



Infare Solutions A/S

Borgergade 14, 2.
1300 Copenhagen
CVR No. 25525639

Annual report 2023

The Annual General Meeting adopted the annual report on 17.05.2024

Martin Mosebo Christensen
Chairman of the General Meeting

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Entity details

Entity

Infare Solutions A/S

Borgergade 14, 2.

1300 Copenhagen

Business Registration No.: 25525639

Registered office: Copenhagen

Financial year: 01.01.2023 - 31.12.2023

Board of Directors

Philip Callow

Martin Mosebo Christensen

Jeremy Burke

Nils Gelbjerg-Hansen

Matthew Plöse

Executive Board

Nils Gelbjerg-Hansen

Martin Mosebo Christensen

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 Infare Solutions A/S for the financial year 01.01.2023 - 31.12.2023.

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 Entity's financial position at 31.12.2023 and of the results of its operations for the financial year 01.01.2023 - 31.12.2023.

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, 17.05.2024

Executive Board

Nils Gelbjerg-Hansen

Martin Mosebo Christensen

Board of Directors

Philip Callow

Martin Mosebo Christensen

Jeremy Burke

Nils Gelbjerg-Hansen

Matthew Plose

Independent auditor's report

To the shareholder of Infare Solutions A/S

Opinion

We have audited the financial statements of Infare Solutions A/S for the financial year 01.01.2023 - 31.12.2023, which comprise the income statement, balance sheet, statement of changes in equity 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 31.12.2023 and of the results of its operations for the financial year 01.01.2023 - 31.12.2023 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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, 17.05.2024

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Bjørn Winkler Jakobsen

State Authorised Public Accountant
Identification No (MNE) mne32127

Henrik Hartmann Olesen

State Authorised Public Accountant
Identification No (MNE) mne34143

Management commentary

Financial highlights

	2023	2022	2021	2020	2019
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
Key figures					
Gross profit/loss	58,094	56,180	56,593	49,886	49,786
Operating profit/loss	30,412	27,980	21,809	11,198	8,728
Net financials	(3,876)	(22,790)	(22,699)	(1,437)	(13,836)
Profit/loss for the year	22,932	7,319	1,751	9,921	(2,845)
Total assets	167,051	249,918	215,685	193,720	172,248
Investments in property, plant and equipment	0	2,179	1,280	249	1,792
Equity	60,052	37,135	29,820	28,069	3,194
Ratios					
Return on equity (%)	47.19	21.86	6.05	63.47	(61.63)
Equity ratio (%)	35.95	14.86	13.83	14.49	1.85

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

Return on equity (%):

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

Average equity

Equity ratio (%):

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

Total assets

Primary activities

The objective of the Company is trade and internet related activities by way of web fare intelligence sales and its largest area of activity is to provide airline price data to the airline and travel industry.

Development in activities and finances

The company is the world's premium supplier of competitor fare intelligence to the airline and travel industry.

The company's main product, a bundled offer of Business Intelligence tools with regular data feeds, is based on a robot search technology, collecting airline fare data via the internet, API's and other data sources. Data is processed and presented in a form relevant to the customers in Infare's online analytical tool or sent directly to the customers in a format selected by them, often to be used in their revenue management systems.

The company holds one of the world's biggest database of airfares, which gives airlines and other companies access to more than 10 years of detailed historical airfares through SaaS or file download, enabling airlines, airports and other related companies to conduct in-depth analysis of these airfares.

The company plans to continue investments in the business in the coming years.

Profit/loss for the year in relation to expected developments

The income statement of the Company for 2023 shows a profit of DKK 22.9 million and at 31 December 2023 the balance sheet of the Company shows an equity of DKK 60.1 million.

The result for 2023 is affected by a write down of goodwill of DKK 1.2 million.

The profit of the year is considered very satisfactory compared to the expectations for the year and last year result.

Uncertainty relating to recognition and measurement

At 31 December 2023 goodwill from the acquisition in 2017 amounted to DKK 20.0 million.

The budget for 2024 and forecasts have been approved by management and Board of directors. They include the effect of plans intended to achieve growth and efficiency in the years ahead. The budgets and forecasts forming the basis of the future expected cash flows, are subject to normal business uncertainty.

Outlook

Infare's main customer base Airlines are only in part for the Asia region irregularly impacted by travel restrictions imposed due to the Covid-19 pandemic. The economic risk on the 2024 outlook is considered to be small.

