Deltek Danmark A/S

Vordingborggade 18-20
2100 Copenhagen
CVR No. 13703973

Annual report 2024

The Annual General Meeting adopted the annual report on 11 July 2025

Signed by:
Tracy Schampers
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Tracy Lyn Schampers
Chairman of the General Meeting

Contents

Entity details

Entity

Deltek Danmark A/S
Vordingborggade 18-20
2100 Copenhagen

Business Registration No.: 13703973
Registered office: København
Financial year: 01.01.2024 - 31.12.2024

Board of Directors

Tracy Lyn Schampers
John Kenneth Stipancich
Robert Edward Hughes Jr

Executive Board

John Kenneth Stipancich

Auditors

PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab
Standvejen 44
DK - 2900 Hellerup
CVR No.: 33771231

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Deltek Danmark A/S for the financial year 1 January - 31 December 2024.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2024 and of the results of its operations for the financial year 01.01.2024 - 31.12.2024.

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

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

Copenhagen, 11 July 2025

Executive Board

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John Stipancich
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John Kenneth Stipancich

Board of Directors

Signed by:
Tracy Schampers
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Tracy Lyn Schampers

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John Stipancich
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John Kenneth Stipancich

Signed by:
Robert Edward Hughes Jr
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Robert Edward Hughes Jr

Independent auditor's report

To the Shareholder of Deltek Danmark A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2024, and of the results of the Company's operations for the financial year 1 January - 31 December 2024 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Deltek Danmark A/S for the financial year 1 January - 31 December 2024, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

Basis for opinion

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

Statement on the Management's commentary

Management is responsible for Management's commentary.

Our opinion on the Financial Statements does not cover Management's commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management's commentary and, in doing so, consider whether Management's commentary 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 commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's commentary is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's commentary.

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.

Hellerup, 11 July 2025

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No. 33771231

Leif Ulbæk Jensen	**Thomas Lauritsen**
State Authorised Public Accountant	State Authorised Public Accountant
Identification No (MNE) mne23327	Identification No (MNE) mne34342

Management's commentary

Financial highlights

	2024 DKK'000	2023 DKK'000	2022 DKK'000	2021 DKK'000	2020 DKK'000
Key figures					
Revenue	171,406	150,214	145,619	175,765	189,351
Gross profit/loss	141,471	126,951	110,353	120,996	180,052
Operating profit/loss	11,753	10,498	(408)	4,210	64,429
Net financials	1,242	547	(1,817)	2,334	2,619
Profit/loss for the year	9,512	8,661	(1,967)	5,572	51,434
Total assets	462,951	445,372	417,382	436,261	414,265
Investments in property, plant and equipment	2,362	1,858	3,394	1,542	1,515
Equity	334,515	325,003	316,342	318,309	312,737
Average number of employees	120	126	131	135	139
Ratios					
Gross margin (%)	82.54	84.51	75.78	68.84	95.09
EBIT margin (%)	6.86	6.99	(0.28)	2.40	34.03
Net margin (%)	5.55	5.77	(1.35)	3.17	27.16
Return on equity (%)	2.88	2.70	(0.62)	1.77	18.05
Equity ratio (%)	72.26	72.97	75.79	72.96	75.49

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

Gross margin (%):
Gross profit/loss * 100
Revenue

EBIT margin (%):
Operating profit/loss * 100
Revenue

Net margin (%):
Profit/loss for the year * 100
Revenue

Return on equity (%) :

Profit/loss for the year * 100

Average equity

Equity ratio (%) :

Equity * 100

Total assets

Primary activities
The Company develops, produces and sells software solutions to entities and delivers consultancy services to service organizations and other activities connected hereto.

Development in activities and finances
The income statement of the company for 2024 shows a profit of TDKK 9,512, and 31 December 2024 of the balance sheet of the Company shows equity of TDKK 334,515.

Profit/loss for the year in relation to expected developments
In 2024, the Company realized a growth in revenue of DKK 21,192k (14,1%), which exceeds expectations as disclosed in the Annual Report 2023. For 2024, the Company's operating result amounted to a gain of DKK 11,753k compared to a gain in 2023 of DKK 10,498k. The results of operations is better than expected in the 2023 Annual Report, which is primarily driven by higher SaaS revenues and increased intercompany trading activity, particularly related to R&D services performed on behalf of Deltek USA. Management assesses the result for 2024 very satisfactory.

