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DK-8000 Aarhus C  
CVR no. 20 22 26 70

**MYPLANET HOLDING A/S**  
**P.HIORT-LORENZENS VEJ 2, 8000 AARHUS C**  
**ANNUAL REPORT**  
**1 OCTOBER 2016 - 30 SEPTEMBER 2017**

**The Annual Report has been presented and  
adopted at the Company's Annual General  
Meeting on 28 February 2018**

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**Anders Houliind Ulsøe**

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**COMPANY DETAILS**

|                            |   |
|----------------------------|---|
| <b>Company</b>             | MyPlanet Holding A/S<br>P.Hiort-Lorenzens Vej 2<br>8000 Aarhus C<br><br>CVR no.: 26 46 19 36<br>Established: 4 February 2002<br>Registered Office: Aarhus<br>Financial Year: 1 October 2016 - 30 September 2017 |
| <b>Board of Directors</b>  | John Gerard Devereux<br>Mathew Roger Percy Elland Prior<br>Anders Houkind Ulsøe   |
| <b>Board of Executives</b> | Mathew Roger Percy Elland Prior   |
| <b>Auditor</b>             | BDO Statsautoriseret revisionsaktieselskab<br>Kystvejen 29<br>8000 Aarhus C   |
| <b>Bank</b>                | Nordea<br>Skt. Clemens Torv 2-6<br>8000 Aarhus C  |

## STATEMENT BY BOARD OF DIRECTORS AND BOARD OF EXECUTIVES

Today the Board of Directors and Board of Executives have discussed and approved the Annual Report of MyPlanet Holding A/S for the financial year 1 October 2016 - 30 September 2017.

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 the Company's financial position at 30 September 2017 and of the results of the the Company's operations and cash flows for the financial year 1 October 2016 - 30 September 2017.

The Management's Review includes in our opinion a fair presentation of the matters dealt with in the review.

We recommend the Annual Report be approved at the Annual General Meeting.

Aarhus, 28 February 2018

Board of Executives

\_\_\_\_\_  
Mathew Roger Percy Elland Prior

Board of Directors

\_\_\_\_\_  
John Gerard Devereux

\_\_\_\_\_  
Mathew Roger Percy Elland Prior

\_\_\_\_\_  
Anders Houkind Ulsøe

## INDEPENDENT AUDITOR'S REPORT

### To the Shareholders of MyPlanet Holding A/S

#### Opinion

We have audited the Financial Statements of MyPlanet Holding A/S for the financial year 1 October 2016 - 30 September 2017, which comprise income statement, balance sheet, statement of changes in equity, cash flows, notes and a summary of significant accounting policies. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 30 September 2017 and of the results of the Company operations and cash flows for the financial year 1 October 2016 - 30 September 2017 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' Code of Ethics for Professional Accountants (IESBA Code) 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.

#### Management's Responsibility 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 Responsibility for 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's Review

Management is responsible for Management's Review.

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

Based on the work we have performed, we conclude that Management's Review 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's Review.

Aarhus, 28 February 2018

BDO Statsautoriseret revisionsaktieselskab  
CVR no. 20 22 26 70

Morten Trap Olesen  
State Authorised Public Accountant  
MNE no. mne35625

**FINANCIAL HIGHLIGHTS**

|  | 2016/17<br>DKK '000 | 2015/16<br>DKK '000 | 2014/15<br>DKK '000 | 2013/14<br>DKK '000 | 2012/13<br>DKK '000 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Income statement</b>                  |                     |                     |                     |                     |                     |
| Gross profit/loss.....                   | -13,778             | -10,068             | -5,400              | -6,722              | -8,310              |
| Operating profit/loss.....               | -13,778             | -10,068             | -5,400              | -6,722              | -8,310              |
| Financial income and expenses, net.....  | -111                | -163                | -155                | -188                | -155                |
| Profit/loss for the year.....            | -13,203             | -10,192             | -5,521              | -8,643              | -8,415              |
| <b>Balance sheet</b>                     |                     |                     |                     |                     |                     |
| Balance sheet total.....                 | 21                  | 13,887              | 21,811              | 27,747              | 34,943              |
| Equity.....                              | -6,683              | 6,521               | 14,633              | 20,750              | 28,391              |
| <b>Cash flows</b>                        |                     |                     |                     |                     |                     |
| Investment in tangible fixed assets..... | 0                   | 0                   | 0                   | 0                   | 0                   |
| <b>Ratios</b>                            |                     |                     |                     |                     |                     |
| Solvency ratio.....                      | Neg.                | 47.0                | 67.1                | 74.8                | 81.2                |
| Return on equity.....                    | 0.0                 | Neg.                | Neg.                | Neg.                | Neg.                |

