

Hedaa Holding ApS

Søtoften 27, 2820 Gentofte
CVR no. 27 40 43 24

Annual report for 2024

Årsrapporten er godkendt på den
ordinære generalforsamling, d. 11.06.25

Jeppe Hedaa
Dirigent

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The company

Hedaa Holding ApS
Søtoften 27
2820 Gentofte
Tel.: 40 55 57 77
Registered office: Gentofte
CVR no.: 27 40 43 24
Financial year: 01.01 - 31.12

Executive Boards

Direktør Jeppe Hedaa

Auditors

Beierholm
Godkendt Revisionspartnerselskab

Statement by the Executive Boards on the annual report

I have on this day presented the annual report for the financial year 01.01.24 - 31.12.24 for Hedaa Holding ApS.

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

In my opinion, the consolidated financial statements and financial statements give a true and fair view of the group's and the parent's assets, liabilities and financial position as at 31.12.24 and of the results of the group's and parent's activities and of the group's cash flows for the financial year 01.01.24 - 31.12.24.

I believe that the management's review includes a fair review of the matters dealt with in the management's review.

The annual report is submitted for adoption by the general meeting.

Gentofte, June 11, 2025

Executive Boards

Jeppe Hedaa
Direktør

To the capital owner of Hedaa Holding ApS**Opinion**

We have audited the consolidated financial statements and financial statements of Hedaa Holding ApS for the financial year 01.01.24 - 31.12.24, which comprise income statement, balance sheet, statement of changes in equity and notes to the financial statements, including material accounting policy information for the group as well as for the parent company as well as the consolidated cash flow statement. The consolidated financial statements and financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion the consolidated financial statements and financial statements give a true and fair view of the group's and the company's financial position at 31.12.24 and of the results of the group's and the company's operations and consolidated cash flows for the financial year 01.01.24 - 31.12.24 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 consolidated financial statements and financial statements" section of our report. We are independent of the group and 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.

Statement on the management's review

Management is responsible for the management's review.

Our opinion on the consolidated financial statements and financial statements does not cover the management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements and financial statements, it is our responsibility to read management's review and, in doing so, consider whether management's review is materially inconsistent with the consolidated financial statements or parent company 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 by law and regulations.

Based on the work we have performed, we conclude that the management's review is in accordance with the consolidated financial statements and financial statements and has been prepared in accordance with the requirements of Danish Financial Statements Act. We did not identify any material misstatement of the management's review.

Management's responsibilities for the consolidated financial statements and financial statements

Management is responsible for the preparation of consolidated financial statements and 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 consolidated financial statements and financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and financial statements, management is responsible for assessing the group's and 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 consolidated financial statements and financial statements unless management either intends to liquidate the group and the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements and financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and 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 consolidated financial statements and 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 scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and 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 group's and 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 consolidated financial statements and 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 group's and 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 consolidated financial statements and 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 group and the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the consolidated financial statements and financial statements, including the disclosures, and whether the consolidated financial statements and financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for expressing an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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.

Soeborg, Copenhagen, June 11, 2025

Beierholm

Godkendt Revisionspartnerselskab
CVR no. 32 89 54 68

Philip Heick-Poulsen

State Authorised Public Accountant
MNE-no. mne34280

GROUPS FINANCIAL HIGHLIGHTS

Key figures

Figures in DKK '000	2024	2023	2022	2021	2020
<i>Profit/loss</i>					
Revenue	0	1,514,533	1,417,093	1,245,645	1,053,583
Index	-	144	135	118	100
Operating profit/loss	-2,644	55,235	37,234	49,523	48,901
Index	-5	113	76	101	100
Total net financials	1,659	986	-1,127	-754	-2,736
Index	-61	-36	41	28	100
Profit for the year	538,260	38,953	25,671	34,882	33,072
Index	1,628	118	78	105	100
<i>Balance</i>					
Total assets	514,926	403,169	383,620	359,661	293,395
Index	176	137	131	123	100
Investments in property, plant and equipment	0	4,836	1,438	3,485	2,710
Index	-	178	53	129	100
Equity	510,758	120,535	83,141	90,060	79,990
Index	639	151	104	113	100

Primary activities

Previously, Hedaa Holding ApS served as the ultimate parent company of the group, with 7N A/S representing the core of its business activities.

