



## One.com A/S

Kalvebod Brygge 24  
1560 Copenhagen V  
CVR No. 28677138

## Annual report 01.10.2020 - 30.09.2021

The Annual General Meeting adopted the  
annual report on 28.01.2022

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**Ronni Woods Engelhardt**  
Chairman

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# Entity details

## Entity

One.com A/S

Kalvebod Brygge 24

1560 Copenhagen V

Business Registration No.: 28677138

Registered office: Copenhagen

Financial year: 01.10.2020 - 30.09.2021

## Board of Directors

Ronni Woods Engelhardt

Jonas Zimling

Maria-Helene Toxværd

## Executive Board

Ronni Woods Engelhardt

## 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 One.com A/S for the financial year 01.10.2020 - 30.09.2021.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 30.09.2021 and of the results of its operations for the financial year 01.10.2020 - 30.09.2021.

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

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

Copenhagen, 28.01.2022

## Executive Board

**Ronni Woods Engelhardt**

## Board of Directors

**Ronni Woods Engelhardt**

**Jonas Zimling**

**Maria-Helene Toxværd**

# Independent auditor's report

## To the shareholder of One.com A/S

### Opinion

We have audited the financial statements of One.com A/S for the financial year 01.10.2020 - 30.09.2021, 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 30.09.2021 and of the results of its operations for the financial year 01.10.2020 - 30.09.2021 in accordance with the Danish Financial Statements Act.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of this auditor's report. We are independent of the Company 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, 28.01.2022

**Deloitte**

Statsautoriseret Revisionspartnerselskab  
CVR No. 33963556

**Jan Larsen**

State Authorised Public Accountant  
Identification No (MNE) mne16541

**Ulrik Winkler Jakobsen**

State Authorised Public Accountant  
Identification No (MNE) mne47242

# Management commentary

## Financial highlights

	2020/21	2019/20	2018/19	2017/18	2016/17
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
<b>Key figures</b>					
Gross profit/loss	162,463	111,117	91,616	90,943	88,468
Operating profit/loss	36,519	10,138	6,998	5,678	4,622
Net financials	(2,297)	(2,558)	(2,975)	(1,447)	(1,602)
Profit/loss for the year	29,301	6,925	3,623	3,354	2,504
Total assets	163,189	146,393	133,060	91,685	83,573
Investments in property, plant and equipment	15,363	17,837	29,249	14,370	12,435
Equity	60,779	31,477	24,552	20,929	17,575
<b>Ratios</b>					
Return on equity (%)	63.52	24.72	15.93	17.42	15.34
Equity ratio (%)	37.24	21.50	18.45	22.83	21.03

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

### Return on equity (%):

Profit/loss for the year \* 100

Average equity

### Equity ratio (%):

Equity \* 100

Total assets



**Primary activities**

The Company's activities are sale, development and hosting of software to domain-related services, domain name registry activities and support services.

**Development in activities and finances**

Profit for the year is DKK 29.301 thousand (2019/20: DKK 6.925 thousand)

Under the ongoing global corona pandemic the Companies offices have been temporarily closed down for all unnecessary activity and staff have been working from home to a great extent.

Financially One.com A/S and the group have experienced an increased demand for our products. Therefore financially the corona pandemic isolated have not had any negative effect.

**Profit/loss for the year in relation to expected developments**

Profit for the year is meeting Management's expectations.

**Uncertainty relating to recognition and measurement**

There has been no uncertainty relating to recognition and measurement.

**Outlook**

A profit equal to the level attained this year is expected for 2021/22. In addition, the Company expects a positive cash flow.

The level of investment in hardware is expected to be in conformity with this financial year.

**Environmental performance**

The Company takes a proactive approach to its environmental impact.

In connection with its server operations, the Company has, for example, made sure that only renewable energy consisting of electricity generated by wind turbines is being used.

In addition, the Company is continuously aware of the environmental impact of purchasing and ongoing resource usage.

**Research and development activities**

The Company's employees are highly skilled and they constantly improve the initiatives effected in direct consequence of the demand by the customers.