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

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

Return on equity: 
$$\frac{\text{Profit/loss after tax} \times 100}{\text{Average equity}}$$

The ratios follow in all material respects the recommendations of the Danish Finance Society.

## MANAGEMENT'S REVIEW

### Principal activities

The company's main activity is to hold shares in MyPlanet International A/S.

### Development in activities and financial position

The income statement of the Company for 2016/17 shows a loss of TDKK 13,203, and at September 2017 the balance sheet of the Company shows negative equity of TDKK 6,683.

Results for the year are unsatisfactory.

The company has secured liquidity to the expected growth and return to profitability through strong support statement from the ultimate parent company.

### Profit/loss for the year compared to future expectations

The current year resulted in a loss of TDKK 13,203. MyPlanet International A/S expect growth and a return to profitability within 2 years. The business in MyPlanet International A/S is currently undergoing a turnaround plan that will hopefully bring it back to profitability.

During the financial year, the subsidiary MyPlanet International A/S realized a loss of tDKK 8,800, partly due to a loss in the subsidiary MyPlanet Sweden AB. The result is influenced by some organizational changes that are expected to contribute to a positive development in the coming years.

### Significant events after the end of the financial year

No events have occurred after the end of the financial year of material importance for the company's financial position.

### Future expectations

MyPlanet International A/S expect to drive growth in Denmark, especially through the MarcoPolo brand. In the Swedish subsidiary MyPlanet International A/S expect to double the revenue over the coming 3-4 years.



## INCOME STATEMENT 1 OCTOBER - 30 SEPTEMBER

|   | Note     | 2016/17<br>DKK '000 | 2015/16<br>DKK '000 |
|---|----------|---------------------|---------------------|
| <b>RESULT OF EQUITY INVESTMENTS IN GROUP ENTERPRISES.....</b> |          | <b>-13,733</b>      | <b>-10,041</b>      |
| Other external expenses.....                                  |          | -45                 | -27                 |
| <b>OPERATING LOSS.....</b>                                    |          | <b>-13,778</b>      | <b>-10,068</b>      |
| Other financial expenses.....                                 | 1        | -111                | -163                |
| <b>PROFIT BEFORE TAX.....</b>                                 |          | <b>-13,889</b>      | <b>-10,231</b>      |
| Tax on profit/loss for the year.....                          | 2        | 686                 | 39                  |
| <b>PROFIT FOR THE YEAR.....</b>                               | <b>3</b> | <b>-13,203</b>      | <b>-10,192</b>      |

**BALANCE SHEET AT 30 SEPTEMBER**

| <b>ASSETS</b>                                    | <b>Note</b> | <b>2017</b><br>DKK '000 | <b>2016</b><br>DKK '000 |
|--|-------------|-------------------------|-------------------------|
| Equity investments in group enterprises.....     |             | 0                       | 13,734                  |
| Fixed asset investments.....                     | 4           | 0                       | 13,734                  |
| <b>FIXED ASSETS.....</b>                         |             | <b>0</b>                | <b>13,734</b>           |
| Deferred tax assets.....                         |             | 0                       | 130                     |
| Receivables.....                                 |             | 0                       | 130                     |
| Cash and cash equivalents.....                   |             | 21                      | 23                      |
| <b>CURRENT ASSETS.....</b>                       |             | <b>21</b>               | <b>153</b>              |
| <b>ASSETS.....</b>                               |             | <b>21</b>               | <b>13,887</b>           |
| <b>EQUITY AND LIABILITIES</b>                    |             |                         |                         |
| Share capital.....                               | 5           | 107,300                 | 107,300                 |
| Retained profit.....                             |             | -113,983                | -100,779                |
| <b>EQUITY.....</b>                               |             | <b>-6,683</b>           | <b>6,521</b>            |
| Trade payables.....                              |             | 26                      | 26                      |
| Payables to group enterprises.....               |             | 5,701                   | 5,550                   |
| Corporation tax.....                             | 7           | 977                     | 1,790                   |
| <b>Current liabilities.....</b>                  |             | <b>6,704</b>            | <b>7,366</b>            |
| <b>LIABILITIES.....</b>                          |             | <b>6,704</b>            | <b>7,366</b>            |
| <b>EQUITY AND LIABILITIES.....</b>               |             | <b>21</b>               | <b>13,887</b>           |
| <br>Contingencies etc.                           | <br>8       |                         |                         |
| Related parties                                  | 9           |                         |                         |
| Development in activities and financial position | 10          |                         |                         |