7N A/S specialized in IT consulting, providing highly experienced consultants—each with a minimum of 10 years of expertise. The company exclusively collaborated with the top 3% of freelance consultants across a wide range of IT disciplines, including project and program management, application development, architecture, training, infrastructure services, and other related areas.

During the 2024 financial year, Hedaa Holding ApS divested its ownership of 7N A/S, which is therefore no longer part of the group or subject to consolidation.

Development in activities and financial affairs

The income statement for the period 01.01.24 - 31.12.24 shows a profit/loss of DKK 538,260k against DKK 38,953k for the period 01.01.23 - 31.12.23. The balance sheet shows equity of DKK 510,758k.

The Group's net profit has been significantly impacted by the divestment of the operations in 7N A/S. For further details, please refer to Note 1 'Special Items' and Note 5 'Profit from Discontinued Operations'.

The earnings expectations for 2024 were a EBIT of DKK 50 - 65 million. The Company did not achieve its target EBIT of DKK 50 - 60 million, as the activities underlying this expectation have been classified as discontinued operations. During 2024, the Group divested 7N A/S and its related operations, resulting in total earnings for the year being significantly higher than anticipated.

Outlook

For the financial year 2025, the company anticipates a profit before tax in the range of DKK 10 - 20 million. This expectation is based on a projected return on invested capital.

Financial risks*Liquidity risks*

The group's cash resources amount to DKK 320,071k at the balance sheet date (last year DKK 108,243k). To mitigate credit risk, the company ensures that its liquidity is only placed with Danish financial institutions that possess a high credit rating.

Corporate social responsibility*Business model*

The company operates as a holding company with the primary objective of managing and investing its capital to generate a financial return. The company does not engage in operational business activities but focuses on capital allocation through investments in equity interests, financial instruments, and other assets. Investment decisions are made with a view to achieving long-term value creation and risk-adjusted returns, in accordance with the company's overall investment strategy.

Principal risks

As a holding company focused on capital investments, the company is primarily exposed to financial market risks, including fluctuations in asset values, interest rates, and liquidity conditions. Changes in regulatory frameworks and valuation uncertainties related to non-listed investments may also affect performance. Management continuously monitors these risks and seeks to mitigate them through diversification and a prudent investment approach.

Environmental matters

The company's operations do not have a material impact on the environment or climate. Furthermore, no significant environmental or climate-related risks have been identified in connection with the company's business activities. Management has therefore assessed that there is no current need for company-specific environmental policies.

Social and employee matters

The company operates exclusively in Denmark, where social and labor conditions are comprehensively regulated by national legislation and established norms, ensuring favorable working conditions for all employees. No material risks have been identified in this area, and management has consequently determined that company-specific policies are not required.

Respect for human rights

The company conducts its business in Denmark, where fundamental human rights are safeguarded by law. No significant risks related to human rights have been identified in connection with the company's operations. Management has therefore concluded that there is no need for specific policies in this area.

Anti-corruption and bribery matters

The company operates in Denmark, where anti-corruption and anti-bribery regulations are well-established and effectively enforced. Corruption and bribery are not considered material risks in relation to the company's business activities. Accordingly, management has assessed that there is no need for company-specific policies in this area.

Data ethics

The company's activities and business model do not involve data processing to an extent that management deems it necessary to establish a policy in this area. The company does not process data nor utilize algorithms for data analysis, and as such, this is not an integrated part of the company's strategy or business model.

