Select Service Partner Denmark A/S

Lufthavnsboulevarden 14, 1., DK-2770 Kastrup

Annual Report for 1 October 2016 - 30 September 2017

CVR No 71 75 05 15

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 20/3 2018

Tina Grønbech
Chairman

Contents

Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Select Service Partner Denmark A/S for the financial year 1 October 2016 - 30 September 2017.

The Annual Report is 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 at 30 September 2017 of the Company and of the results of the Company operations for 2016/17.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Kastrup, 14 March 2018

Executive Board

Tina Grønbech

Board of Directors

Morten Solberg Nilsen Chairman	Nicholas Suart Inkster	Tina Grønbech

Independent Auditor's Report

To the Shareholder of Select Service Partner Denmark A/S

Opinion
We have audited the Financial Statements of Select Service Partner Denmark A/S for the financial year 1 October 2016 - 30 September 2017, which comprise 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 financial position of the Company at 30 September 2017 and of the results of the Company's operations for the financial year 1 October 2016 - 30 September 2017 in accordance with the Danish Financial Statements Act.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's 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.

- 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 Financials 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.

København, 14 March 2018
KPMG
Statsautoriseret Revisionspartnerselskab
CVR No 25 57 81 98

Morten Høgh-Petersen
statsautoriseret revisor
mne34283

Company Information

The Company	Select Service Partner Denmark A/S Lufthavnsboulevarden 14, 1. DK-2770 Kastrup Telephone: + 45 32 48 32 48 Facsimile: + 45 32 48 32 99 E-mail: ssp@ssp.dk Website: www.ssp.dk CVR No: 71 75 05 15 Financial period: 1 October - 30 September Incorporated: 30 December 1982 Municipality of reg. office: Tårnby
Board of Directors	Morten Solberg Nilsen, Chairman Nicholas Suart Inkster Tina Grønbech
Executive Board	Tina Grønbech
Auditors	KPMG Statsautoriseret Revisionspartnerselskab Dampfærgevej 28 DK-2100 København Ø

Financial Highlights

Seen over a five-year period, the development of the Company is described by the following financial highlights:

	2016/17	2015/16	2014/15	2013/14	2012/13
	TDKK	TDKK	TDKK	TDKK	TDKK
Key figures					
Profit/loss					
Revenue	611.158	611.154	580.617	547.805	518.849
Gross profit/loss	226.344	208.993	208.079	180.950	172.931
Profit/loss before financial income and expenses	41.637	13.709	16.910	4.755	-4.815
Net financials	630	-1.285	353	-1.716	-740
Net profit/loss for the year	27.011	9.559	17.522	3.039	-5.555
Balance sheet					
Balance sheet total	174.880	142.736	204.911	185.565	164.051
Equity	75.706	48.695	39.136	21.614	18.575
Investment in property, plant and equipment	-3.477	-5.083	-32.808	-19.094	24.335
Number of employees	435	462	507	480	492
Ratios					
Gross margin	37,0%	34,2%	35,8%	33,0%	33,3%
Profit margin	6,8%	2,2%	2,9%	0,9%	-0,9%
Solvency ratio	43,3%	34,1%	19,1%	11,6%	11,3%
Return on equity	43,4%	21,8%	57,7%	15,1%	-48,9%

The ratios have been prepared in accordance with the recommendations and guidelines issued by the Danish Society of Financial Analysts. For definitions, see under accounting policies.

Management’s Review

Main activity

The company's main activity is the operation of bars, cafes, cafeterias, restaurants and kiosks at Copenhagen Airport. In addition, there is an operation of cafes in Copenhagen Central Station, In total the company operates 28 departments including six lounges.

Development in the year

The income statement of the Company for 2016/17 shows a profit of TDKK 27,011, and at 30 September 2017 the balance sheet of the Company shows equity of TDKK 75,706.

Targets and expectations for the year ahead

An increase in the number of passengers is expected in Copenhagen Airport. This is expected to have a positive impact on the company's activity level and earnings in the coming financial year. The contract with Aarhus airport has been extended beyond September 2018 and will contribute positively to the results.

In connection with management's strategy, there is an increased focus on business areas outside Copenhagen Airport. There will be a focus in the coming year on increasing activities in locations that are not directly connected to travel hubs.

Research and development

The company does not carry out systematic research, but it continually adjusts the company's proprietary products and the business concepts in the individual sales outlets. Costs related to this are expensed on an ongoing basis.

External environment

In connection with an ever-increasing focus on the surrounding environment, the company has continuously exchanged individual refrigeration plants and, for example, joined the Copenhagen Airport A / S central refrigeration plant. Furthermore, the company focuses on continuously replacing incandescent bulbs for LEDs.