## EQUITY

|  | Share capital  | Retained profit | Total         |
|--|----------------|-----------------|---------------|
| Equity at 1 October 2016 .....           | 107,300        | -100,780        | 6,520         |
| Proposed distribution of profit .....    |                | -13,203         | -13,203       |
| <b>Equity at 30 September 2017 .....</b> | <b>107,300</b> | <b>-113,983</b> | <b>-6,683</b> |

**CASH FLOW STATEMENT 1 OCTOBER - 30 SEPTEMBER**

|   | <b>2016/17</b><br>DKK '000 | <b>2015/16</b><br>DKK '000 |
|---|----------------------------|----------------------------|
| Profit/loss for the year.....                               | -13,203                    | -10,192                    |
| Profit/loss from subsidiaries.....                          | 13,733                     | 10,041                     |
| Reversed tax on profit/loss for the year.....               | -686                       | -39                        |
| Corporation tax paid.....                                   | 3                          | 0                          |
| Change in current liabilities (ex bank and tax).....        | 151                        | 188                        |
| <b>CASH FLOWS FROM OPERATING ACTIVITY.....</b>              | <b>-2</b>                  | <b>-2</b>                  |
| <b>CHANGE IN CASH AND CASH EQUIVALENTS.....</b>             | <b>-2</b>                  | <b>-2</b>                  |
| Cash and cash equivalents at 1. oktober.....                | 23                         | 25                         |
| <b>CASH AND CASH EQUIVALENTS AT 30. SEPTEMBER.....</b>      | <b>21</b>                  | <b>23</b>                  |
| Specification of cash and cash equivalents at 30 September: |                            |                            |
| Cash and cash equivalents.....                              | 21                         | 23                         |
| <b>CASH AND CASH EQUIVALENTS, NET DEBT.....</b>             | <b>21</b>                  | <b>23</b>                  |

## NOTES

|   | 2016/17<br>DKK '000 | 2015/16<br>DKK '000                           | Note      |
|---|---------------------|---|-----------|
| <b>Other financial expenses</b>   |                     |   | <b>1</b>  |
| Group enterprises.....  | 111                 | 163   |           |
|   | <b>111</b>          | <b>163</b>                                    |           |
| <b>Tax on profit/loss for the year</b>  |                     |   | <b>2</b>  |
| Adjustment of tax in previous years.....  | -816                | 0   |           |
| Adjustment of deferred tax.....   | 130                 | -39   |           |
|   | <b>-686</b>         | <b>-39</b>                                    |           |
| <b>Proposed distribution of profit</b>  |                     |   | <b>3</b>  |
| Accumulated profit.....   | -13,203             | -10,192                                       |           |
|   | <b>-13,203</b>      | <b>-10,192</b>                                |           |
| <b>Fixed asset investments</b>  |                     |   | <b>4</b>  |
|   |                     | Equity<br>investments in<br>group enterprises |           |
| Cost at 1 October 2016.....   |                     | 125,258                                       |           |
| Cost at 30 September 2017.....  |                     | <b>125,258</b>                                |           |
| Revaluation at 1 October 2016.....  |                     | -82,651                                       |           |
| Profit/loss for the year.....   |                     | 633   |           |
| Revaluation at 30 September 2017.....   |                     | <b>-82,018</b>                                |           |
| Impairment losses and amortisation of goodwill at 1 October 2016.....                                   |                     | 28,874  |           |
| Amortisation of goodwill.....   |                     | 14,366  |           |
| Impairment losses and amortisation of goodwill at 30 September 2017.....                                |                     | <b>43,240</b>                                 |           |
| Carrying amount at 30 September 2017.....   |                     | <b>0</b>                                      |           |
| <b>Goodwill</b>   |                     |   |           |
| Remaining positive difference included in the above carrying amount at 30 September 2017<br>DKK '000 0. |                     |   |           |
| <b>Investments in subsidiaries (DKK '000)</b>   |                     |   |           |
| Name and registered office  | Equity              | Profit/loss<br>for the year                   | Ownership |
| MyPlanet International A/S, Aarhus, Denmark...  | -12,007             | -8,800  | 100 %     |