Income statement

Note	Group		Parent	
	2024 DKK '000	2023 DKK '000	2024 DKK '000	2023 DKK '000
2	Revenue	0	1,514,533	0
	Other operating income	0	1,055	0
	Cost of sales	0	-1,184,223	0
	Other external expenses	-2,644	-115,208	-2,613
	Gross result	-2,644	216,157	-2,613
3	Staff costs	0	-157,638	0
	Profit/loss before depreciation, amortisation, write-downs and impairment losses	-2,644	58,519	-2,613
	Amortisation and impairments losses of in- tangible assets	0	-3,104	0
	Other operating expenses	0	-180	0
	Operating profit/loss	-2,644	55,235	-2,613
	Income from equity investments in group enterprises	0	0	433,898
	Financial income	1,659	7,297	1,297
	Financial expenses	0	-6,311	0
	Profit/loss before tax	-985	56,221	432,582
	Tax on profit or loss for the year	27	-17,268	100
	Profit/loss from continuing operations	-958	38,953	432,682
5	Profit from discontinuing operations	539,218	0	0
	Profit for the year	538,260	38,953	432,682

6 Proposed appropriation account

Balance sheet

ASSETS		Group		Parent	
		31.12.24 DKK '000	31.12.23 DKK '000	31.12.24 DKK '000	31.12.23 DKK '000
Note					
	Acquired rights	0	5,766	0	0
	Total intangible assets	0	5,766	0	0
	Leasehold improvements	0	3,309	0	0
	Other fixtures and fittings, tools and equipment	0	2,697	0	0
	Total property, plant and equipment	0	6,006	0	0
7	Equity investments in group enterprises	0	0	12,073	17,320
7	Equity investments in associates	130,000	0	0	0
7	Other investments	1,454	1,354	1,454	1,354
	Deposits	0	4,355	0	0
	Total investments	131,454	5,709	13,527	18,674
	Total non-current assets	131,454	17,481	13,527	18,674
	Raw materials and consumables	819	819	819	819
	Total inventories	819	819	819	819
	Trade receivables	0	248,654	0	0
	Receivables from group enterprises	0	0	130,000	517
9	Deferred tax asset	102	4,986	100	367
	Other receivables	62,480	7,367	29,796	844
	Prepayments	0	5,673	0	0
	Total receivables	62,582	266,680	159,896	1,728
	Other investments	0	9,946	0	9,946
	Total securities and equity investments	0	9,946	0	9,946
	Cash	320,071	108,243	298,413	4,877
	Total current assets	383,472	385,688	459,128	17,370
	Total assets	514,926	403,169	472,655	36,044

EQUITY AND LIABILITIES

Note	Group		Parent	
	31.12.24 DKK '000	31.12.23 DKK '000	31.12.24 DKK '000	31.12.23 DKK '000
Share capital	125	125	125	125
Foreign currency translation reserve	0	-961	0	0
Retained earnings	465,811	84,893	448,475	35,793
Proposed dividend for the financial year	20,000	0	20,000	0
Equity attributable to owners of the parent	485,936	84,057	468,600	35,918
8 Non-controlling interests	24,822	36,478	0	0
Total equity	510,758	120,535	468,600	35,918
Other payables	0	6,605	0	0
Total long-term payables	0	6,605	0	0
Prepayments received from customers	0	11,921	0	0
Trade payables	65	214,259	25	25
Income taxes	4,002	6,886	3,929	0
Other payables	101	42,963	101	101
Total short-term payables	4,168	276,029	4,055	126
Total payables	4,168	282,634	4,055	126
Total equity and liabilities	514,926	403,169	472,655	36,044

10 Contingent liabilities

11 Related parties

Statement of changes in equity

Figures in DKK '000	Share capital	Foreign currency translation reserve	Retained earnings	Proposed dividend for the financial year	Non-controlling interests	Total equity
Group:						
Statement of changes in equity for 01.01.24 - 31.12.24						
Balance as at 01.01.24	125	-961	84,893	0	36,478	120,535
Extraordinary dividend paid	0	0	-19,296	0	-136,412	-155,708
Other changes in equity	0	961	17,065	0	-10,355	7,671
Net profit/loss for the year	0	0	383,149	20,000	135,111	538,260
Balance as at 31.12.24	125	0	465,811	20,000	24,822	510,758
Parent:						
Statement of changes in equity for 01.01.24 - 31.12.24						
Balance as at 01.01.24	125	0	35,793	0	0	35,918
Net profit/loss for the year	0	0	412,682	20,000	0	432,682
Balance as at 31.12.24	125	0	448,475	20,000	0	468,600