There are no direct business risks related to the War in Ukraine in the outlook for 2024, and performance risks are reduced to common uncertainty on global economic development against which the business model is generally resilient.

At the time of this report, 2024 revenues and profits are expected to beat 2023.

Knowledge resources

Infare Solution A/S is based on knowledge and expertise within its key focus areas that are subject to further development on an ongoing basis.

Environmental performance

Infare Solutions A/S constantly seeks to reduce its cost of delivery of data services as well as administration for the benefit of the environment.

Research and development activities

The Company has significant development activities related to the software tools, the database and of air fares and front-end systems. Development activities are performed by internal employees located in Lithuania, France and Denmark.

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 2023

	Notes	2023 DKK	2022 DKK
Gross profit/loss		58,093,776	56,179,857
Staff costs	1	(12,394,675)	(12,495,210)
Depreciation, amortisation and impairment losses	2	(15,287,163)	(15,704,286)
Operating profit/loss		30,411,938	27,980,361
Income from investments in group enterprises		3,066,551	3,042,247
Other financial income	3	18,760,533	7,511,486
Other financial expenses	4	(22,636,936)	(30,301,689)
Profit/loss before tax		29,602,086	8,232,405
Tax on profit/loss for the year	5	(6,669,947)	(913,623)
Profit/loss for the year	6	22,932,139	7,318,782

Balance sheet at 31.12.2023

Assets

	Notes	2023 DKK	2022 DKK
Completed development projects	8	22,188,214	21,351,124
Acquired intangible assets		2,094,881	754,684
Goodwill		19,969,366	27,406,161
Intangible assets	7	44,252,461	49,511,969
Other fixtures and fittings, tools and equipment		135,059	2,411,504
Property, plant and equipment	9	135,059	2,411,504
Investments in group enterprises		8,066,805	9,264,041
Deposits		446,241	418,386
Financial assets	10	8,513,046	9,682,427
Fixed assets		52,900,566	61,605,900
Trade receivables		21,015,951	22,308,680
Receivables from group enterprises		57,110,073	50,203,640
Other receivables		531,789	276,873
Prepayments	11	934,185	1,351,465
Receivables		79,591,998	74,140,658
Cash		34,558,453	114,170,981
Current assets		114,150,451	188,311,639
Assets		167,051,017	249,917,539

Equity and liabilities

	Notes	2023 DKK	2022 DKK
Contributed capital		4,440,001	4,440,001
Reserve for net revaluation according to the equity method		5,395,735	6,584,294
Reserve for development expenditure		17,306,807	16,653,876
Retained earnings		32,909,477	9,456,719
Equity		60,052,020	37,134,890
Deferred tax	12	8,307,000	4,903,061
Provisions		8,307,000	4,903,061
Prepayments received from customers		22,620,198	18,044,852
Trade payables		6,179,986	6,357,160
Payables to group enterprises	13	66,130,430	181,559,763
Payables to shareholders and management		17,026	1,328
Joint taxation contribution payable		3,036,431	1,306,526
Other payables		707,926	609,959
Current liabilities other than provisions		98,691,997	207,879,588
Liabilities other than provisions		98,691,997	207,879,588
Equity and liabilities		167,051,017	249,917,539
Unrecognised rental and lease commitments	14		
Contingent liabilities	15		
Related parties with controlling interest	16		
Non-arm's length related party transactions	17		
Group relations	18		

Statement of changes in equity for 2023

	Contributed capital DKK	Reserve for net revaluation according to the equity method DKK	Reserve for development expenditure DKK	Retained earnings DKK	Total DKK
Equity beginning of year	4,440,001	6,584,294	16,653,876	9,456,719	37,134,890
Effect of divestments of entities etc	0	(497,657)	0	497,657	0
Exchange rate adjustments	0	0	0	(15,009)	(15,009)
Dividends from group enterprises	0	(3,757,453)	0	3,757,453	0
Transfer to reserves	0	(237,264)	652,931	(415,667)	0
Profit/loss for the year	0	3,303,815	0	19,628,324	22,932,139
Equity end of year	4,440,001	5,395,735	17,306,807	32,909,477	60,052,020

Notes

1 Staff costs

	2023	2022
	DKK	DKK
Wages and salaries	11,613,420	11,712,491
Pension costs	328,436	311,308
Other social security costs	86,743	95,826
Other staff costs	366,076	375,585
	12,394,675	12,495,210
Average number of full-time employees	11	12

Disclosure of management remuneration are included in the financial statements for Infare I ApS.