## NOTES

|   | 2017           | 2016           | Note     |
|---|----------------|----------------|----------|
|   | DKK '000       | DKK '000       |          |
| <b>Share capital</b>  |                |                | <b>5</b> |
| Specification of the share capital:   |                |                |          |
| Share capital, 1,073,000 in the denomination of 100 DKK.....  | 107,300        | 107,300        |          |
|   | <b>107,300</b> | <b>107,300</b> |          |
| <b>Deferred tax assets</b>  |                |                | <b>6</b> |
| Deferred tax asset comprises deferred tax on tax losses carried forward.  |                |                |          |
| Deferred tax asset comprises:   |                |                |          |
| Tax losses, carried forward.....  | 748            | 593            |          |
| Not recognized in the balance sheet.....  | -748           | 0              |          |
|   | <b>0</b>       | <b>593</b>     |          |
| Deferred tax, beginning of year.....  | 130            | 91             |          |
| Deferred tax of the year, income statement.....   | -130           | 39             |          |
| <b>Deferred tax assets 30 September 2017.....</b>   | <b>0</b>       | <b>130</b>     |          |
| <b>Corporation tax</b>  |                |                | <b>7</b> |
| Corporation tax.....  | 977            | 1,790          |          |
|   | <b>977</b>     | <b>1,790</b>   |          |
| The tax amount due concerns a previous case with SKAT. The company's management expects the amount to be paid, but no final payment date has been received. |                |                |          |
| <b>Contingencies etc.</b>   |                |                | <b>8</b> |
| <b>Contingent assets</b>  |                |                |          |
| The company has a deferred tax asset of tDKK 164, which is not recognized in the annual report.   |                |                |          |
| <b>Contingent liabilities</b>   |                |                |          |
| <b>Joint liabilities</b>  |                |                |          |
| The Danish companies of the group is jointly and severally liable for tax on the group's jointly taxed income.  |                |                |          |
| Tax payable of the group's jointly taxed income amounts to tDKK 0 at the balance sheet date.  |                |                |          |

**NOTES****Note****Related parties****9**

**The Controlling interest**  
Travelopia Holdings Limited

**Other related parties having performed transactions with the company**

The company's related parties having a significant influence comprise subsidiaries and associates as well as the companies' Board of Directors, Board of Executives and executive officers and their relatives. Related parties include also companies in which the above mentioned group of persons has material interests.

**Transactions with related parties**

The company did not carry out any substantial transactions that were not concluded on market conditions.

**Development in activities and financial position****10**

The company has secured liquidity to the expected growth and return to profitability through strong support statement from the ultimate parent company.

The subsidiary MyPlanet International A/S expects growth and a return to profitability within 2 years. The business in MyPlanet International A/S is currently undergoing a turnaround plan that will hopefully bring it back to profitability. The liquidity is through the strong support statement secured until profitability is expected reached.

## ACCOUNTING POLICIES

The annual report of MyPlanet Holding A/S for 2016/17 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class C, medium enterprise.

The format of the income statement has been adjusted to the company's activities as a holding company.

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

### **Consolidated financial statements**

Consolidated financial statements have not been prepared because the group fulfils the exemption provisions of section 112 of the Danish Financial Statements Act on sub-groups. The company is included in the consolidated financial statements of Travelopia Holdings Limited, 108 High Street, Crawley, West Sussex, United Kingdom, Company number 05934241. It can be required with Companies House, UK.