Consolidated cash flow statement

Note	Group	
	2024 DKK '000	2023 DKK '000
	538,260	38,953
Profit for the year		
12 Adjustments	-540,904	19,289
Change in working capital:		
Receivables	-3,050	-11,917
Trade payables	20	-1,720
Other payables relating to operating activities	0	-11,253
Cash flows from operating activities before net financials	-5,674	33,352
Interest income and similar income received	1,659	7,297
Interest expenses and similar expenses paid	0	-4,052
Income tax paid	0	-13,504
Cash flows from operating activities	-4,015	23,093
Purchase of intangible assets	0	-2,873
Purchase of property, plant and equipment	0	-5,140
Sale of property, plant and equipment	0	1,536
Purchase of securities and equity investments	-130,100	-10,196
Sale of securities and equity investments	9,946	0
Sale of subsidiaries and operations	491,704	0
Cash flows from investing activities	371,550	-16,673
Sale of treasury shares	0	2,260
Dividend paid	-155,708	-10,097
Repayment of other long-term payables	0	-6,996
Cash flows from financing activities	-155,708	-14,833
Total cash flows for the year	211,827	-8,413
Cash, beginning of year	108,243	116,656
Cash, end of year	320,070	108,243
Cash, end of year, comprises:		
Cash	320,070	108,243
Total	320,070	108,243

1. Special items

Special items are income and expenses that are special due to their size and nature. The following special items were recorded in the financial year:

		Group		Parent	
		2024	2023	2024	2023
Special items:	Recognised in the income statement in:	DKK '000	DKK '000	DKK '000	DKK '000
Gain on the divestment of group enterprises	Income from equity investments in group enterprises	0	0	433,898	0
Gain on the divestment of group enterprises	Profit from discontinuing operations	499,187	0	0	0
Total		499,187	0	433,898	0

		Group		Parent	
		2024	2023	2024	2023
		DKK '000	DKK '000	DKK '000	DKK '000

2. Revenue

Information about the distribution of revenue by activities and geographical markets is provided below. The segment information is prepared in accordance with the company's accounting policies and follows the company's internal financial management.

Revenue comprises the following activities:

Consulting	929,966	1,028,083	0	0
Outsourcing	498,043	486,450	0	0
Transferred to discontinuing operations	-1,428,009	0	0	0
Total	0	1,514,533	0	0

Revenue comprises the following geographical markets:

Denmark	767,046	861,688	0	0
Poland	561,758	529,401	0	0
Other countries	99,205	123,444	0	0
Transferred to discontinuing operations	-1,428,009	0	0	0
Total	0	1,514,533	0	0

	Group		Parent	
	2024	2023	2024	2023
	DKK '000	DKK '000	DKK '000	DKK '000
3. Staff costs				
Wages and salaries	134,159	145,027	0	0
Pensions	10,032	9,429	0	0
Other social security costs	3,993	3,182	0	0
Transferred to discontinuing operations	-148,184	0	0	0
Total	0	157,638	0	0
Average number of employees during the year	280	303	0	0

4. Fees to auditors appointed by the general meeting

Statutory audit of the financial statements	90	1,357	55	28
Other assurance engagements	0	26	0	0
Tax advice	0	341	0	0
Other services	16	169	16	0
Total	106	1,893	71	28

	Group		Parent	
	2024	2023	2024	2023
	DKK '000	DKK '000	DKK '000	DKK '000

5. Profit from discontinuing operations

Activity related to IT consultancy services and outsourcing is being discontinued. The activity is recognised in the company's income statement with the following amounts:

Revenue	1,428,009	0	0	0
Other operating income	25	0	0	0
Other operating income, divestment of group enterprises	499,187	0	0	0
Cost of sales	-1,119,603	0	0	0
Other external expenses	-97,719	0	0	0
Staff costs	-148,184	0	0	0
Depreciation and amortisation of and impairment losses on intangible assets and property, plant and equipment	-3,254	0	0	0
Other operating expenses	-3,153	0	0	0
Other financial income	3,745	0	0	0
Other financial expenses	-4,677	0	0	0
Tax on profit or loss for the year	-15,158	0	0	0
Total	539,218	0	0	0

