

LINK MOBILITY A/S  
FLÆSKETORVET 68 1., 1711 KØBENHAVN V  
ANNUAL REPORT  
1 JANUARY - 31 DECEMBER 2023

The Annual Report has been presented and adopted at the Company's Annual General Meeting on 26 June 2024

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Thomas Martin Berge

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

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**COMPANY DETAILS**

<b>Company</b>	Link Mobility A/S Flæsketorvet 68 1. 1711 Copenhagen V
	CVR No.: 30 07 75 20
	Established: 1 December 2006
	Municipality: Copenhagen
	Financial Year: 1 January - 31 December
<b>Board of Directors</b>	Thomas Martin Berge, chairman Ina Christiansen Rasmussen Sara Habberstad
<b>Executive Board</b>	Ina Christiansen Rasmussen
<b>Auditor</b>	PricewaterhouseCoopers Strandvejen 44 2900 Hellerup

## MANAGEMENT'S STATEMENT

*Today the Board of Directors and Executive Board have discussed and approved the Annual Report of Link Mobility A/S for the financial year 1 January - 31 December 2023.*

*The Annual Report is presented in accordance with the Danish Financial Statements Act.*

*In our opinion the Financial Statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023.*

*The Management Commentary includes in our opinion a fair presentation of the matters dealt with in the Commentary.*

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

Copenhagen, 26 June 2024

Executive Board

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Ina Christiansen Rasmussen

Board of Directors

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Thomas Martin Berge  
Chairman

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Ina Christiansen Rasmussen

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Sara Habberstad

## INDEPENDENT AUDITOR'S REPORT

### *To the Shareholder of Link Mobility A/S*

#### **Opinion**

We have audited the Financial Statements of Link Mobility A/S for the financial year 1 January - 31 December 2023, which comprise income statement, Balance Sheet, statement of changes in equity, notes and a summary of significant accounting policies. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

#### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

#### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional 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 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, in our view, 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 in Management's Review.

Hellerup, 26 June 2024

PricewaterhouseCoopers  
CVR no. 33 77 12 31

Niels Henrik B. Mikkelsen  
State Authorised Public Accountant  
MNE no. mne16675

## FINANCIAL HIGHLIGHTS

	2023	2022	2021	2020	2019
	DKK '000	DKK '000	DKK '000	DKK '000	DKK '000
<b>Income statement</b>					
Gross profit.....	21.583	19.666	21.178	28.485	33.475
Operating profit of main activities.....	7.499	4.905	9.023	12.670	13.617
Financial income and expenses, net.....	567	168	-134	-168	47
Profit/loss for the year.....	6.175	3.968	6.917	9.753	10.625
<b>Balance sheet</b>					
Total assets.....	78.997	63.697	68.510	46.586	33.097
Equity.....	30.424	24.250	20.282	13.365	11.612
Investment in property, plant and equipment.....	0	0	0	0	0
<b>Average number of full-time employees.....</b>	<b>19</b>	<b>19</b>	<b>20</b>	<b>18</b>	<b>23</b>
<b>Key ratios</b>					
Equity ratio.....	38,5	39,2	29,6	28,7	35,1
Return on equity.....	22,6	21,6	41,1	78,1	109,5
Return on investment.....	11,3	9,5	15,7	31,8	45,3

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

Equity ratio: 
$$\frac{\text{Equity, at year-end} \times 100}{\text{Total assets}}$$

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

Return on investment 
$$\frac{\text{Operation profit/loss (EBIT)} \times 100}{\text{Total assets}}$$

## MANAGEMENT COMMENTARY

### **Principal activities**

As in previous years, the main activities of the Company objective is to sell SMS solutions to businesses and private customers in Denmark.

### **Unusual matters**

There have been no other isolated events in the financial year which are of such a significant nature that they require mention in the management report.

### **Recognition and measurement uncertainty**

The preparation of financial statements in conformity with the Danish Financial Statements Act requires the use of certain critical accounting estimates. It also requires management to exercise its judgments in applying the Group's accounting policies. Areas involving a high degree of judgment or complexity, and areas in which assumptions and estimates are significant to the financial statements are disclosed as necessary. The financial statements have been prepared on a going-concern basis.

The presentation currency of the financial statement is Danish kroner (DKK). Amounts are rounded to nearest thousand, unless otherwise stated.

### **Development in activities and financial and economic position**

The income statement for 2023 shows a profit of TDKK 6.169 (2022: TDKK 3.968), and on 31 December 2023 the balance sheet of the company shows equity of TDKK 30.419 (2022: 24.250). The company has continued its normal operating activities and has delivered a satisfactory result, which further contributes to strengthening the company's equity.