2 Depreciation, amortisation and impairment losses

	2023	2022
	DKK	DKK
Amortisation of intangible assets	13,881,134	12,601,128
Impairment losses on intangible assets	1,231,634	1,837,572
Depreciation of property, plant and equipment	174,395	1,265,586
	15,287,163	15,704,286

3 Other financial income

	2023	2022
	DKK	DKK
Financial income from group enterprises	3,498,792	3,154,058
Other interest income	3,144,263	628,030
Exchange rate adjustments	12,117,478	3,729,398
	18,760,533	7,511,486

4 Other financial expenses

	2023	2022
	DKK	DKK
Financial expenses from group enterprises	12,796,997	16,299,053
Other interest expenses	152	168,996
Exchange rate adjustments	9,839,787	13,833,640
	22,636,936	30,301,689

5 Tax on profit/loss for the year

	2023 DKK	2022 DKK
Current tax	3,036,431	490,031
Change in deferred tax	3,403,939	214,128
Adjustment concerning previous years	229,577	209,464
	6,669,947	913,623

6 Proposed distribution of profit and loss

	2023 DKK	2022 DKK
Retained earnings	22,932,139	7,318,782
	22,932,139	7,318,782

7 Intangible assets

	Completed development projects DKK	Acquired intangible assets DKK	Goodwill DKK
Cost beginning of year	75,005,914	1,275,505	64,374,683
Transfers	0	4,571,234	0
Additions	7,167,795	583,415	0
Cost end of year	82,173,709	6,430,154	64,374,683
Amortisation and impairment losses beginning of year	(53,654,790)	(520,821)	(36,968,522)
Transfers	0	(2,469,184)	0
Impairment losses for the year	0	0	(1,231,634)
Amortisation for the year	(6,330,705)	(1,345,268)	(6,205,161)
Amortisation and impairment losses end of year	(59,985,495)	(4,335,273)	(44,405,317)
Carrying amount end of year	22,188,214	2,094,881	19,969,366

8 Development projects

The cost price of development projects is derived from time spend in the subsidiary Infare VNO UAB and Infare Solutions A/S expressed in man-hours and the cost of a man-hour. On an on-going basis Management assess the value of the assets.

9 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK
Cost beginning of year	18,920,495
Transfers	(4,571,234)
Cost end of year	14,349,261
Depreciation and impairment losses beginning of year	(16,508,991)
Transfers	2,469,184
Depreciation for the year	(174,395)
Depreciation and impairment losses end of year	(14,214,202)
Carrying amount end of year	135,059

10 Financial assets

	Investments in group enterprises DKK	Deposits DKK
Cost beginning of year	2,679,747	418,386
Additions	0	27,855
Disposals	(8,677)	0
Cost end of year	2,671,070	446,241
Revaluations beginning of year	6,584,294	0
Amortisation of goodwill	(237,264)	0
Share of profit/loss for the year	3,303,815	0
Dividend	(3,757,453)	0
Reversal regarding disposals	(497,657)	0
Revaluations end of year	5,395,735	0
Carrying amount end of year	8,066,805	446,241
Goodwill or negative goodwill recognised during the financial year	1,672,715	

Investments in subsidiaries	Registered in	Corporate form	Equity interest %
Infare VNO	Litauen	UAB	100.00
Infare BER	Germany	GmbH	100.00
Air Cube SAS	France	SAS	100.00

11 Prepayments

Prepayments comprise incurred costs relating to subsequent financial years.

12 Deferred tax

	2023	2022
	DKK	DKK
Intangible assets	9,454,930	7,174,000
Property, plant and equipment	(545,664)	(608,000)
Receivables	(388,920)	(199,000)
Liabilities other than provisions	(213,346)	(1,463,939)
Deferred tax	8,307,000	4,903,061

	2023	2022
	DKK	DKK
Changes during the year		
Beginning of year	4,903,061	4,688,933
Recognised in the income statement	3,403,939	214,128
End of year	8,307,000	4,903,061

13 Payables to group enterprises

The payable to Infare I ApS accrues interest. No refund date has been set. A part of the loan has been settled in 2023.