We carry out our activities with a high focus on our environment and stakeholders and with constant focus on minimizing the environmental impacts of our business. At present, we follow group policies since local Danish policies have not been introduced with regard to our impact on the climate, human rights and the environment in general.

Intellectual capital resources

It is essential for Select Service Partner Denmark A/S's continued operations to attract and retain well-educated staff who understand how to best service our guests. In this connection, the company also offers training programs for individuals.

Management's Review

Statement of corporate social responsibility

In connection with recruitment, gender, age and cultural backgrounds are ignored, as emphasis is placed on real skills, and if they are present, there is equal opportunity for all. We do not compile reports around the employees' background, which is why we are unable to report on this.

Food safety and quality are crucial for Select Service Partner Denmark A / S. There is increasing emphasis on quality, food safety and product hygiene from various sources, including guests, the press and authorities. Thus, in the financial year, significant amounts were incurred, as in previous years. It is important that all products are produced under the same food safety conditions and under the same quality system, regardless of which restaurant or cafe is involved. The company's self-control program, which guarantees high food safety, is implemented in all our units. This has resulted in more units having achieved the company's goal of EliteSmiley. In addition, the company has a food specialist specializing in this area.

Select Service Partner Denmark A/S has not developed formal policies to CSR, including climate, environment and human rights, cf. 99 a of the Danish Financial Statements Act. Therefore, we referred to the consolidated financial statements published by the company's ultimate owner SSP Group plc in the Group's annual report for 2016/17 (p. 23 to 25). The Group's report can be found on the website: http://investors.foodtravelexperts.com/investors/reports-and-presentations/2018.aspx

Statement on gender composition

In Select Service Partner Denmark A / S, members are elected to the Board of Directors and the other management roles based on competencies. The Board recognizes the value of diversity in relation to experience, culture, education and gender.

At the current stage we have 3 members of the Board, of whom 1 member is a female. Therefore, according to the 99b requirements we don't need to set additional targets for the underrepresented gender in the Board.

At the current stage we have 7 members of the management team, of whom 3 members are female. Therefore, according to the 99b requirements we don't need to set additional targets for the underrepresented gender in the Board.

Subsequent events

There have been no events after the balance sheet date, which are material enough to be reported in the annual report.

Income Statement 1 October - 30 September

	Note	2016/17	2015/16
		TDKK	TDKK
Revenue		**611.158**	**611.154**
Other operating income		20.808	19.820
Expenses for raw materials and consumables		-201.327	-208.529
Other external expenses		-204.295	-213.452
Gross profit/loss		**226.344**	**208.993**
Staff expenses	1	-167.772	-170.895
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-16.935	-24.389
Profit/loss before financial income and expenses		**41.637**	**13.709**
Financial income	2	1.210	0
Financial expenses	3	-580	-1.285
Profit/loss before tax		**42.267**	**12.424**
Tax on profit/loss for the year	4	-15.256	-2.865
Net profit/loss for the year		**27.011**	**9.559**

Balance Sheet 30 September

Assets

	Note	2016/17	2015/16
		TDKK	TDKK
Acquired patents		288	278
Intangible assets	5	**288**	**278**
Other fixtures and fittings, tools and equipment		1.261	2.428
Leasehold improvements		30.149	42.236
Property, plant and equipment	6	**31.410**	**44.664**
Fixed assets		**31.698**	**44.942**
Inventories		**11.259**	**11.892**
Trade receivables		30.216	32.376
Receivables from group enterprises		76.283	33.226
Other receivables		9.726	4.812
Deferred tax asset	10	5.123	7.681
Prepayments	7	8.523	5.684
Receivables		**129.871**	**83.779**
Cash at bank and in hand		**2.052**	**2.123**
Currents assets		**143.182**	**97.794**
Assets		**174.880**	**142.736**

Balance Sheet 30 September

Liabilities and equity

	Note	2016/17	2015/16
		TDKK	TDKK
Share capital		1.000	1.000
Retained earnings		74.706	47.695
Equity	8	**75.706**	**48.695**
Other provisions	11	4.142	7.003
Provisions		**4.142**	**7.003**
Trade payables		58.880	49.106
Payables to group enterprises		22	16.016
Corporation tax		18.877	6.179
Other payables		17.253	15.737
Short-term debt		**95.032**	**87.038**
Debt		**95.032**	**87.038**
Liabilities and equity		**174.880**	**142.736**
Distribution of profit	9		
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Statement of Changes in Equity

	Share capital	Retained earnings	Total
	TDKK	TDKK	TDKK
Equity at 1 October	1.000	47.695	48.695
Net profit/loss for the year	0	27.011	27.011
Equity at 30 September	**1.000**	**74.706**	**75.706**

Notes to the Financial Statements

		2016/17	2015/16
		TDKK	TDKK
1	**Staff expenses**		
	Wages and salaries	143.226	148.396
	Pensions	18.863	18.880
	Other social security expenses	3.128	508
	Other staff expenses	2.555	3.111
		167.772	**170.895**
	Average number of employees	**435**	**462**

Remuneration to the Executive Board has not been disclosed in accordance with section 98 B(3) of the Danish Financial Statements Act.