**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 2020/21

	Notes	2020/21 DKK	2019/20 DKK
<b>Gross profit/loss</b>		<b>162,463,434</b>	<b>111,117,471</b>
Staff costs	1	(96,268,486)	(73,521,729)
Depreciation, amortisation and impairment losses	2	(29,676,167)	(27,457,738)
<b>Operating profit/loss</b>		<b>36,518,781</b>	<b>10,138,004</b>
Income from investments in group enterprises		1,298,775	996,876
Other financial income	3	2,466,622	5,308,910
Other financial expenses	4	(4,764,034)	(7,866,524)
<b>Profit/loss before tax</b>		<b>35,520,144</b>	<b>8,577,266</b>
Tax on profit/loss for the year	5	(6,218,690)	(1,651,937)
<b>Profit/loss for the year</b>	6	<b>29,301,454</b>	<b>6,925,329</b>

# Balance sheet at 30.09.2021

## Assets

	Notes	2020/21 DKK	2019/20 DKK
Acquired licences		4,257,216	5,661,738
Goodwill		0	0
<b>Intangible assets</b>	7	<b>4,257,216</b>	<b>5,661,738</b>
Land and buildings		21,124,223	29,777,515
Other fixtures and fittings, tools and equipment		35,291,576	39,503,283
<b>Property, plant and equipment</b>	8	<b>56,415,799</b>	<b>69,280,798</b>
Investments in group enterprises		3,221,654	1,922,709
Other receivables		3,827,595	4,216,428
<b>Financial assets</b>	9	<b>7,049,249</b>	<b>6,139,137</b>
<b>Fixed assets</b>		<b>67,722,264</b>	<b>81,081,673</b>
Trade receivables		691,188	897,596
Receivables from group enterprises		52,110,699	36,164,791
Other receivables		5,091,662	2,643,207
Prepayments	10	8,788,393	7,561,488
<b>Receivables</b>		<b>66,681,942</b>	<b>47,267,082</b>
<b>Cash</b>		<b>28,784,721</b>	<b>18,044,625</b>
<b>Current assets</b>		<b>95,466,663</b>	<b>65,311,707</b>
<b>Assets</b>		<b>163,188,927</b>	<b>146,393,380</b>

**Equity and liabilities**

	Notes	2020/21 DKK	2019/20 DKK
Contributed capital	11	2,000,000	2,000,000
Reserve for net revaluation according to the equity method		3,048,840	1,750,065
Retained earnings		55,729,703	27,727,024
<b>Equity</b>		<b>60,778,543</b>	<b>31,477,089</b>
Deferred tax	12	3,361,711	2,947,913
<b>Provisions</b>		<b>3,361,711</b>	<b>2,947,913</b>
Lease liabilities		11,421,497	25,026,196
<b>Non-current liabilities other than provisions</b>	13	<b>11,421,497</b>	<b>25,026,196</b>
Current portion of non-current liabilities other than provisions	13	10,565,625	22,779,037
Trade payables		5,698,735	4,481,181
Payables to group enterprises		48,622,523	40,049,774
Joint taxation contribution payable		6,327,832	567,200
Other payables		12,701,406	16,084,899
Deferred income	14	3,711,055	2,980,091
<b>Current liabilities other than provisions</b>		<b>87,627,176</b>	<b>86,942,182</b>
<b>Liabilities other than provisions</b>		<b>99,048,673</b>	<b>111,968,378</b>
<b>Equity and liabilities</b>		<b>163,188,927</b>	<b>146,393,380</b>
Contingent liabilities	15		
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# Statement of changes in equity for 2020/21

	Contributed capital DKK	Reserve for net revaluation according to the equity method DKK	Retained earnings DKK	Total DKK
Equity beginning of year	2,000,000	1,750,065	27,727,024	31,477,089
Profit/loss for the year	0	1,298,775	28,002,679	29,301,454
<b>Equity end of year</b>	<b>2,000,000</b>	<b>3,048,840</b>	<b>55,729,703</b>	<b>60,778,543</b>

# Notes

## 1 Staff costs

	<b>2020/21</b>	<b>2019/20</b>
	<b>DKK</b>	<b>DKK</b>
Wages and salaries	93,798,609	72,931,227
Pension costs	1,376,835	0
Other social security costs	798,868	386,444
Other staff costs	294,174	204,058
	<b>96,268,486</b>	<b>73,521,729</b>
Average number of full-time employees	<b>153</b>	<b>135</b>

Referring to section 98b(3) of the Danish Financial Statement Act, remuneration to the Executive Board has not been disclosed.