Uncertainty relating to recognition and measurement
Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets within the next financial year are addressed below, ref. also note 2.

Impairment test – Investments in subsidiaries
The value of the investments in subsidiaries require assessments, estimates and assumptions about future events. The estimates and assumptions made are based upon historical experience and other factors that management deems reasonable under the circumstances, but which are inherently uncertain and unpredictable. As a result of the risk and uncertainties to which the company is subject, actual outcomes may differ from the estimates made.

For Deltek Danmark A/S, the measurement of the investments value could be significantly affected by significant changes in estimates and assumptions or due to new knowledge or subsequent events. For Deltek Danmark A/S has carried out an impairment test regarding the entities where indicators of impairment exist, in order to assess whether the investments in subsidiaries will be able to generate sufficient positive net cash flows in the future to support the value of the assets. The most important parameters in the impairment test relate to the expected growth and the WACC used. The impairment test did not lead to further writedowns in 2024.

Outlook

The Company anticipates an increase in total revenue ranging from 1% to 5% for 2025, based on business acquisitions and business plans from management, following exceptional growth achieved in 2024. The Company also anticipates a similar increase in the results of operations of 1% to 5%.

Research and development activities

The Company had development costs in 2024 of approx. DKK 64 million. The development costs mainly relate to enhancements of its own developed software reimbursed to Deltek Inc. and have been expensed in the income statement.

Income statement for 2024

	Notes	2024 DKK'000	2023 DKK '000
Revenue		171,406	150,214
Other external expenses		(29,935)	(23,263)
Gross profit/loss		**141,471**	**126,951**
Staff costs	3	(127,174)	(113,934)
Depreciation, amortisation and impairment losses	4	(2,544)	(2,519)
Operating profit/loss		**11,753**	**10,498**
Other financial income	5	2,986	1,630
Other financial expenses	6	(1,744)	(1,083)
Profit/loss before tax		**12,995**	**11,045**
Tax on profit/loss for the year	7	(3,483)	(2,384)
Profit/loss for the year	8	**9,512**	**8,661**

Balance sheet at 31.12.2024

Assets

	Notes	2024 DKK'000	2023 DKK'000
Other fixtures and fittings, tools and equipment		3,186	3,519
Property, plant and equipment	9	**3,186**	**3,519**
Investments in group enterprises		234,083	234,083
Deposits		4,392	4,720
Financial assets	10	**238,475**	**238,803**
Fixed assets		**241,661**	**242,322**
Trade receivables		16,862	28,422
Contract work in progress	11	1,225	1,008
Receivables from group enterprises		96,955	81,234
Deferred tax	12	1,702	2,690
Other receivables		2,122	2,123
Joint taxation contribution receivable		22,275	15,987
Prepayments	13	4,236	2,400
Receivables		**145,377**	**133,864**
Cash		**75,913**	**69,186**
Current assets		**221,290**	**203,050**
Assets		**462,951**	**445,372**

Equity and liabilities

	Notes	2024 DKK'000	2023 DKK'000
Contributed capital	14	47,672	47,672
Retained earnings		286,843	277,331
Equity		**334,515**	**325,003**
Other payables		9,567	9,595
Non-current liabilities other than provisions	15	**9,567**	**9,595**
Trade payables		422	108
Payables to associates		32,360	31,389
Tax payable		20,381	16,653
Other payables		30,862	26,053
Deferred income	16	34,844	36,571
Current liabilities other than provisions		**118,869**	**110,774**
Liabilities other than provisions		**128,436**	**120,369**
Equity and liabilities		**462,951**	**445,372**
Events after the balance sheet date	1		
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Unrecognised rental and lease commitments	17		
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Statement of changes in equity for 2024

	Contributed capital DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	47,672	277,331	325,003
Profit/loss for the year	0	9,512	9,512
Equity end of year	**47,672**	**286,843**	**334,515**

Notes

1 Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

2 Uncertainty relating to recognition and measurement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets within the next financial year are addressed below.

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For Deltek Danmark A/S, the measurement of the investments value could be significantly affected by significant changes in estimates and assumptions or due to new knowledge or subsequent events. For Deltek Danmark A/S has carried out an impairment test regarding the entities where indicators of impairment exist, in order to assess whether the investments in subsidiaries will be able to generate sufficient positive net cash flows in the future to support the value of the assets. The most important parameters in the impairment test relate to the expected growth and the WACC used. The impairment test did not lead to further writedowns in 2024.