14 Unrecognised rental and lease commitments

	2023	2022
	DKK	DKK
Liabilities under rental or lease agreements until maturity in total	443,280	393,000

15 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where Infare I ApS serves as the administration company until 28.07.2023. From this date the entity Revelstoke Danish Bidco ApS was appointed as new administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

16 Related parties with controlling interest

Infare II ApS, Copenhagen, owns all shares in the Entity, thus exercising control.

17 Non-arm's length related party transactions

Only related party transactions not conducted on an arm's length basis are disclosed in the annual report. No such transactions have been conducted in the financial year.

18 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group:
Infare I ApS, Copenhagen

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.

Consolidated financial statements

Referring to section 112(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

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.

When recognising foreign subsidiaries and associates that are independent entities, the income statements are translated at average exchange rates for the months that do not significantly deviate from the rates at the transaction date. Balance sheet items are translated using the exchange rates at the balance sheet date. Goodwill is considered belonging to the independent foreign entity and is translated using the exchange rate at the balance sheet date. Exchange differences arising out of the translation of foreign subsidiaries' equity at the beginning of the year at the balance sheet date exchange rates and out of the translation of income statements from average rates to the exchange rates at the balance sheet date are recognised directly in the translation

reserve in equity.

Exchange adjustments of outstanding accounts with independent foreign subsidiaries, which are considered part of the total investment in the subsidiary in question, are recognised directly in the translation reserve in equity.

When recognising foreign subsidiaries that are integral entities, monetary assets and liabilities are translated using the exchange rates at the balance sheet date. Non-monetary assets and liabilities are translated at the exchange rate at the time of acquisition or the time of any subsequent revaluation or writedown. The items of the income statement are translated at the average rates of the months; however, items deriving from non-monetary assets and liabilities are translated using the historical rates applicable to the relevant non-monetary items.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, changes in inventories of finished goods and work in progress, own work capitalised, other operating income, cost of raw materials and consumables and external expenses.

Revenue

Revenue from the sale of software services is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue related to delivery of software services is recognised when the services are made available to the buyer and accrued for the period purchased. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Own work capitalised

Own work capitalised comprises staff costs and other costs incurred in the financial year and recognised in cost for proprietary intangible assets.

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.

Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.

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.

The Entity is jointly taxed with all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Goodwill

Goodwill is the positive difference between cost and fair value of assets and liabilities arising from acquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. For amounts of goodwill, useful life has been determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long-term earnings profile and whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets. Useful lives are reassessed annually. The amortisation periods used are 10 years.

Goodwill is written down to the lower of recoverable amount and carrying amount.

Intellectual property rights etc

Intellectual property rights etc comprise development projects completed.

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.

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. If the useful life cannot be estimated reliably, it is fixed at 10 years. For development projects protected by intellectual property rights, the maximum period of amortisation is the remaining duration of the relevant rights. The amortisation periods used are 7-10 years.

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.

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. Land is not depreciated.

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:

	Useful life
Other fixtures and fittings, tools and equipment	3

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises

Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises’ equity value plus unamortised goodwill and plus or minus unrealised intra-group profits or losses. Refer to the above section on business combinations for more details about the accounting policies used on acquisitions of investments in group enterprises.

Group enterprises with negative equity value are measured at DKK 0. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation will involve a loss, a provision is recognised that is measured at present value of the costs necessary to settle the obligations at the balance sheet date.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to the reserve for net revaluation according to the equity method in equity.

Goodwill is the positive difference between cost of investments and fair value of assets and liabilities arising from acquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. For amounts of goodwill, useful life has been determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long-term earnings profile and whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets. Useful lives are reassessed annually. The amortisation periods used are 10 years.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

Receivables

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

Prepayments

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

Cash

Cash comprises bank deposits.

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. However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

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.

Deferred tax relating to retaxation of previously deducted losses in foreign subsidiaries is recognised on the basis of an actual assessment of the purpose of each subsidiary.

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.

Joint taxation contributions payable or receivable

Current joint taxation contributions receivable or joint taxation contributions payable are recognised in the balance sheet, calculated as tax computed on the taxable income of the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

Cash flow statement

Referring to section 86(4) of the Danish Financial Statements Act, the Entity has prepared no cash flow statement as such statement is included in the consolidated cash flow statement of Infare I ApS, 38 63 66 69.