6. Proposed appropriation account

Proposed dividend for the financial year	0	0	20,000	0
Non-controlling interests	135,111	16,425	0	0
Retained earnings	403,149	22,528	412,682	10,410
Total	538,260	38,953	432,682	10,410

7. Investments

Figures in DKK '000	Equity invest- ments in group enterprises	Equity invest- ments in asso- ciates	Other invest- ments
Group:			
Cost as at 01.01.24	0	0	1,891
Additions during the year	0	130,000	100
Cost as at 31.12.24	0	130,000	1,991
Depreciation and impairment losses as at 01.01.24	0	0	-537
Depreciation and impairment losses as at 31.12.24	0	0	-537
Carrying amount as at 31.12.24	0	130,000	1,454
Parent:			
Cost as at 01.01.24	17,720	0	1,891
Additions during the year	0	0	100
Disposals during the year	-5,647	0	0
Cost as at 31.12.24	12,073	0	1,991
Depreciation and impairment losses as at 01.01.24	0	0	-537
Depreciation and impairment losses as at 31.12.24	0	0	-537
Carrying amount as at 31.12.24	12,073	0	1,454
Name and registered office:			Ownership interest
Subsidiaries:			
7N Holding II ApS, Gentofte			51%
7N Holding III ApS, Gentofte			56%
Hedaa NextGen A/S, Gentofte			100%

	Group		Parent	
	31.12.24 DKK '000	31.12.23 DKK '000	31.12.24 DKK '000	31.12.23 DKK '000
8. Non-controlling interests				
Non-controlling interests, beginning of year	36,478	28,031	0	0
Net effect of demergers and divestment of enterprises	-10,355	0	0	0
Foreign currency translation adjustment of foreign enterprises	0	1,499	0	0
Sale of treasury shares	0	953	0	0
Dividend paid	-136,412	-10,430	0	0
Net profit/loss for the year (distribution of net profit)	135,111	16,425	0	0
Total	24,822	36,478	0	0

9. Deferred tax

Provisions for deferred tax as at 01.01.24	4,986	6,625	367	367
Disposals relating to demergers and divestment of enterprises	-4,619	0	0	0
Deferred tax recognised in the income statement	-267	-1,639	-267	0
Provisions for deferred tax as at 31.12.24	100	4,986	100	367

As at 31.12.24, the company has recognised a deferred tax asset of DKK 100k, which can primarily be attributed to tax losses carried forward. The deferred tax asset is recognised on the basis of expectations of positive operating results for the coming years.

10. Contingent liabilities

The group has no contingent liabilities as at 31.12.24.

Parent:

Other contingent liabilities

The company is taxed jointly with the other Danish companies in the group and has joint, several and unlimited liability for income taxes and any obligations to withhold tax at source on interest, royalties and dividends for the jointly taxed companies. The liability also includes any subsequent corrections to the calculated tax liability as a consequence of changes made to the jointly taxable income etc.

11. Related parties

Related party transactions are not disclosed, as all transactions are entered into in the ordinary course of business at arms' length.

	Group	
	2024	2023
	DKK '000	DKK '000

12. Adjustments for the cash flow statement

Amortisation and impairments losses of intangible assets	0	3,104
Financial income	-1,659	-7,297
Financial expenses	0	6,311
Tax on profit or loss for the year	-27	17,268
Other adjustments	-539,218	-97
Total	-540,904	19,289

13. Accounting policies

GENERAL

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act for large groups and enterprises in reporting class C.

The group's accounting policies have been applied consistently with previous years. The accounting policies of the parent have changed which is stated in the 'Change in accounting policies' section.

Change in accounting policies

The company has changed its accounting policies in the following areas:

Recognition of Equity investments in group enterprises in the balance sheet of the parent

Previously, Equity investments in group enterprises were measured at fair value in the balance sheet of the parent. In future, Equity investments in group enterprises will be measured at cost less any impairment losses in the balance sheet of the parent as management believes that this will provide a fairer presentation. This change in accounting policies follows the parent company's and the Group's agreement during the current financial year to divest certain operations with a corresponding reinvestment. Accordingly, the cost of the reinvestment is considered to reflect fair value, as the transaction was carried out with independent third parties. The comparative figures have been restated in accordance with the new accounting policy. The change in accounting policy has a positive impact of DKK 329,680k on the net profit or loss for 2024. As at 31.12.24, the change in accounting policy has no impact on equity or the balance sheet total.

