Net revenue

The Company's sales agreements are divided into individually identifiable obligations to deliver, which are recognised and measured separately at fair value. Where a sales agreement includes several obligations to deliver, the total sales value of the sales agreement is allocated proportionally to the individual obligations to deliver.

Revenue is recognised when the control over the individually identifiable obligations to deliver is passed to the customer.

The recognised revenue is measured at the fair value of the agreed consideration ex VAT and duties charged on behalf of a third party. All forms of discounts granted are recognised in revenue. The fair value corresponds to the agreed price discounted back to present value when the terms of payment exceed 12 months.

The share of the total consideration that is variable, for example in the form of discounts, bonus payments, payment of fines, etc. is not recognised in revenue until it is reasonably certain that it will not be necessary to carry it back in subsequent period, for example due to failure to meet goals, etc.

Sale of finished goods and goods for resale are recognised in revenue when the control over the individually identifiable obligation to deliver in the sales agreement passes to the customer, which according to the terms of the sale is the date of delivery. Although a sales agreement for sale of finished goods and goods for resale often includes several obligations to deliver, they are treated as one total obligation to deliver as the aggregate delivery typically is made at the same time.

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

Own work capitalised

Own work capitalised includes staff cost and other internal costs incurred during the financial year and recognised in the cost of proprietary intangible and tangible fixed assets.

Other operating expenses

Other operating expenses include items of a secondary nature in relation to the Group's and the Company's activities. Losses from sale of intangible and tangible fixed assets are also included.

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 other production, sales, delivery and administrative costs, including costs of energy, marketing, premises, loss on bad debts, operating lease expenses, etc

Payments related to operating lease expenses and other lease agreements are recognised in the Income Statement over the contract period. The Company's total liability concerning operating and other lease agreements are stated under contingencies, etc.

ACCOUNTING POLICIES

Staff costs

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

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 securities, 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 by the amounts that relate to the financial year. Interest income and expenses are calculated on amortised cost prices.

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 share that may be attributed to the profit for the year, and is recognised directly in equity by the share that may be attributed to entries directly to equity.

BALANCE SHEET

Intangible fixed assets

Development projects comprise costs, including wages and salaries, and amortisation, which directly or indirectly can be related to the Company's development activities and which fulfil the criteria for recognition in the Balance Sheet.

The accounting item is measured at the lower of the capitalised costs less accumulated amortisation and recoverable amount.

Capitalised development costs are amortised on a straight-line basis over the estimated useful life after completion of the development work. The amortisation period is normally 5 years.

Intangible fixed assets are generally written down to the recoverable amount if this is lower than the carrying amount.

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 plant, 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.....	3,5 years	0 %
Leasehold improvements.....	3-5 years	0 %

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

ACCOUNTING POLICIES

Lease contracts

A lease asset and a lease liability is recognised in the balance sheet when the lease asset is made available to the Group in the lease period according to a lease contract concerning a specific identifiable asset and when the Group obtains right to largely all economic benefits from the use of the identifiable asset and the right to decide on the use of the identified asset.

Lease liabilities are first time measured at the present value of the future lease payments discounted back at an alternative loan interest. The following lease payments are recognised as a part of the lease liability:

- Fixed payments.
- Variable payments which change as there are changes to an index or an interest, based on relevant index or interest.
- Accrued payments below the residual value guarantee.
- The exercise price of options to buy, which Management most likely expects to utilise.
- Payments subject to an option to extend, which the Group most likely expects to utilise.
- Penalty related to an option to terminate, unless the Group most likely expects to utilise the option.

The capitalised residual lease liability is recognised in the balance sheet as a liability and the interest portion of the lease payment is recognised in the income statement over the duration of the contract.

The lease liability is measured at amortised cost under the effective interest method. The lease liability is recalculated when there are changes in the underlying contractual cash flows from changes in an index or an interest, if there are changes in the Group's estimate of a residual value guarantee, or if the Group changes its assessment of whether a purchase, extension or termination option is reasonably likely to be expected to be exercised.

The lease asset is at the first recognition measured at cost price which corresponds to the value of the lease liability adjusted for prepaid lease payments with addition of directly related costs and estimated costs of demolition, repair or the like and with deduction of discounts received or other types of incentive payments from lessor.

The asset is subsequently measured at cost with deduction of accumulated depreciation and impairment losses. The lease asset is depreciated over lower of the lease period and the useful life of the lease asset. The depreciations are recognised on a straight-line basis in the income statement.

The lease asset is adjusted for changes in the lease liability due to changes in the terms of the lease agreement or changes in the contract's cash flows concurrently with changes in an index or an interest rate. Lease assets are depreciated on a straight-line basis over the expected lease period which is:

Land and buildings..... 4-5 years

The Company has elected not to recognise lease assets of a low value and short-term lease agreements in the balance sheet. The lease payments relating to these lease agreements are instead recognised on a straight-line basis in the income statement.

Financial non-current assets

Deposits include rental deposits which are recognised and measured at cost. Deposits are not depreciated.

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 assessed annually 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 recoverable amount is lower than the carrying amount, the asset is written down to the recoverable amount.

The recoverable amount is calculated at the higher of the capital value and the sales value less expected costs of a sale. The capital value is determined as the Company's share in the current value of the net cash flows which the subsidiary is expected to generate through its activities and from sale of assets after the end of their useful lives. A discount rate is used which reflects the risk-free market rate and the owners' minimum return on interest requirements for similar assets. The growth rate in the terminal period is determined in accordance with the standards within the industry.

Receivables

Receivables are measured at amortised cost which usually corresponds to nominal value. The value is written down to meet expected losses.

Write-off is performed to provide for losses when an objective indication has been assessed to have incurred that a receivable or a portfolio of receivables are impaired. If there is an objective indication that an individual receivable is impaired, the write-off is performed at individual level.

Receivables for which there are no objective indication of impairment at individual level are assessed at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' registered office and credit rating in accordance with the Company's policy for credit risk management. The objective indicators, which are applied for portfolios, are determined based on the historical loss experiences.

Write-off is determined as the difference between the carrying amount of receivables and the present value of the expected cash flows, including realisable value of any received collaterals. The effective interest rate is used as discount rate for the single receivable or portfolio.

Contract work in progress

Work in progress on contract is measured at the sales value of the work performed. The sales value is measured on the basis of the degree of completion on the Balance Sheet date and the total anticipated revenue related to the specific piece of work in progress.

Accruals, assets

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

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.

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 carryforwards, are measured at the amount at which the asset is expected to be used within a reasonable number of years, either by setoff against tax on future earnings or by setoff 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 will 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 transaction 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 loan period.

The amortised cost of current liabilities corresponds usually to the nominal value.