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ASKODY APS

GASVÆRKSVEJ 30D, 9000 AALBORG

ANNUAL REPORT

1 JANUARY - 31 DECEMBER 2019

The Annual Report has been presented and
adopted at the Company's Annual General
Meeting on 31 March 2020

Christian Løth Mortensen

CVR NO. 33 75 78 91

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COMPANY DETAILS

Company	AskCody ApS Gasværksvej 30D 9000 Aalborg
	Website: www.askcody.dk E-mail: info@askcody.dk
	CVR No.: 33 75 78 91 Established: 1 June 2011 Registered Office: Aalborg Financial Year: 1 January - 31 December
Board of Directors	Kjeld Nielsen, chairman Steffen Mørch-Pedersen Janos Flösser Morten Sandlykke Allan Mørch-Pedersen
Board of Executives	Allan Mørch-Pedersen
Auditor	BDO Statsautoriseret revisionsaktieselskab Nørrebro 15 9800 Hjørring
Bank	Nordjyske Bank Torvet 4 9400 Nørresundby Vækstfonden Tranholmen 3, 3. 8960 Randers SØ
Law Firm	Hovmøller & Thorup Strandvejen 4 1. sal 9000 Aalborg

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 AskCody ApS for the financial year 1 January - 31 December 2019.

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 financial position at 31 December 2019 and of the results of the Company's operations for the financial year 1 January - 31 December 2019.

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.

Aalborg, 5 March 2020

Board of Executives

Allan Mørch-Pedersen

Board of Directors

Kjeld Nielsen
Chairman

Steffen Mørch-Pedersen

Janos Flösser

Morten Sandlykke

Allan Mørch-Pedersen

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of AskCody ApS

Opinion

We have audited the Financial Statements of AskCody ApS for the financial year 1 January - 31 December 2019, which comprise income statement, balance sheet, 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 31 December 2019 and of the results of the Company's operations for the financial year 1 January - 31 December 2019 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 evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

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

INDEPENDENT AUDITOR'S REPORT

- 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.

Hjørring, 10 March 2020

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Klaus Nielsen
State Authorised Public Accountant
MNE no. mne36178

MANAGEMENT'S REVIEW

Principal activities

AskCody offers companies worldwide a SaaS platform for managing meetings, booking meeting rooms, collaboration rooms and focus rooms, as well as managing the activity-based workplace. At the same time, the platform handles all administrative, logistical tasks and processes in connection with meetings and booking of resources in the workplace, thus optimizing the everyday life of both employees, as well as Facilities Management, Corporate Real Estate, Canteen, Reception, IT, Finance etc., and binds these functions together in a new way that automates and facilitates cross-organizational processes and provides the insight and overview that these essential functions need to support the overall workplace.

With our integrated solutions for Microsoft Exchange, Outlook and Office 365, as well as a comprehensive and integrated web platform, AskCody optimizes everything regarding meetings and meeting bookings in major organizations around the world, especially in professional services, financial services and large corporate offices.

On the one hand, AskCody makes it easy for the employee to book rooms and workplaces that fit their needs, manage local equipment, order meeting facilities and register guests for the reception. On the other hand, administrative and cross-organizational processes are optimized for the organizational units that work every day to support workplace resource booking, meeting booking and meeting management.

AskCody therefore optimizes daily life and ensures easy administration and handling of both workplace, canteen, Facilities Management, reception, ensures VAT settlement and cost center management for Finance, while ensuring the best possible use of the building's meeting and collaboration rooms, so that both the company and employees get the most out of the workplace and time spent at work.

Our SaaS platform aims to make a positive difference in people's work-oriented everyday life. We do this today for a large number of international companies in Scandinavia, Western Europe and the USA. We facilitate and support with our platform approx. 1 million meetings per month, and through our platform can transform and automate cross-organizational processes while improving the company's use of the "workplace". The vision of AskCody is not just creating a software platform - the vision is to create a way of working for the individual company that changes the company's culture, processes and productivity, not least around meetings and collaboration.

In 2019, a further agreement was entered into to finance AskCody's continued growth, and thus a further capital increase, with existing shareholder Promentum Equity Partners. Thus, the necessary liquidity was added to support the company's growth and development throughout 2019.

2019 was the year in which increased organizational focus established itself and formed the basis for subsequent execution. Significant changes have been made to the management structure and organization, and recruitment and growth have been, and continue to be, a high priority.