Except for the areas mentioned above, the accounting policies have been applied consistently with the previous year.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including depreciation, amortisation, impairment losses and write-downs, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company, and the value of such assets can be measured reliably. Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company, and the value of such liabilities can be measured reliably. On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

On recognition and measurement, account is taken of foreseeable losses and risks arising before the date at which the annual report is presented and proving or disproving matters arising on or before the balance sheet date.

13. Accounting policies - continued -**CONSOLIDATED FINANCIAL STATEMENTS**

The consolidated financial statements comprise the parent and its subsidiaries in which the parent directly or indirectly holds more than 50% of the voting rights or by way of agreements exercises control. Enterprises in which the group holds participating interests, between 20% and 50% of the voting rights and in which it has significant interest but not control, are considered associates.

All financial statements used for consolidation are prepared in accordance with the accounting policies of the group.

The consolidated financial statements consolidate the financial statements of the parent and its subsidiaries by adding together items of a uniform nature, eliminating intercompany income and expenditure, equity investments, intercompany balances and dividends as well as gains and losses resulting from transactions between the consolidated enterprises to the extent that the underlying assets and liabilities are not realised.

Non-controlling interests

The financial items of the subsidiaries are recognised in full in the consolidated financial statements. The non-controlling interests' proportionate share of the subsidiaries' equity is classified as a part of consolidated equity. The subsidiaries' results are distributed proportionately to non-controlling interests and the parent's equity interest.

Purchase and sale of non-controlling interests in a subsidiary which do not result in changes in control of the subsidiary are treated in the consolidated financial statements as equity transactions, and the difference between the consideration and the carrying amount is allocated to the parent's equity interest.

CURRENCY

The annual report is presented in Danish kroner (DKK).

On initial recognition, transactions denominated in foreign currencies are translated using the exchange rates applicable at the transaction date. Exchange rate differences between the exchange rate applicable at the transaction date and the exchange rate at the date of payment are recognised in the income statement as a financial item. Receivables, payables and other monetary items denominated in foreign currencies are translated using the exchange rates applicable at the balance sheet date. The difference between the exchange rate applicable at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest annual report is recognised under financial income or expenses in the income statement. Fixed assets, inventories and other non-monetary assets acquired in foreign currencies are translated using historical exchange rates.

13. Accounting policies - continued -**INCOME STATEMENT****Revenue**

Income from the sale of services is recognised in the income statement in line with completion of services, which means that revenue corresponds to the selling price of the work performed for the year stated on the basis of the stage of completion at the balance sheet date (percentage of completion method).

Other operating income

Other operating income comprises income of a secondary nature in relation to the enterprise's activities, including rental income, negative goodwill and gains on the sale of intangible assets and property, plant and equipment.

Cost of sales

Cost of sales comprises cost of sales for the year measured at cost plus any changes in inventories, including write-downs to the extent that these do not exceed normal write-downs.

Other external expenses

Other external expenses comprise costs relating to distribution, sales and advertising and administration, premises and bad debts to the extent that these do not exceed normal write-downs.

Staff costs

Staff costs comprise wages and salaries as well as other staff-related costs.

13. Accounting policies - continued -**Amortisation and impairment losses**

The amortisation of intangible assets aim at systematic amortisation over the expected useful lives of the assets. Assets are amortised according to the straight-line method based on the following expected useful lives and residual values:

	Useful lives, years	Residual value DKK '000
Acquired rights	3	0
Leasehold improvements	3-5	0
Other plant, fixtures and fittings, tools and equipment	3-5	0

The basis of amortisation is the cost of the asset less the expected residual value at the end of the useful life. Moreover, the basis of amortisation is reduced by any impairment losses. The useful life and residual value are determined when the asset is ready for use and reassessed annually.