The year's result is considered satisfactory by the management.

### **Profit for the year compared to the expected development**

An increase in volumes contributes to revenue growth year-on-year. At the end of 2023, the Company onboarded a large customer that is expected to further contribute to revenue growth moving forward. Combined with increased revenues from important customers and a lower negotiated COGS from a major operator, the year-end profit has increased comparatively.

### **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.

### **Financial risk**

Through its operations, the Company is exposed to credit risk. Credit risk is the risk of a counterparty defaulting. The Company's credit risk is limited to trade and other receivables and is mitigated by the Company's guidelines to ensure that credit sales are only made to customers with high credit rating. Customers with a low credit rating are required to prepay for services rendered.

Credit risk is deemed to be limited due to a diverse customer mix.

### **Knowledge resources**

Not applicable.

### **Research and development activities**

Not applicable.

### **Future expectations**

The customer pipeline is slow, and the license trend is weak moving into 2024. Nonetheless, revenue, gross profit, and profit before tax are all expected to exceed 2023.

Gross profit is expected to be approx. TDKK 10.000 - 15.000.

### **The Company's foreign branches**

Not applicable.



## INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2023 DKK	2022 DKK
<b>GROSS PROFIT</b> .....		<b>21.583.228</b>	<b>19.665.503</b>
Staff costs.....	1	-13.808.253	-14.442.658
Depreciation, amortisation and impairment losses for tangible and intangible assets.....	2	-276.205	-318.277
<b>OPERATING PROFIT</b> .....		<b>7.498.770</b>	<b>4.904.568</b>
Other financial income.....	3	1.065.709	236.876
Other financial expenses.....	4	-498.949	-69.157
<b>PROFIT BEFORE TAX</b> .....		<b>8.065.530</b>	<b>5.072.287</b>
Tax on profit/loss for the year.....	5	-1.890.925	-1.104.243
<b>PROFIT FOR THE YEAR</b> .....	6	<b>6.174.605</b>	<b>3.968.044</b>

## BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	2023 DKK	2022 DKK
Research and development cost.....		728.439	302.777
<b>Intangible assets.....</b>	<b>7</b>	<b>728.439</b>	<b>302.777</b>
Deposits.....		397.844	443.444
<b>Financial non-current assets.....</b>	<b>8</b>	<b>397.844</b>	<b>443.444</b>
<b>NON-CURRENT ASSETS.....</b>		<b>1.126.283</b>	<b>746.221</b>
Trade receivables.....		32.757.550	16.873.046
Receivables from group enterprises.....		44.921.236	45.640.296
Deferred tax assets.....		0	10.390
Prepayments.....	9	0	284.649
<b>Receivables.....</b>		<b>77.678.786</b>	<b>62.808.381</b>
<b>Cash and cash equivalents.....</b>		<b>191.518</b>	<b>141.991</b>
<b>CURRENT ASSETS.....</b>		<b>77.870.304</b>	<b>62.950.372</b>
<b>ASSETS.....</b>		<b>78.996.587</b>	<b>63.696.593</b>

## BALANCE SHEET AT 31 DECEMBER

EQUITY AND LIABILITIES	Note	2023 DKK	2022 DKK
Share Capital.....	10	540.500	540.500
Reserve for development costs.....		568.182	236.165
Retained earnings.....		29.315.497	23.472.909
<b>EQUITY.....</b>		<b>30.424.179</b>	<b>24.249.574</b>
Provision for deferred tax.....	11	116.564	0
<b>PROVISIONS.....</b>		<b>116.564</b>	<b>0</b>
Trade payables.....		19.257.678	9.225.560
Debt to Group companies.....		10.680.125	14.282.294
Corporation tax payable.....		4.892.100	3.125.276
Other liabilities.....		12.796.820	12.011.353
Deferred income.....	12	829.121	802.536
<b>Current liabilities.....</b>		<b>48.455.844</b>	<b>39.447.019</b>
<b>LIABILITIES.....</b>		<b>48.455.844</b>	<b>39.447.019</b>
<b>EQUITY AND LIABILITIES.....</b>		<b>78.996.587</b>	<b>63.696.593</b>
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## EQUITY

DKK	Share Capital	Reserve for development costs	Retained earnings	Total
Equity at 1 January 2023.....	540.500	236.165	23.472.909	24.249.574
Proposed profit allocation, see note 6.....			6.174.605	6.174.605
<b>Other legal bindings</b>				
Revaluations in the year.....		332.017	-332.017	0
<b>Equity at 31 December 2023.....</b>	<b>540.500</b>	<b>568.182</b>	<b>29.315.497</b>	<b>30.424.179</b>

The share capital consists of 5,405 shares of a nominal value of DKK 100. No shares carry any special rights.

