CHRISTENSEN
KJÆRULFF
PERSONLIGT ENGAGEMENT

STATSAUTORISERET
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Nimbus Film ApS

Vesterbrogade 149, st. b9., 1620 København V

Company reg. no. 24 21 86 78

Annual report

1 January - 31 December 2020

The annual report was submitted and approved by the general meeting on the 18 June 2021.

Birgitte Hald
Chairman of the meeting

Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Contents

Management's report

Today, the executive board has presented the annual report of Nimbus Film ApS for the financial year 1 January - 31 December 2020.

The annual report has been presented in accordance with the Danish Financial Statements Act.

We consider the accounting policies appropriate and, in our opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 December 2020 and of the company's results of activities in the financial year 1 January – 31 December 2020.

We are of the opinion that the management commentary presents a fair account of the issues dealt with.

We recommend that the annual report be approved by the general meeting.

Copenhagen, 18 June 2021

Executive board

Bo Ehrhardt	Birgitte Hald

Independent auditor's report

To the shareholder of Nimbus Film ApS

Opinion

We have audited the financial statements of Nimbus Film ApS for the financial year 1 January - 31 December 2020, which comprise income statement, statement of financial position, statement of changes in equity, notes and accounting policies. The financial statements have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements present a fair view of the company's assets, equity and liabilities, and financial position at 31 December 2020 and of the results of the company's activities for the financial year 1 January - 31 December 2020 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the section "Auditor's responsibilities for the audit of the financial statements". We are independent of the company in accordance with international ethical requirements for auditors (IESBA's Code of Ethics), and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of financial statements that provide a fair view in accordance with the Danish Financial Statements Act. Management is also responsible for such internal control as the 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 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 including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing, 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 international standards on auditing, and the additional requirements applicable in Denmark, we exercise professional judgment 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 the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's preparation of the financial statements using the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists arising from 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 disclosures in notes, and whether the financial statements reflect the underlying transactions and events in a manner that presents a 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 the 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 express no assurance opinion thereon.

In connection with our audit of the financial statements, it is our responsibility to read the management commentary and to consider whether the management commentary is materially inconsistent with the financial statements or the evidence obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, 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 believe that management commentary is consistent with the financial statements and that it has been prepared in accordance with the provisions of the Danish Financial Statement Act. We did not discover any material misstatement in the management commentary.

Copenhagen, 18 June 2021

Christensen Kjærulff

Company reg. no. 15 91 56 41

John Mikkelsen
State Authorised Public Accountant
mne26748

Company information

The company	Nimbus Film ApS Vesterbrogade 149, st. b9. 1620 København V	
	Phone	+45 36 34 09 10
	Web site	https://nimbusfilm.dk/
	E mail	kim@nimbusfilm.dk
	Company reg. no.	24 21 86 78
	Established:	1 June 1999
	Domicile:	Frederiksberg
	Financial year:	1 January - 31 December
Executive board	Bo Ehrhardt Birgitte Hald	
Auditors	Christensen Kjærulff Statsautoriseret Revisionsaktieselskab Store Kongensgade 68 1264 København K	
Parent company	Nimbus Film Holding ApS	

The principal activities of the company

The Company's purpose is direcly or indirectly through ownership interests in other companies to engage in film production and naturally related activities according to the Executive Board's decision.

The Company owns, in whole or in part, a number of companies that produce and distribute film and administer rights.

Development in activities and financial matters

Nimbus Film ApS has been affected by the Covid-19 pandemic and the closure of workplaces and cinemas has led to a drastic decline in entry from delayed productions and premieres.

The company shot the Danish film "LANDET" (working title) in the reopening of Denmark in late summer. The film is in post-production, and the release date is not fixed due to Corona.

The movie "VORES MAND I AMERIKA" by (Christina Rosendahl) and "ERNA I KRIG" both had delayed premieres in cinema in August and October. Both films are a part of "Biografklub Danmark". The films were well received and "VORES MAND I AMERIKA" was watched by 200,000 people, and "ERNA I KRIG" was watched by 160,000 people, before cinemas in Denmark were shut down as a result of the corona closure this fall. The Icelandic film "EKKO" by (Runar Runarson) reached a week in the danish cinemas, before the cinemas were closed due to Corona.