Intangible assets are impaired in accordance with the accounting policies referred to in the 'Impairment losses on fixed assets' section.

Other operating expenses

Other operating expenses comprise costs of a secondary nature in relation to the enterprise's activities, including costs relating to rental activities and losses on the sale of intangible assets and property, plant and equipment.

Income from equity investments in group enterprises and associates

Dividends from equity investments measured at cost are recognised as income in the financial year in which the dividend is declared.

Income from equity investments in equity investments in subsidiaries and associates also comprises gains and losses on the sale of equity investments.

Other net financials

Interest income and interest expenses, foreign exchange gains and losses on transactions denominated in foreign currencies, gains and losses on other securities and equity investments etc. are recognised in other net financials.

Dividends from other equity investments are recognised as income in the financial year in which the dividend is declared.

13. Accounting policies - continued -**Tax on profit/loss for the year**

The current and deferred tax for the year is recognised in the income statement as tax on the profit/loss for the year with the portion attributable to the profit/loss for the year, and directly in equity with the portion attributable to amounts recognised directly in equity.

The company is jointly taxed with Danish consolidated enterprises. The parent is the administration company for the joint taxation and thus settles all income tax payments with the tax authorities.

In connection with the settlement of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed enterprises in proportion to their taxable incomes. This means that enterprises with a tax loss receive joint taxation contributions from enterprises which have been able to use this loss to reduce their own taxable profit.

BALANCE SHEET**Intangible assets***Acquired rights*

Acquired rights are measured in the balance sheet at cost less accumulated amortisation and impairment losses.

Acquired rights are amortised using the straight-line method based on useful lives, which are stated in the 'Amortisation and impairment losses' section.

Gains or losses on the disposal of intangible assets are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal.

Property, plant and equipment

Property, plant and equipment comprise leasehold improvements as well as other fixtures and fittings, tools and equipment.

Property, plant and equipment are measured in the balance sheet at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and expenses resulting directly from the purchase until the asset is ready for use. Interest on loans arranged to finance production is not included in the cost.

Property, plant and equipment are depreciated using the straight-line method based on useful lives and residual values, which are stated in the 'Amortisation and impairment losses' section.

13. Accounting policies - continued -

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal less any costs of disposal.

Equity investments in group enterprises and associates*Equity investments in group enterprises*

Equity investments in subsidiaries are measured at cost less any impairment losses in the balance sheet of the parent. Transaction costs directly attributable to the acquisition are recognised in the cost of equity investments in the balance sheet of the parent, while transaction costs are recognised in the income statement in the consolidated financial statements.

Equity investments in associates

Equity investments in associates are measured at cost less any impairment in the balance sheet of the parent. Transaction costs directly attributable to the acquisition are recognised in the cost of equity investments.

In the consolidated financial statements, equity investments in associates are recognised and measured according to the equity method. For equity investments in associates, the equity method is considered a measurement method, and reference is made to the 'Equity method' section for further details.

Equity method

On initial recognition, equity investments measured according to the equity method are measured at cost. Transaction costs directly attributable to the acquisition are recognised in the cost of equity investments. However, transaction costs on the acquisition of subsidiaries are recognised in the income statement in the consolidated financial statements at the date incurred.

Gains or losses on disposal of equity investments

Gains or losses on disposal of equity investments are determined as the difference between the disposal consideration and the carrying amount of net assets at the time of sale, including non-amortised goodwill, as well as the expected costs of divestment or discontinuation. Gains and losses are recognised in the income statement under income from equity investments.

Impairment losses on fixed assets

The carrying amount of fixed assets which are not measured at fair value is assessed annually for indications of impairment over and above what is reflected in amortisation.

13. Accounting policies - continued -

If the company's realised return on an asset or a group of assets is lower than expected, this is considered an indication of impairment.

If there are indications of impairment, an impairment test is conducted of individual assets or groups of assets.

If dividends are distributed on equity investments in subsidiaries and associates exceeding the year earnings from the enterprise in question, this is considered an indication of impairment.

The assets or groups of assets are impaired to the lower of recoverable amount and carrying amount.