3 Staff costs

	2024 **DKK'000**	**2023** **DKK'000**
Wages and salaries	120,802	109,319
Pension costs	5,013	3,231
Other social security costs	1,359	1,384
	127,174	**113,934**
Average number of full-time employees	**120**	**126**

No remuneration is paid to the Board of Directors as the work in the Board is considered limited. The Executive Board only consist of one person and therefore remuneration is not disclosed, cf. the Danish Financial Statements Act § 98b.

4 Depreciation, amortisation and impairment losses

	2024 DKK'000	2023 DKK'000
Depreciation of property, plant and equipment	2,544	2,519
	2,544	**2,519**

5 Other financial income

	2024 DKK'000	2023 DKK'000
Other financial income	2,986	1,630
	2,986	**1,630**

6 Other financial expenses

	2024 DKK'000	2023 DKK'000
Financial expenses from group enterprises	1,023	974
Other interest expenses	612	19
Exchange rate adjustments	109	90
	1,744	**1,083**

7 Tax on profit/loss for the year

	2024 DKK'000	2023 DKK'000
Current tax	2,495	1,367
Change in deferred tax	395	313
Adjustment concerning previous years	593	704
	3,483	**2,384**

8 Proposed distribution of profit and loss

	2024 DKK'000	2023 DKK'000
Retained earnings	9,512	8,661
	9,512	**8,661**

9 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK'000
Cost beginning of year	27,710
Additions	2,362
Disposals	(200)
Cost end of year	**29,872**
Depreciation and impairment losses beginning of year	(24,191)
Depreciation for the year	(2,544)
Reversal regarding disposals	49
Depreciation and impairment losses end of year	**(26,686)**
Carrying amount end of year	**3,186**

10 Financial assets

	Investments in group enterprises DKK'000	Deposits DKK'000
Cost beginning of year	238,159	4,720
Disposals	0	(328)
Cost end of year	**238,159**	**4,392**
Impairment losses beginning of year	(4,076)	0
Impairment losses end of year	**(4,076)**	**0**
Carrying amount end of year	**234,083**	**4,392**

Investments in subsidiaries	**Registered in**	**Equity interest %**	**Equity DKK'000**	**Profit/loss DKK'000**
Deltek Norge AS*	Oslo, Norway	100.00	28,260	1,469
Deltek Sverige AB**	Danderyd, Sweden	100.00	8,417	2,993
Deltek GB Ltd.**	Middlesex, England	100.00	(75,609)	(13,960)
Deltek Nederland B.V.**	Amstelveen, Netherlands	100.00	(15,686)	1,061
Deltek France SAS**	Paris, France	100.00	(356)	1,134
Archisnapper BV**	Zottegem, Belgium	100.00	15,412	6,990

* Figures are based on the 2024 Financial Statements.
** Figures are based on the 2023 Financial Statements, due to the fact that the Financial Statements of 2024 have not been filed at the time of reporting.

11 Contract work in progress

	2024 DKK'000	2023 DKK'000
Contract work in progress	1,225	1,008
	1,225	**1,008**

12 Deferred tax

Changes during the year	2024 DKK'000	2023 DKK'000
Beginning of year	2,690	4,408
Change in deferred tax	(395)	(1,014)
Prior year deferred tax adjustments	(593)	(704)
End of year	**1,702**	**2,690**

Deferred tax assets
The deferred tax asset has been included in the balance per 31 December 2024 with TDKK 1,702.

It is Management's assessment that the tax asset within a 5 year period, can be used in future positive taxable income.

13 Prepayments

Prepayments consists of prepaid expenses concerning rent and lease agreements for offices and cars, prepaid insurance premiums as well as periodized subscriptions of 3rd party software.

14 Contributed capital

	Number	Par value DKK'000	Nominal value DKK'000
Share Capital	23,836,004	0.002	47,672
	23,836,004		**47,672**

15 Non-current liabilities other than provisions

	Due after more than 12 months 2024 DKK'000	Outstanding after 5 years 2024 DKK'000
Other payables	9,567	8,282
	9,567	**8,282**

16 Deferred income

Deferred income consist of income received for recognition in subsequent financial years.

17 Unrecognised rental and lease commitments

	2024 DKK'000	2023 DKK'000
Liabilities under rental or lease agreements maturity within 1 year	3,855	3,720
Liabilities under rental or lease agreements maturity within 1-5 year	6,127	10,156
	9,982	**13,876**

18 Contingent liabilities

The Danish group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group, with Deltek Denmark A/S as the management company of the joint taxation. The total amount of corporation tax payable by the Group has not yet been calculated. Moreover, the Danish group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income.