There is no remuneration paid to the Board of Directors.

The company's management team is subject to a constant bonus scheme under which the criteria for payment is the development in revenue and profit before depreciation (EBITDA) in relation to the budget.

		2016/17	2015/16
2	**Financial income**		
	Interest received from group enterprises	700	0
	Other financial income	24	0
	Exchange adjustments	486	0
		1.210	**0**

Notes to the Financial Statements

	2016/17	2015/16
	TDKK	TDKK

3 Financial expenses

	2016/17 TDKK	2015/16 TDKK
Interest paid to group enterprises	22	293
Other financial expenses	479	653
Exchange loss	79	339
	580	**1.285**

4 Tax on profit/loss for the year

	2016/17 TDKK	2015/16 TDKK
Current tax for the year	7.786	4.334
Deferred tax for the year	2.558	-1.469
Adjustment of tax concerning previous years	4.912	0
	15.256	**2.865**

5 Intangible assets

	Acquired patents
	TDKK
Cost at 1 October	2.170
Additions for the year	215
Cost at 30 September	2.385
Impairment losses and amortisation at 1 October	1.892
Amortisation for the year	205
Impairment losses and amortisation at 30 September	2.097
Carrying amount at 30 September	**288**

Notes to the Financial Statements

6 Property, plant and equipment

	Other fixtures and fittings, tools and equipment	Leasehold improvements
	TDKK	TDKK
Cost at 1 October	42.408	121.024
Additions for the year	658	2.819
Cost at 30 September	43.066	123.843
Impairment losses and depreciation at 1 October	39.980	78.788
Depreciation for the year	1.825	14.906
Impairment losses and depreciation at 30 September	41.805	93.694
Carrying amount at 30 September	**1.261**	**30.149**

7 Prepayments

Prepayments consist of prepaid expenses concerning rent and other prepaid expenses.

8 Equity

The share capital consists of 1 share of a nominal value of TDKK 1,000. No shares carry any special rights.

There have been no changes in the share capital during the last 5 years.

9 Distribution of profit

	2016/17	2015/16
	TDKK	TDKK
Retained earnings	27.011	9.559
	27.011	**9.559**

10 Deferred tax asset

Deferred tax asset at 1 October	7.681	6.212
Amounts recognised in the income statement for the year	-2.558	1.469
Deferred tax asset at 30 September	**5.123**	**7.681**

Notes to the Financial Statements

		2016/17	2015/16
		TDKK	TDKK

11 Other provisions

Other provisions consists of reestablishment expenses and rent obligation in relation to closed stores.

	2016/17	2015/16
Other provisions	4.142	7.003
	4.142	**7.003**

12 Contingent assets, liabilities and other financial obligations

Rental and lease obligations

	2016/17	2015/16
Lease obligations under operating leases. Total future lease payments:		
Within 1 year	77.505	80.338
Between 1 and 5 years	1.893	21.414
After 5 years	0	405
	79.398	**102.157**
The company has lease agreements that includes a minimum fee with Københavns Lufthavn A/S. The agreements can be terminated by Select Service Partner Denmark A/S with a notice of 3-48 months.	77.327	102.157
Lease obligations (operational lease), period of non-terminability 5 years	2.071	1.887

Guarantee obligations

	2016/17	2015/16
The company has provided ordinary bank garantees towards its landlords.	47.646	47.647

Other contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of SSP Denmark Financing ApS, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on un-earned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company’s liability.

Notes to the Financial Statements

13 Related parties

	Basis
Controlling interest	
SSP Denmark Financing ApS Lufthavnsboulevarden 14, 1., 2770 Kastrup, Danmark	Parent company
SSP Group Plc. 169 Euston Road, NW1 2AE London, England	Ultimate parent company

Other related parties

Other enterprises within the SSP Group Plc.
The Board of Directors and the Executive Board of the company

Transactions

With reference to section 98 of the Danish Financial Statements Act the company has chosen only to disclose transactions which has not been entered into at arm's length.

Consolidated Financial Statements

The Company is included in the Group Annual Report of:

Name	Place of registered office
SSP Group Plc.	England

The Group Annual Report of SSP Group Plc. may be obtained at the following address:

169 Euston Road, NW1 2AE London, England

14 Fee to auditors appointed at the general meeting

With reference to section 96(3) of the Danish Financial Statements Act, information in relation to fee's to auditors has been excluded, Select Service Partner Denmark A/S is included in the consolidated financial statements of SSP Group Plc. where the information for the whole group is included.