## NOTES

	2023 DKK	2022 DKK	Note
<b>Staff costs</b>			<b>1</b>
Average number of full time employees	19	19	
Wages and salaries.....	11.689.675	12.481.824	
Pensions.....	1.925.564	1.794.783	
Social security costs.....	92.655	166.051	
Other staff costs.....	100.359	0	
	<b>13.808.253</b>	<b>14.442.658</b>	
According to section 98 B(3) of the Danish Financial Statements Act, remuneration to the executive board has not been disclosed.			
<b>Depreciation, amortisation and impairment losses for tangible and intangible assets</b>			<b>2</b>
Research and development costs.....	276.205	318.277	
	<b>276.205</b>	<b>318.277</b>	
<b>Other financial income</b>			<b>3</b>
Interest income from group enterprises.....	1.009.699	55.306	
Other interest income.....	56.010	181.570	
	<b>1.065.709</b>	<b>236.876</b>	
<b>Other financial expenses</b>			<b>4</b>
Interest expenses to group enterprises.....	327.122	0	
Other interest expenses.....	171.827	69.157	
	<b>498.949</b>	<b>69.157</b>	
<b>Tax on profit/loss for the year</b>			<b>5</b>
Calculated tax on taxable income of the year.....	1.763.971	1.154.846	
Adjustment of deferred tax.....	126.954	-50.603	
	<b>1.890.925</b>	<b>1.104.243</b>	
<b>Proposed distribution of profit</b>			<b>6</b>
Retained earnings.....	6.174.605	3.968.044	
	<b>6.174.605</b>	<b>3.968.044</b>	

## NOTES

			Note
<b>Intangible assets</b>			<b>7</b>
		Research and development cost	
DKK			
Cost at 1 January 2023.....	5.909.163		
Additions.....	701.867		
<b>Cost at 31 December 2023.....</b>	<b>6.611.030</b>		
Amortisation at 1 January 2023.....	5.606.386		
Amortisation for the year.....	276.205		
<b>Amortisation at 31 December 2023.....</b>	<b>5.882.591</b>		
<b>Carrying amount at 31 December 2023.....</b>	<b>728.439</b>		
 <b>Financial non-current assets</b>			 <b>8</b>
		Rent deposit and other receivables	
DKK			
Cost at 1 January 2023.....	443.444		
Disposals.....	-45.600		
<b>Cost at 31 December 2023.....</b>	<b>397.844</b>		
<b>Carrying amount at 31 December 2023.....</b>	<b>397.844</b>		
	<b>2023</b>	<b>2022</b>	
	DKK	DKK	
<b>Prepayments</b>			<b>9</b>
Costs.....	0	284.649	
	<b>0</b>	<b>284.649</b>	
 <b>Share Capital</b>			 <b>10</b>
Allocation of share capital:			
5, 405 unit in the denomination of 100 DKK.....	540.500	540.500	
	<b>540.500</b>	<b>540.500</b>	

## NOTES

## Note

**Provision for deferred tax**

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The provision for deferred tax is related to differences between the carrying amount and tax value of securities, receivables, intangible and tangible fixed assets.

	2023 DKK	2022 DKK
Research and development cost.....	160.257	-66.611
Goodwill.....	0	18.744
Other plant, fixtures and equipment.....	0	58.257
Accruals.....	-43.693	0
	<b>116.564</b>	<b>10.390</b>
Deferred tax, beginning of year.....	-10.390	40.212
Deferred tax of the year, income statement.....	126.954	-50.602
<b>Provision for deferred tax 31 December 2023.....</b>	<b>116.564</b>	<b>-10.390</b>

**Deferred income**

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Deferred income relates to prepaid licenses for the coming financial year.

**Contingencies etc.**

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**Contingent liabilities**

The Company has issued third party guarantees of DKK 1.700.000 (2022 DKK 1.700.000)

**Operational leasing**

The company has entered into operational leasing contracts with an average annual lease payment of TDKK 393. The leasing contracts have a total residual lease payment of TDKK 545.

**Rent obligation**

The company has a notice obligation of 3 months' rent, in total TDKK 225.

**Joint liabilities**

The Company is jointly and severally liable together with the Parent Company and the other group companies in the joint taxable group for tax on the group's joint taxable income and for certain possible withholding taxes, such as dividend tax, etc.