The TV serie "HVAD MED MONICA" for Viaplay was approved and production will be completed in 2021.

Nimbus Film ApS's results from ordinary activities before financial expenses is TDKK -9.975. The results before taxes is TDKK -10.801. The management consider the results for not satisfactory.

The companys balance sheet constitute TDKK 20.805, which the film right constitute TDKK 8.336. The rights for the film depreciated over a period of 6 years. The depreciations for the year is TDKK 2.796.

The equity per 31 December 2020 is TDKK 11.116.

Expected developments

In 2021, the company expects to greenlight two new TV series for DR3 and Viaplay. In addition, the company has a number of new series and movies in development for various TV stations and streaming services.

The company expects to greenlight and record 3-4 Danish films this year.

Events occurring after the end of the financial year

Nimbus Film ApS is still affected by the Covid-19 pandemic, which has resulted in shutdown of workplaces and cinemas.

Income statement 1 January - 31 December

All amounts in DKK.

Note		2020	2019
	Gross profit	**547.777**	**10.081.144**
1	Staff costs	-7.727.164	-7.440.542
	Depreciation, amortisation, and impairment	-2.795.929	-1.470.781
	Operating profit	**-9.975.316**	**1.169.821**
2	Other financial costs	-825.476	-754.263
	Pre-tax net profit or loss	**-10.800.792**	**415.558**
	Tax on net profit or loss for the year	0	-87.880
	Net profit or loss for the year	**-10.800.792**	**327.678**
	Proposed appropriation of net profit:		
	Transferred to retained earnings	0	327.678
	Allocated from retained earnings	-10.800.792	0
	Total allocations and transfers	**-10.800.792**	**327.678**

Statement of financial position at 31 December

All amounts in DKK.

Note	Assets	2020	2019
	Non-current assets		
3	Concessions, patents, licenses, trademarks, and similar rights acquired	8.335.873	3.163.843
	Total intangible assets	8.335.873	3.163.843
4	Other fixtures and fittings, tools and equipment	0	5.704
	Total property, plant, and equipment	0	5.704
5	Equity investments in associates	12.500	12.500
6	Deposits	494.042	484.405
	Total investments	506.542	496.905
	Total non-current assets	**8.842.415**	**3.666.452**
	Current assets		
	Trade receivables	1.958.835	512.148
7	Contract work in progress	3.806.301	20.904.923
	Deferred tax assets	3.032.848	3.032.848
	Other receivables	1.574.430	1.669.797
	Prepayments and accrued income	484.491	430.736
	Total receivables	10.856.905	26.550.452
	Other financial instruments and equity investments	7.293	7.293
	Total financial instruments	7.293	7.293
	Cash on hand and demand deposits	1.097.906	1.188.955
	Total current assets	**11.962.104**	**27.746.700**
	Total assets	**20.804.519**	**31.413.152**

Statement of financial position at 31 December

All amounts in DKK.

Note	Equity and liabilities	2020	2019
	Equity		
	Contributed capital	208.000	208.000
	Retained earnings	10.907.529	7.708.321
	Total equity	**11.115.529**	**7.916.321**
	Liabilities other than provisions		
	Trade payables	922.722	1.662.153
	Payables to group enterprises	1.139.034	2.358.662
	Payables to associates	0	8.945.625
	Other payables	7.627.234	10.530.114
	Accruals and deferred income	0	277
	Total short term liabilities other than provisions	9.688.990	23.496.831
	Total liabilities other than provisions	**9.688.990**	**23.496.831**
	Total equity and liabilities	**20.804.519**	**31.413.152**
8	**Charges and security**		
9	**Contingencies**		

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Retained earnings	Total
Equity 1 January 2019	208.000	7.380.643	7.588.643
Profit or loss for the year brought forward	0	327.678	327.678
Equity 1 January 2020	208.000	7.708.321	7.916.321
Profit or loss for the year brought forward	0	-10.800.792	-10.800.792
Group Contributions	0	14.000.000	14.000.000
	208.000	**10.907.529**	**11.115.529**

Notes

All amounts in DKK.