Notes to the Financial Statements

15 Accounting Policies

The Annual Report of Select Service Partner Denmark A/S for 2016/17 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C .

The Financial Statements for 2016/17 are presented in TDKK.

Changes in accounting policies

As from 1 October 2016, the Company has implemented Act no. 738 of 1 June 2015. This has entailed the following changes to recognition and measurement:
Going forward, the residual value of intangible assets and property, plant and equipment must be reassessed on an ongoing basis. Pursuant to the transition provisions of the Act, any adjustments to residual values must be made prospectively as an accounting estimate without restatement of comparative figures and without effect on equity.

The changes have no monetary effect on the income statement or the balance sheet for 2016/17 or for the comparative figures.

Apart from the above, the accounting policies used in the preparation of the financial statements are consistent with those of last year

Cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act and to the cash flow statement included in the consolidated financial statements of SSP Group Plc., the Company has not prepared a cash flow statement.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation ans impairment losses.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a

Notes to the Financial Statements

15 Accounting Policies (continued)

constant effective interest rate over the maturity period. Amortised cost is calculated as original cost less any repayments and with addition/deduction of the cumulative amortisation of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

Leases

All other leases are considered operational leases. Services relating to operating leases and other lease agreements are recognized in the income statement over the term of the contract. The company's total liability relating to operating leases and lease agreements is disclosed under contingent liabilities.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Income Statement

Revenue

Net sales represent invoiced and delivered sales excluding VAT.

The Annual Report excludes segment information pursuant to section 96 of the Danish Financial Statements Act, as the company is assessed to contain only one business segment and the geographical segments are considered not to deviate significantly.

Expenses for raw materials and consumables

Consumption of goods is recognized corresponding to net sales.

Other external expenses

Other external expenses comprise expenses for administration, rent and operating equipment, etc.

Notes to the Financial Statements

15 Accounting Policies (continued)

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses for the employees of the sales places, administration and management.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company, including gains and losses on the sale of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses include interest, gains and losses on receivables, debts and transactions in foreign currency. Additionally, profit is included in the sale of financial fixed assets.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with 100 % owned Danish group enterprises. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Balance Sheet

Intangible assets

Intangible assets are amortised over 3-5 years.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the

Notes to the Financial Statements

15 Accounting Policies (continued)

expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	2-8	years
Leasehold improvements	5-8	years

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If there are indications of impairment, impairment tests are made for each asset or group of assets. Write-downs are made at the recoverable amount, if this is lower than the carrying amount.

As the recoverable amount, the highest value of net selling price and capitalised value is used. The capitalised value is calculated as the present value of the expected net cash flows from the use of the asset or asset group.

Inventories

Inventories are measured at the lower of cost under the FIFO method and net realisable value.

Receivables

Receivables are measured at amortised cost. Write-downs are made to meet expected losses after an individual assessment of receivables.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Equity

Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

Provisions

Provisions comprises obligations to reestablish leased premises.

Notes to the Financial Statements

15 Accounting Policies (continued)

Deferred tax assets and liabilities

DDeferred tax is measured using the balance sheet liability method in respect of temporary differences between the financial reporting purpose and tax value of assets and liabilities. However, deferred tax is not recognized on temporary differences relating to taxable non-amortization goodwill and other items where temporary differences - other than business transfers - arose at the time of acquisition without affecting profit or taxable income. In cases where the calculation of the tax value can be made under alternative taxation rules, deferred tax is measured on the basis of the management's planned use of the asset or settlement of the liability.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in 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 will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

SSP Denmark Financing ApS, as a management company, assumes the liability for corporate taxation of jointly taxed companies to the tax authorities as they pay joint taxation contributions to SSP Denmark Financing ApS.

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account.

Payable and receivable joint taxation contributions are recognized in the balance sheet as "Receivable corporate income tax" or "Payable corporation income tax".

Financial debts

Financial liabilities on loans are recognized at cost, corresponding to the proceeds received after deduction of transaction costs. Subsequently, financial liabilities are recognised at amortized cost using the effective interest method so that the difference between cost and nominal value is recognized in the income statement over the loan period together with interest costs.

Other liabilities are measured at net realizable value.

Notes to the Financial Statements

15 Accounting Policies (continued)

Financial Highlights

Explanation of financial ratios

Gross margin	$\frac{\text{Gross profit x 100}}{\text{Revenue}}$
Profit margin	$\frac{\text{Profit before financials x 100}}{\text{Revenue}}$
Return on assets	$\frac{\text{Profit before financials x 100}}{\text{Total assets}}$
Solvency ratio	$\frac{\text{Equity at year end x 100}}{\text{Total assets at year end}}$
Return on equity	$\frac{\text{Net profit for the year x 100}}{\text{Average equity}}$