## 2 Depreciation, amortisation and impairment losses

	<b>2020/21</b>	<b>2019/20</b>
	<b>DKK</b>	<b>DKK</b>
Amortisation of intangible assets	1,404,522	1,388,547
Depreciation of property, plant and equipment	28,165,594	26,572,809
Profit/loss from sale of intangible assets and property, plant and equipment	106,051	(503,618)
	<b>29,676,167</b>	<b>27,457,738</b>

## 3 Other financial income

	<b>2020/21</b>	<b>2019/20</b>
	<b>DKK</b>	<b>DKK</b>
Financial income from group enterprises	1,451,933	2,954,359
Other interest income	6,024	54,804
Exchange rate adjustments	840,867	2,299,747
Other financial income	167,798	0
	<b>2,466,622</b>	<b>5,308,910</b>

## 4 Other financial expenses

	<b>2020/21</b>	<b>2019/20</b>
	<b>DKK</b>	<b>DKK</b>
Financial expenses from group enterprises	1,347,840	1,282,348
Other interest expenses	1,562,429	2,271,608
Exchange rate adjustments	632,907	3,030,752
Other financial expenses	1,220,858	1,281,816
	<b>4,764,034</b>	<b>7,866,524</b>

## 5 Tax on profit/loss for the year

	2020/21 DKK	2019/20 DKK
Current tax	5,804,892	614,200
Change in deferred tax	413,798	1,037,737
	<b>6,218,690</b>	<b>1,651,937</b>

## 6 Proposed distribution of profit and loss

	2020/21 DKK	2019/20 DKK
Retained earnings	29,301,454	6,925,329
	<b>29,301,454</b>	<b>6,925,329</b>

## 7 Intangible assets

	Acquired licences DKK	Goodwill DKK
Cost beginning of year	12,244,773	250,000
<b>Cost end of year</b>	<b>12,244,773</b>	<b>250,000</b>
Amortisation and impairment losses beginning of year	(6,583,035)	(250,000)
Amortisation for the year	(1,404,522)	0
<b>Amortisation and impairment losses end of year</b>	<b>(7,987,557)</b>	<b>(250,000)</b>
<b>Carrying amount end of year</b>	<b>4,257,216</b>	<b>0</b>

## 8 Property, plant and equipment

	Land and buildings DKK	Other fixtures and fittings, tools and equipment DKK
Cost beginning of year	38,812,208	85,602,073
Additions	1,722,226	13,640,514
Disposals	0	(8,881,871)
<b>Cost end of year</b>	<b>40,534,434</b>	<b>90,360,716</b>
Depreciation and impairment losses beginning of year	(9,034,693)	(46,098,790)
Depreciation for the year	(10,375,518)	(17,790,076)
Reversal regarding disposals	0	8,819,726
<b>Depreciation and impairment losses end of year</b>	<b>(19,410,211)</b>	<b>(55,069,140)</b>
<b>Carrying amount end of year</b>	<b>21,124,223</b>	<b>35,291,576</b>

Land and buildings include finance leases at a booked value of DKK 21,124,223.

## 9 Financial assets

	Investments in group enterprises DKK	Other receivables DKK
Cost beginning of year	172,644	3,534,006
Exchange rate adjustments	0	253,301
Additions	0	238,428
Disposals	0	(198,140)
<b>Cost end of year</b>	<b>172,644</b>	<b>3,827,595</b>
Revaluations beginning of year	1,750,065	682,422
Exchange rate adjustments	170	0
Share of profit/loss for the year	1,298,775	0
Reversal of revaluations	0	(682,422)
<b>Revaluations end of year</b>	<b>3,049,010</b>	<b>0</b>
<b>Carrying amount end of year</b>	<b>3,221,654</b>	<b>3,827,595</b>

Investments in subsidiaries	Registered in	Corporate form	Equity interest %	Equity DKK	Profit/loss DKK
One.com INDIA Pvt. Ltd.	Gurgaon	Pvt. Ltd.	100	3,221,654	1,298,775

## 10 Prepayments

Prepayments comprise prepaid expenses. Prepayments are measured at cost.