		2020	2019
1.	**Staff costs**		
	Salaries and wages	6.696.532	5.942.128
	Pension costs	1.030.632	1.481.184
	Other costs for social security	0	17.230
		7.727.164	**7.440.542**
	Average number of employees	18	26
2.	**Other financial costs**		
	Other financial costs	825.476	754.263
		825.476	**754.263**
3.	**Concessions, patents, licenses, trademarks, and similar rights acquired**		
	Cost 1 January 2020	63.687.320	63.569.238
	Additions during the year	7.962.255	118.082
	Cost 31 December 2020	**71.649.575**	**63.687.320**
	Amortisation and writedown 1 January 2020	-60.523.477	-59.060.292
	Amortisation for the year	-2.790.225	-1.463.185
	Amortisation and writedown 31 December 2020	**-63.313.702**	**-60.523.477**
	Carrying amount, 31 December 2020	**8.335.873**	**3.163.843**
4.	**Other fixtures and fittings, tools and equipment**		
	Cost 1 January 2020	329.144	329.144
	Cost 31 December 2020	**329.144**	**329.144**
	Amortisation and writedown 1 January 2020	-323.440	-315.844
	Depreciation for the year	-5.704	-7.596
	Amortisation and writedown 31 December 2020	**-329.144**	**-323.440**
	Carrying amount, 31 December 2020	**0**	**5.704**

Notes

All amounts in DKK.

		31/12 2020	31/12 2019
5.	**Equity investments in associates**		
	Acquisition sum, opening balance 1 January 2020	12.500	12.500
	Carrying amount, 31 December 2020	**12.500**	**12.500**
6.	**Deposits**		
	Cost 1 January 2020	484.405	353.624
	Additions during the year	9.637	484.405
	Disposals during the year	0	-353.624
	Cost 31 December 2020	**494.042**	**484.405**
	Carrying amount, 31 December 2020	**494.042**	**484.405**
7.	**Contract work in progress**		
	Sales value of the production of the period	89.582.762	89.532.166
	Payments on account received	-85.776.461	-68.627.243
	Contract work in progress, net	**3.806.301**	**20.904.923**
	The following is recognised:		
	Work in progress for the account of others (Current assets)	3.806.301	20.904.923
		3.806.301	**20.904.923**

8. Charges and security

As mortgage, TDKK 3.000, the company has provided security in company assets representing a book value of TDKK 8.336. This security comprises film rights.

9. Contingencies

Joint taxation

With Nimbus Film Holding ApS as administration company, the company is subject to the Danish scheme of joint taxation and unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for the total corporation tax.

All amounts in DKK.

9. Contingencies (continued)

Joint taxation (continued)

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

Any subsequent adjustments of corporate taxes or withholding tax, etc., may result in changes in the company's liabilities.

The annual report for Nimbus Film ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Income statement

Gross profit

Gross profit comprises the revenue, changes in inventories of finished goods, and work in progress, work performed for own account and capitalised, other operating income, and external costs.

The enterprise will be applying IAS 11 and IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Other external costs comprise costs incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members. Staff costs are less government reimbursements.

Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation, amortisation, and writedown for the year and profit and loss on the disposal of intangible and tangible assets.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Results from equity investments in group enterprises and associates

Dividend from equity investments is recognised in the financial year in which the dividend is declared.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Statement of financial position

Intangible assets

Development projects, patents, and licences

Development costs and internally generated rights are recognised in the income statement as costs in the acquisition year.

Patents and licenses are measured at cost less accrued amortisation. Patents are amortised on a straightline basis over the remaining patent period and licenses are amortised over the contract period, however, for a maximum of 10 years.

Profit and loss from the sale of development projects, patents, and licenses are measured as the difference between the sales price less sales costs and the carrying amount at the time of sale. Profit or loss is recognised in the income statement under amortisation and writedown for impairment.

Goodwill

Acquired goodwill is measured at cost less accumulated amortisation. Given that it is impossible to make a reliable estimate of the useful life, the amortisation period is set at 10 years.

Property, plant, and equipment

Property is measured at cost plus revaluations and less accrued depreciation and writedown for impairment. Land is not subject to depreciation.

Property is revaluated on the basis of regular, independent fair-value assessments. Net revaluation at fair value adjustment is recognised directly in equity less deferred tax and tied up in a particular revaluation reserve. Net impairment loss at fair value adjustment is recognised in the income statement.