Tax payable on the Group's joint taxable income is stated in the annual report of LINK Mobility Holding ApS, which serves as management Company for the joint taxation.

**NOTES****Note****Related parties****14**

The Company's related parties include:

**Controlling interest**

Link Mobility Group AS, Universitetsgata 2, 0164 Oslo, Norway, is the principal shareholder.

**Transactions with related parties**

The Company did not carry out any material transactions that were not concluded on market conditions. According to section 98c, subsection 7 of the Danish Financial Statements Act information is given only on transactions that were not performed on common market conditions.

The Company has receivables and debt with other group companies. The balances are disclosed separately in the balance sheet.

**Consolidated Financial Statements****15**

The Company is included in the Group Annual Report of the Parent Company Link Mobility Group AS, Oslo, Norway and in the Annual Report of the Ultimate Parent Company Link Mobility Group Holding ASA, Oslo, Norway.

The Group Annual Report can be required by contacting the Parent Company.



## ACCOUNTING POLICIES

*The Annual Report of Link Mobility A/S for 2023 has been presented in accordance with the provisions of the Financial Statements Act for Danish medium-size enterprises in reporting class C .*

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

## INCOME STATEMENT

### **Net revenue**

*Net revenue from the sale of merchandise and finished goods is recognised in the Income Statement if supply and risk transfer to purchaser has taken place before the end of the year and if the income can be measured reliably and is expected to be received.*

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

### **Cost of sales**

*Cost of sales comprise costs incurred to achieve the net revenue for the year, including direct and indirect costs of raw materials and consumables.*

### **Other operating income**

*Other operating income includes items of a secondary nature in relation to the enterprises' principal activities, including profit from sale of intangible and tangible assets and salary refunds. Compensations are recognised when the income is estimated to be realisable.*

### **Other external expenses**

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

### **Staff costs**

*Staff costs comprise wages and salaries, including holiday pay and pensions, and other costs of social security etc., for the Company's employees.*

### **Financial income and expenses**

*Financial income and expenses include interest income and expenses, financial expenses of finance leases, realised and unrealised gains and losses arising from securities, debt and transactions in foreign currencies, as well as charges and allowances under the tax-on-account scheme, etc. Financial income and expenses are recognised by the amounts that relate to the financial year. Interest income and expenses are calculated on amortised cost prices.*

### **Tax**

*The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the Income Statement by the share that may be attributed to the profit for the year, and is recognised directly in equity by the share that may be attributed to entries directly to equity.*

## BALANCE SHEET

### **Intangible fixed assets**

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

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

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

## ACCOUNTING POLICIES

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

*Profit or loss from sale of intangible fixed assets is calculated at the difference between the sales price and the carrying amount at the time of the sale. Profit and loss are recognised in the Income Statement under other operating income or other operating expenses.*

### **Tangible fixed assets**

*Other plant, fixtures and equipment are measured at cost less accumulated depreciation and impairment losses.*

*The depreciation base is cost less estimated residual value after end of useful life.*

*The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used.*

*Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value:*

	<i>Useful life</i>	<i>Residual value</i>
<i>Other plant, fixtures and equipment.....</i>	<i>3-5 years</i>	<i>0 %</i>

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

### **Financial non-current assets**

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

### **Impairment of fixed assets**

*The carrying amount of intangible fixed assets together with fixed assets, which are not measured at fair value, are assessed annually for indications of impairment other than that reflected by amortisation and depreciation.*

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

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

## ACCOUNTING POLICIES

### **Receivables**

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

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

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

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

### **Accruals, assets**

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

### **Cash and cash equivalents**

*Cash and cash equivalents include cash at bank.*

### **Equity**

#### Reserve for development costs

*The reserve includes recognised post-tax development costs, which are capitalised as intangible assets. The reserve is reduced concurrently with depreciation of the intangible asset and is dissolved if the asset is discontinued from the operation of the company. Reduction of the reserve takes place via transferring directly to the distributable reserves of the equity.*

### **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 tax-on-account 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 carryforwards, are measured at the amount at which the asset is expected to be used within a reasonable number of years, either by setoff against tax on future earnings or by setoff against deferred tax liabilities within the same legal tax entity.*

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

## ACCOUNTING POLICIES

### ***Liabilities***

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

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

### ***Accruals, liabilities***

*Accruals recognised as liabilities include payments received regarding income in subsequent years.*

## CASH FLOW STATEMENT

*With reference to Section 86(4) of the Danish Financial Statements Act, the Company has not prepared a cash flow statement. A cash flow statement has been prepared for the Group.*