With the organizational solutions implemented, at the end of 2019 there were capacity and competencies for increased focus on the company's market and customer strategy. At the end of the year, significant growth in the customer portfolio can be noted globally.

In 2019, the company was included in Gartner's Meeting Management and Resource Scheduling market report, in which Gartner offers consumers accessible insights into major market trends by comparing solutions. The report shows AskCody's significant market influence and potential, and we expect the effect of this to continue its significance into 2020.

In 2019, focus will continue on activities and measures that strengthen the company's security and procedures in relation to Information Security. The company again received an ISAE 3000 accreditation in 2019 regarding its security policy, with a view to strengthening and compliance in accordance with the EU's new personal data regulation (GDPR). The company aims to maintain this accreditation in 2020.

MANAGEMENT'S REVIEW

Significant events after the end of the financial year

After the the end of the financial year, a new loan agreement has been established with Vækstfonden, and joint by Promentum Equity Partners the following financial position enables the company to focus on continued growth and long-term value-adding development activities.

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

Research and development activities

During 2019, focus has been on an improved user experience for existing and new AskCody customers, as well as the final transition from coherent products and modules to one platform. This is of great importance in relation to how each customer access features and services in the AskCody platform, as well as an improved commercial potential for the entire platform.

We have implemented a comprehensive set of features that collectively optimize time-to-value for our customers, such as automated help guides, mass importing of new customer data and standard system component setups, across the platform.

The platform has also undergone extensive performance and stability improvements as growth and demand has increased.

Additionally, we have added a mobile app to our portfolio and expanded the features in our Concierge Service module to meet the specific needs of the customers in our key verticals. A large number of new features have been introduced that ensure an even wider and deeper anchoring of the platform by the company's customers.

Development activities in 2019 have thus consisted of respectively, development of new features, maturing and further developing existing features, as well as the conversion to one platform.

Finally, the work to continue to meet compliance with EU personal data regulation (GDPR) legislation and the stricter requirements that are being implemented globally in relation to information security have left its mark on 2019's development activities in AskCody. Knowledge and resources have been used to integrate legislation, guidelines and compliance into all of the company's existing products and, not least, the development and working methodology in the development of the platform. A priority we already see in both legal and commercial value.

The platform continues to integrate even deeper into Microsoft's productivity platform Office 365, Microsoft Azure and Microsoft Azure AD.

Future expectations

Based on realized activities as securing continued funds to the company, strengthening the company's platform, the large expansion of the customer portfolio in 2019, and the establishment of a solid sales office in Boston, high growth, value added in both revenue and earnings is expected, continued development in the customer portfolio, and the company is expected to grow significantly on the defined growth metrics and value indicators that, together with the Board of Directors and shareholders, are considered to be the most important for the company.

This will be initiated and stated by the parent company as well as AskCody, Inc. in Boston.

Treasury shares

In the financial year, the company sold all of the company's treasury shares. The sale amounts to nom. 2,800 shares (2.92%) for a purchase price of DKK 2,333,333, corresponding a shareprice of 833.33.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2019 DKK	2018 DKK
GROSS PROFIT.....		2,625,269	2,304,966
Staff costs.....	1	-11,279,527	-5,680,282
Depreciation, amortisation and impairment.....		-4,509,962	-2,007,598
Other operating expenses.....		-45,431	0
OPERATING LOSS.....		-13,209,651	-5,382,914
Result of equity investments in group enterprises.....		-113,849	-113,849
Other financial income.....	2	410,649	162,359
Other financial expenses.....		-749,798	-681,575
LOSS BEFORE TAX.....		-13,662,649	-6,015,979
Tax on profit/loss for the year.....	3	1,472,332	979,156
LOSS FOR THE YEAR.....		-12,190,317	-5,036,823
PROPOSED DISTRIBUTION OF DIVIDEND			
Retained earnings.....		-12,190,317	-5,036,823
TOTAL.....		-12,190,317	-5,036,823

BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	2019 DKK	2018 DKK
Development projects completed.....		7,003,635	3,660,422
Development projects in progress and prepayments.....		923,650	2,000,000
Intangible fixed assets.....	4	7,927,285	5,660,422
Other plants, machinery, tools and equipment.....		893,499	1,030,379
Leasehold improvements.....		36,208	71,913
Tangible fixed assets.....	5	929,707	1,102,292
Equity investments in group enterprises.....		752,390	866,239
Rent deposit and other receivables.....		291,645	288,750
Fixed asset investments.....	6	1,044,035	1,154,989
FIXED ASSETS.....		9,901,027	7,917,703
Trade receivables.....		2,455,853	1,712,343
Receivables from group enterprises.....		5,369,070	5,117,365
Deferred tax assets.....		919,239	919,239
Receivables corporation tax.....		1,612,031	1,118,856
Prepayments and accrued income.....		754,659	75,000
Receivables.....		11,110,852	8,942,803
CURRENT ASSETS.....		11,110,852	8,942,803
ASSETS.....		21,011,879	16,860,506
EQUITY AND LIABILITIES			
Share capital.....		111,200	96,000
Provision for development costs.....		6,183,283	4,376,129
Retained profit.....		-5,598,031	-6,585,359
EQUITY.....	7	696,452	-2,113,230
Other bank debt.....		7,351,954	7,521,401
Other liabilities.....		507,796	0
Long-term liabilities.....	8	7,859,750	7,521,401
Short-term portion of long-term liabilities.....	8	150,547	213,085
Bank debt.....		2,051,773	3,195,268
Trade payables.....		899,689	585,220
Other liabilities.....		1,550,738	1,877,168
Accruals and deferred income.....		7,802,930	5,581,594
Current liabilities.....		12,455,677	11,452,335
LIABILITIES.....		20,315,427	18,973,736
EQUITY AND LIABILITIES.....		21,011,879	16,860,506
Contingencies etc.	9		
Charges and securities	10		

NOTES

	2019 DKK	2018 DKK	Note
Staff costs			1
Average number of employees 20 (2018: 19)			
Wages and salaries.....	9,462,251	4,205,070	
Pensions.....	1,173,627	984,490	
Social security costs.....	88,244	82,492	
Other staff costs.....	555,405	408,230	
	11,279,527	5,680,282	
Other financial income			2
Group enterprises.....	410,649	162,359	
	410,649	162,359	
Tax on profit/loss for the year			3
Calculated tax on taxable income of the year.....	-1,472,332	-979,156	
	-1,472,332	-979,156	
Intangible fixed assets			4
	Development projects completed	Development projects in progress and prepayments	
Cost at 1 January 2019.....	6,325,884	2,000,000	
Additions.....	7,518,005	923,650	
Disposals.....	-1,364,746	-2,000,000	
Cost at 31 December 2019.....	12,479,143	923,650	
Amortisation at 1 January 2019.....	2,665,462	0	
Reversal of amortisation of assets disposed of	-1,321,582	0	
Amortisation for the year.....	4,131,628	0	
Amortisation at 31 December 2019.....	5,475,508	0	
Carrying amount at 31 December 2019.....	7,003,635	923,650	

During 2019, focus has been on an improved user experience for existing and new AskCody customers. We have implemented a comprehensive set of features that collectively serve to reduce the return-on-investment time for our customers, such as automated help guides, mass importing of new customer data, and standard system component setups, across the platform.

The platform has also undergone extensive performance and stability improvements as growth and demand has increased. In addition, we have added a mobile app to our product portfolio and expanded the feature set of our Concierge Service module to meet the specific needs of the customers in our key verticals.

NOTES

			Note
Tangible fixed assets			5
	Other plants, machinery, tools and equipment	Leasehold improvements	
Cost at 1 January 2019.....	1,446,103	107,116	
Additions.....	433,034	0	
Disposals.....	-432,640	0	
Cost at 31 December 2019.....	1,446,497	107,116	
Depreciation and impairment losses at 1 January 2019.....	415,725	35,203	
Reversal of depreciation of assets disposed of.....	-205,356	0	
Depreciation for the year.....	342,629	35,705	
Depreciation and impairment losses at 31 December 2019....	552,998	70,908	
Carrying amount at 31 December 2019.....	893,499	36,208	
Fixed asset investments			6
	Equity investments in group enterprises	Rent deposit and other receivables	
Cost at 1 January 2019.....	1,140,653	288,750	
Additions.....	0	2,895	
Cost at 31 December 2019.....	1,140,653	291,645	
Revaluation at 1 January 2019.....	-2,165	0	
Revaluation at 31 December 2019.....	-2,165	0	
Impairment losses and amortisation of goodwill at 1 January 2019.....	272,249	0	
Amortisation of goodwill.....	113,849	0	
Impairment losses and amortisation of goodwill at 31 December 2019.....	386,098	0	
Carrying amount at 31 December 2019.....	752,390	291,645	