## 11 Share capital

	Number	Par value DKK	Nominal value DKK
Ordinary shares	20,000	100	2,000,000
	<b>20,000</b>		<b>2,000,000</b>

## 12 Deferred tax

Changes during the year	2020/21 DKK	2019/20 DKK
Beginning of year	2,947,913	2,072,532
Recognised in the income statement	1,451,535	1,037,737
Adjustment prior year - recognised in the income statement	(1,037,737)	(162,356)
<b>End of year</b>	<b>3,361,711</b>	<b>2,947,913</b>



### 13 Non-current liabilities other than provisions

	Due within 12 months 2020/21 DKK	Due within 12 months 2019/20 DKK	Due after more than 12 months 2020/21 DKK
Lease liabilities	10,565,625	22,779,037	11,421,497
	<b>10,565,625</b>	<b>22,779,037</b>	<b>11,421,497</b>

Due after more than 5 years: DKK 0.

### 14 Deferred income

Short-term deferred income comprises accruals relating to revenue.

### 15 Contingent liabilities

The Entity is involved in certain disputes of which the final financial outcome is not yet certain, however the amount is not expected to exceed DKK 2 million.

The Entity has provided surety for following group entities:

Redhalo Midco (UK) Limited: 173.5 million

B-One FZ-LLC: No limit

The Entity participates in a Danish joint taxation arrangement where Isthmus Danish Bidco ApS serves as the 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

Cinven Sixth Fund

Level 4, Mill Court

La Charroterie

St Peter Port

Guernsey GY1 1EJ

Redhalo Jersey Topco Ltd.

11-15 Seaton Place

St Helier,

JE4 0QH

Jersey

Isthmus Holdco Ltd.

21 St James's Square

London

SW1Y 4JZ

United Kingdom

Redhalo Midco Ltd.  
21 St James's Square  
London  
SW1Y 4JZ  
United Kingdom

Redhalo Bidco Ltd.  
21 St James's Square  
London  
SW1Y 4JZ  
United Kingdom

Isthmus Danish Bidco ApS  
Kalvebod Brygge 24  
1650 Copenhagen V  
Denmark

Tribes Holdings Ltd.  
21 St James's Square  
London  
SW1Y 4JZ  
United Kingdom

Performing a management function, the following entity also has a controlling interest:

Cinven Capital Management (VI)  
Level 4, Mill Court  
La Charroterie  
St Peter Port  
Guernsey GY1 1EJ

### **17 Group relations**

Name and registered office of the Parent preparing consolidated financial statements for the largest group:

Redhalo Midco (UK) Limited  
21 St James's Square  
London SW1Y 4JZ  
United Kingdom

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:

Isthmus Danish Bidco ApS  
Kalvebod Brygge 24  
1560 Copenhagen V  
Denmark

Copies of the consolidated financial statements of Redhalo Midco (UK) Limited and Isthmus Danish Bidco ApS may be obtained at the following address:

Kalvebod Brygge 24  
1560 Copenhagen V  
Denmark

# 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 110 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.

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 classified directly as equity.

Exchange adjustments of outstanding accounts with independent foreign subsidiaries, which are considered part of the total investment in the subsidiary in question, are classified directly as 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, other operating income, cost of sales and other external expenses.

### **Revenue**

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

### **Other operating income**

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

### **Cost of sales**

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

### **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 write-downs of receivables recognised in current assets.

### **Staff costs**

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

### **Depreciation, amortisation and impairment losses**

Amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment comprise amortisation, depreciation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets as well as 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 dividends etc received on other investments, interest income, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets as well as 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 payables and transactions in foreign currencies, amortisation of financial liabilities as well as 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 subsidiaries. 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.

The amortisation period is usually five years, however, in certain cases it may be up to 20 years for strategically acquired enterprises with a strong market position and a long-term earnings profile if the longer amortisation period is considered to give a better reflection of the benefit from the relevant resources.

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 and in progress with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised on a straight-line basis over their remaining duration, and licences are amortised over the term of the agreement, but over no more than 20 years.

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

**Property, plant and equipment**

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

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:

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

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.

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.

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 cash in hand and 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.

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.

### **Lease liabilities**

Lease commitments are recognised in the balance sheet as liabilities other than provisions, and, at the time of inception of the lease, measured at the present value of future lease payments. Subsequent to initial recognition, lease commitments are measured at amortised cost. The difference between present value and nominal amount of the lease payments is recognised in the income statement as a financial expense over the term of the leases.

### **Other financial liabilities**

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

### **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.

**Deferred income**

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.

**Cash flow statement**

With reference to section 86(4) of the Danish Financial Statements Act and the cash flow statement included in the consolidated financial statements of Isthmus Danish Bidco ApS, the Entity has not prepared any cash flow statement.