The depreciable amount is cost plus revaluations at fair value less expected residual value after the end of the useful life of the asset. The amortisation period is fixed at the acquisition date and reassessed annually. If the residual value exceeds the carrying mount of the asset, depreciation is discontinued.

Reversal of previous revaluations and recognised deferred taxes concerning revaluations are recognised directly in company equity.

Other property, plant, and equipment are measured at cost less accrued depreciation and writedown for impairment.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life and the residual value of the individual assets:

	Useful life	Residual value
Plant and machinery	5-10 years	0-20 %
Other fixtures and fittings, tools and equipment	3-5 years	0-20 %

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement under depreciation.

As regards self-constructed assets, the cost comprises direct costs for materials, components, deliveries from subsuppliers, payroll costs, and borrowing costs from specific and general borrowing concerning the construction of each individual asset.

Leases

The enterprise will be applying IAS 17 as its base of interpretation for recognition of classification and recognition of leases.

At their initial recognition in the statement of financial position, leases concerning property, plant, and equipment where the company holds all essential risks and advantages associated with the proprietary right (finance lease) are measured either at fair value or at the present value of the future lease payments, whichever value is lower. When calculating the present value, the discount rate used is the internal rate of return of the lease or, alternatively, the borrowing rate of the enterprise. Hereafter, assets held under a finance lease are treated in the same way as other similar property, plant, and equipment.

The capitalised residual lease commitment is recognised in the statement of financial position as a liability other than provisions, and the interest part of the lease is recognised in the income statement for the term of the contract.

Leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract. The company's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets as well as equity investments in group enterprises og associates are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Investments

Equity investments in group enterprises and associates

Equity investments in group enterprises and associates are measured at cost. If the recoverable amount is lower than the cost, writedown for impairment is done to match this lower value.

Deposits

Deposits are measured at amortised cost and represent lease deposits, etc.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired.If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

Impairment losses are calculated as the difference between the carrying amount of accounts receivable and the present value of the expected cash flows, including the realisable value of any securities received. The effective interest rate for the individual account receivable or portfolio is used as the discount rate.

Contract work in progress

Contract work in progress is measured at the selling price of the work performed. The selling price is measured on the basis of the stage of completion on the reporting date and the total expected income from the individual work in progress. The stage of completion is calculated as the share of costs incurred in proportion to the estimated total costs of the individual work in progress.

When the selling price of the individual work in progress can not be determined reliably, the selling price is measured at the costs incurred or at net realisable value, if this is lower.

The individual work in progress is recognised in the statement of financial position under accounts receivables or liabilities. Net assets consist of the sum of the work in progress, where the selling price of the work performed exceeds invoicing on account. Net liabilities consist of the sum of the work in progress, where invoicing on account exceeds the selling price.

Costs in connection with sales work and the procurement of contracts are recognised in the income statement when incurred.

Prepayments and accrued income

Prepayments and accrued income recognised under assets comprise incurred costs concerning the following financial year.

Financial instruments and equity investments

Financial instruments and equity investments recognised under current assets consist of listed shares and bonds which are measured at fair value on the reporting date. Unlisted equity investments are measured at cost.

Cash on hand and demand deposits

Cash on hand and demand deposits comprise cash at bank and on hand.

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as "Income tax receivable" or "Income tax payable".

According to the rules of joint taxation, Nimbus Film ApS is unlimitedly, jointly, and severally liable to pay the Danish tax authorities the total income tax, including withholding tax on interest, royalties, and dividends, arising from the jointly taxed group of companies.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany gains and losses.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Liabilities other than provisions

Financial liabilities other than provisions related to borrowings are recognised at the received proceeds less transaction costs incurred. In subsequent periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value when using the effective interest rate. The difference between the proceeds and the nominal value is recognised in the income statement during the term of the loan.

Mortgage loans and bank loans are thus measured at amortised cost which, for cash loans, corresponds to the outstanding payables. For bond loans, the amortised cost corresponds to an outstanding payable calculated as the underlying cash value at the date of borrowing, adjusted by amortisation of the market value on the date of the borrowing effectuated over the repayment period.

Also, capitalised residual leasing liabilities associated with financial leasing contracts are recognised in the financial liabilities.

Liabilities other than provisions relating to investment properties are measured at amortised cost.

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

Accruals and deferred income

Payments received concerning future income are recognised under accruals and deferred income.