NOTES

Note

Equity

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	Share capital	Share premium account	Provision for development costs	Retained profit	Total
Equity at 1 January 2019.....	96,000	0	4,376,129	-6,585,360	-2,113,231
Capital increase.....	15,200	12,651,467			12,666,667
Sale of treasury shares.....				2,333,333	2,333,333
Transfers to/from other items..		-12,651,467		12,651,467	
Proposed distribution of profit.				-12,190,317	-12,190,317
Transferred to reserve for development costs.....			1,807,154	-1,807,154	
Equity at 31 December 2019..	111,200	0	6,183,283	-5,598,031	696,452

Long-term liabilities

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	31/12 2019 total liabilities	Repayment next year	Debt outstanding after 5 years	31/12 2018 total liabilities	Current portion at the beginning of the year
Other bank debt.....	7,502,501	150,547	2,356,000	7,734,486	213,085
Other liabilities.....	507,796	0	0	0	0
	8,010,297	150,547	2,356,000	7,734,486	213,085

Contingencies etc.

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Contingent liabilities

The company has entered into an operating lease with an annual lease payment of DKK 16 thousand. The lease agreement has a residual maturity of 27 months with a total residual lease obligation of DKK 36 thousand.

The company has entered into a rental obligation, which at the balance sheet date amounts to DKK 335 thousand during the notice period, which is 6 months.

Charges and securities

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As collateral for bank debt of DKK 2,052,000 and debt to Vækstfonden of DKK 7,500,000, the company has pledged a nominal amount of DKK 11,100,000. The company mortgage comprises the following assets, whose carrying amount at the balance sheet date amounts to (DKK):

Development projects completed.....	7,003,635
Development projects in progress and prepayments.....	923,650
Other plants, machinery, tools and equipment.....	893,499
Leasehold improvements.....	36,208
Trade receivables.....	2,455,853
Receivables from group enterprises.....	5,369,070

ACCOUNTING POLICIES

The Annual Report of AskCody ApS for 2019 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class B and certain provisions applying to reporting class C.

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

INCOME STATEMENT

Net revenue

Net revenue from sale 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, duties and less discounts related to the sale.

Other operating expenses

Other operating expenses include items of a secondary nature in relation to the enterprises' principal activities, including loss from sale of intangible and tangible fixed assets.

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 external expenses

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

Staff costs

Staff costs comprise wages and salaries, including holiday pay and pensions and other costs for social security etc. for the company's employees. Repayments from public authorities are deducted from staff costs.

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

Financial income and expenses include interest income and expenses, financial expenses of finance leases, realised and unrealised gains and losses arising from investments in financial assets, debt and transactions in foreign currencies, amortisation of financial assets and liabilities 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

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.

BALANCE SHEET

Intangible fixed assets

Development costs 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.

ACCOUNTING POLICIES

Capitalised development costs are measured at the lower of cost less accumulated amortisation or 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 3-5 years.

Intangible fixed assets are generally written down to the lower of recoverable value and 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 plants, fixtures and equipment are measured at cost less accumulated depreciation and write-down.

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:

	Useful life	Residual value
Other plant, fixtures and equipment.....	2-10 years	0 %
Leasehold improvements.....	3 years	0 %

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

Fixed asset investments

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

Investments in subsidiaries are measured in the balance sheet at the proportional share of the enterprises' carrying equity value, calculated in accordance with the parent company's accounting policies with deduction or addition of unrealised intercompany profits or losses and with addition or deduction of the residual value of positive or negative goodwill

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 receivables, 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.

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 10 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.

ACCOUNTING POLICIES

Impairment of fixed assets

The carrying amount of intangible and tangible fixed assets together with investments, 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, write-down is provided 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.

Receivables

Receivables are measured at amortised cost which usually corresponds to nominal value. The value is reduced by write-down to meet expected losses.

Accruals, assets

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

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.

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 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.

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.

Accruals, liabilities

Accruals recognised as liabilities include payments received and pre-invoicing regarding income in subsequent years.

ACCOUNTING POLICIES

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.

Receivables, payables and other monetary items in foreign currencies that are not settled on the balance sheet date are translated at the exchange rate on the balance sheet date. The difference between the exchange rate on the balance sheet date and the exchange rate at the time of occurrence of the receivables or payables is recognised in the income statement as financial income or expenses.