The higher of net selling price and value in use is used as the recoverable amount. The value in use is determined as the present value of expected net cash flows from the use of the asset or group of assets as well as expected net cash flows from the sale of the asset or group of assets after the expiry of their useful lives.

Impairment losses are reversed when the reasons for the impairment no longer exist.

Inventories

Inventories are measured at cost calculated according to the FIFO-method. Inventories are written down to the lower of cost and net realisable value.

The cost of raw materials and consumables as well as goods for resale is determined as purchase prices plus expenses resulting directly from the purchase.

The net realisable value of inventories is determined as the selling price less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and the expected development in the selling price.

Receivables

Receivables are measured at amortised cost, which usually corresponds to the nominal value, less write-downs for bad debts.

Write-downs for bad debts are determined based on an individual assessment of each receivable if there is no objective evidence of individual impairment of a receivable.

Deposits recognised under assets comprise deposits paid to the lessor under leases entered into by the company.

13. Accounting policies - continued -**Prepayments**

Prepayments recognised under assets comprise costs incurred in respect of subsequent financial years.

Other investments

Equity investments that are not classified as group enterprises, associates or participating interests and which are not traded in an active market are measured in the balance sheet at cost. Other equity investments classified as current assets are written down to the lower of cost and net realisable value.

Cash

Cash includes operating cash.

Equity

The proposed dividend for the financial year is recognised as a separate item in equity.

Unrealised foreign currency gains and losses from the translation of the net investment in independent foreign entities are recognised in equity under the foreign currency translation reserve. The reserve is dissolved when the independent foreign entities are disposed of.

Current and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the basis of the taxable income for the year, adjusted for tax paid on account.

Joint taxation contributions payable and receivable are recognised as income tax under receivables or payables in the balance sheet.

Deferred tax liabilities and tax assets are recognised on the basis of all temporary differences between the carrying amounts and tax bases of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is non-amortisable for tax purposes and other items where temporary differences, except for acquisitions, have arisen at the date of acquisition without affecting the net profit or loss for the year or the taxable income. In cases where the tax value can be determined according to different taxation rules, deferred tax is measured on the basis of management's intended use of the asset or settlement of the liability.

Deferred tax assets are recognised, following an assessment, at the expected realisable value through offsetting against deferred tax liabilities or elimination in tax on future earnings.

13. Accounting policies - continued -

Deferred tax is measured on the basis of the tax rules and at the tax rates which, according to the legislation in force at the balance sheet date, will be applicable when the deferred tax is expected to crystallise as current tax.

Payables

Short-term financial payables are measured at amortised cost, normally corresponding to the nominal value of such payables. Other short-term payables are measured at net realisable value.

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to the time and date of delivery of the agreed product or completion of the agreed service.

CASH FLOW STATEMENT

The cash flow statement is prepared using the indirect method, showing cash flows from operating, investing and financing activities as well as cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities comprise the net profit or loss for the year, adjusted for non-cash operating items, income tax paid and changes in working capital.

Cash flows from investing activities comprise payments in connection with the acquisition and divestment of companies and financial assets as well as the purchase, development, improvement and sale of intangible assets and property, plant and equipment.

Cash flows from financing activities comprise changes in the parent's share capital and associated costs and financing from and dividends paid to shareholders as well as the arrangement and repayment of long-term payables.

Cash and cash equivalents at the beginning and end of the year comprise cash.

Referring to section 86(4) of the Danish Financial Statements Act a cash flow statement has not been prepared for the parent as the parent is included in the consolidated cash flow statement.

13. Accounting policies - continued -**DISCONTINUING OPERATIONS**

Discontinuing operations comprise significant business areas and activities that according to an overall plan must be disposed of, closed down or relinquished, and which may be separated from the continuing operations. Discontinuing operations comprise the actually discontinued operations for the year and operations that are discontinuing but still in existence at the balance sheet date. Assets and liabilities as well as income and expenses included in discontinuing operations are recognised and measured in accordance with the company's accounting policies.

The net profit or loss from discontinuing operations is presented separately in the income statement after continuing operations. Assets and liabilities relating to discontinuing operations are also presented separately in the balance sheet as current assets and short-term payables, respectively.