## INCOME STATEMENT

### **Other external expenses**

Other external expenses include cost of sales, advertising, administration, buildings, bad debts, operational lease expenses, etc.

### **Investments in subsidiaries**

The income statement of the parent company recognises the proportional share of the results of each subsidiary after full elimination of intercompany profits/losses and deduction of amortisation of goodwill.

### **Financial income and expenses in general**

Financial income and expenses include interest income and expenses, realised and unrealised gains and losses arising from investments in financial assets, debt and transactions in foreign currencies as well as charges and allowances under the tax-on-account scheme etc. Financial income and expenses are recognised in the income statement by the amounts that relate to the financial year.

### **Tax on profit for the year**

The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the income statement by the portion that may be attributed to the profit for the year, and is recognised directly in the equity by the portion that may be attributed to entries directly to the equity.



## ACCOUNTING POLICIES

### BALANCE SHEET

#### **Fixed asset investments**

Investments in subsidiaries are measured in the company's balance sheet under the equity method.

Acquired enterprises are recognised in the consolidated financial statements under the acquisition method, reassessing all identified assets and liabilities to fair value at the acquisition date. The fair value is calculated based on acquisitions made in an active market, alternatively calculated using generally accepted valuation methods. Upon calculation of the fair value of properties used in the business a discounted cash flow model is applied based on discounted cash flow of future earnings. Operating equipment is recognised at fair value based on an assessor's opinion, built on an overall assessment of the production equipments.

Consolidated goodwill is amortised over the expected useful life determined on the basis of management's experience within the individual lines of business. Consolidated goodwill is amortised on a straight-line basis over the period of amortisation which is estimated to 8 years. The period of amortisation is determined based on an assessment of the acquired company's position in the market and earnings profile, and the industry-specific condition.

Subsidiaries with a negative carrying equity value are measured to DKK 0 and any amounts due from these enterprises are written down by the company's share of the negative equity to the extent that it is deemed to be irrecoverable. If the carrying negative equity value exceeds accounts receivable, the residual amount is recognised under provision for liabilities to the extent that the company's has a legal or actual liability to cover the subsidiary's deficit.

#### **Impairment of fixed assets**

The carrying amount of fixed assets, which are not measured at fair value, are valued on an annual basis for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the net realisable value is lower than the carrying amount, the assets are written down to the lower value.

The recoverable amount is calculated at the higher of net selling price and capital value. The capital value is determined as the fair value of the expected net cash flows from the use of the asset or group of assets and the expected net cash flows from sale of the asset or group of assets after the end of its useful life.

## ACCOUNTING POLICIES

### Tax payable and deferred tax

Current tax liabilities and receivable current tax are recognised in the balance sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

The Company is subject to joint taxation with Danish group companies. The current corporation tax is distributed among the joint taxable companies in proportion to their taxable income and with full allocation and refund related to tax losses. The joint taxable companies are included in the on account tax scheme. Joint taxation contributions receivable and payable are recognised in the Balance Sheet under current assets and liabilities, respectively.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carry-forwards, are measured at the expected realisable value of the asset, either by set-off against tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the balance sheet date would be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

### Liabilities

Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less borrowing costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the income statement over the term of loan.

Amortised cost of current liabilities usually corresponds to nominal value.

### Foreign currency translation

Transactions in foreign currencies are translated at the rate of exchange on the transaction date. Exchange differences arising between the rate on the transaction date and the rate on the payment date are recognised in the income statement as a financial income or expense.

## CASH FLOW STATEMENT

The cash flow statement shows the company's cash flows for the year for operating activities, investing activities and financing activities in the year, the change in cash and cash equivalents of the year and cash and cash equivalents at beginning and end of the year.

### Cash flows from operating activities:

Cash flows from operating activities are computed as the results for the year adjusted for non-cash operating items, changes in net working capital and corporation tax paid.

### Cash flows from investing activities:

Cash flows from investing activities include payments in connection with purchase and sale of intangible and tangible fixed asset and fixed asset investments.

### Cash flows from financing activities:

Cash flows from financing activities include changes in the size or composition of share capital and related costs, and borrowings and repayment of interest-bearing debt and payment of dividend to shareholders.

### Cash and cash equivalents:

Cash and cash equivalents include bank overdraft and cash in hand.