Any subsequent adjustments of corporation taxes and with- holding taxes may increase the Company's liability.

19 Related parties with controlling interest

Ultimate Parent Company

- Roper Technologies, Inc.	6496 University Pkwy Sarasota, FL 34240 United States

Immidiate Parent Company

- Deltek Netherlands B.V.	Herikerbergweg 238 Luna Arena 1101 CM Amsterdam Holland

20 Non-arm's length related party transactions

Only related party transactions not conducted on an arm's length basis are disclosed in the annual report. No such transactions have been conducted in the financial year.

21 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the smallest and largest group:
Roper Technologies, Inc. 6496 University Pkwy, Sarasota FL 34240, United States

Copies of the consolidated financial statements of Roper Technologies, Inc may be ordered at the following address:
Roper Technologies Inc. 6496 University Pkwy, Sarasota FL 34240, United States.

Accounting policies

Reporting class
This annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

The accounting policies applied to these financial statements are consistent with those applied last year.

The Annual Report has been presented in DKK.

Consolidated financial statements
Referring to section 112(2) of the Danish Financial Statements Act, no consolidated financial statements have been prepared as the consolidated financial statements have been prepared by the ultimate parent company, Roper Technologies, Inc.

Adjustments in comparatives The company found that the long term part of the frozen holiday obligation has been misstated in prior years.

Consequently, DKK'000 5,632 has been reclassified from short term payables to long term payables. The correction has no impact on income statement or equity.

Recognition and measurement
Revenues are recognized in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognized. Moreover, all expenses incurred to achieve the earnings for the year are recognized in the income statement, including amortisation, depreciation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts previously recognised in the income statement.

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.

Foreign currency translation
Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses 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.

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 transaction date rates are recognised in financial income and expenses in the income statement.

When recognizing foreign subsidiaries that are integral entities, monetary assets and liabilities are translated using the exchange rates at the balance sheet date. Non-monetary assets and liabilities are translated at the exchange rate at the time of acquisition or the time of any subsequent revaluation or writedown. The items of the income statement are translated at the average rates of the months; however, items deriving from non-monetary assets and liabilities are translated using the historical rates applicable to the relevant non-monetary items.

Income statement

Revenue

Revenue from the sale of goods is based on IAS 18 when the risks and rewards relating to the software and consultancy services sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Contract work in progress (construction contracts) is recognised at the rate of completion, which means that revenue equals the selling price of the work completed for the year (percentage-of-completion method). This method is applied when total revenues and expenses in respect of the contract and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the contract.

Services are recognised at the rate of completion of the service to which the contract relates by using the percentage-of-completion method, which means that revenue equals the selling price of the service completed for the year. This method is applied when total revenues and expenses in respect of the service and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the service.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

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

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment comprise depreciation, amortisation and impairment losses for the financial year.

Other financial income

Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets, and tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses
Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year
Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Balance sheet

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

Gain and losses from the sale of property, plant and equipment are recognised in Other operating income or loss.

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 straightline basis over the expected useful lives of the assets, which are:

	Useful life
Other fixtures and fittings, tools and equipment	3-5 years

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises
Investments in group enterprises are measured at cost. Investments are written down to the lower of recoverable amount and carrying amount.

Receivables
Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts. Provisions for bad debts are determined on the basis of an individual assessment of each receivable, and in respect of trade receivables, a general provision is also made based on the Company's experience from previous years.

Contract work in progress
Contract work in progress regarding service is measured at selling price of the work performed calculated on the basis of the stage of completion. The stage of completion is measured by the proportion that the contract

expenses incurred to date compared to the estimated total contract expenses. Where it is probable that total contract expenses will exceed total revenues from a contract, the expected loss is recognised as an expense in the income statement.

Where the selling price cannot be measured reliably, the selling price is measured at the lower of expenses incurred and net realisable value.

Payments received on account are set off against the selling price. The individual contracts are classified as receivables when the net selling price is positive and as liabilities when the net selling price is negative.

Expenses relating to sales work and the winning of contracts are recognised in the income statement as incurred.

Deferred tax
Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Joint taxation contributions receivable or payable
Current joint taxation contributions payable or joint taxation contributions receivable are recognised in the balance sheet, calculated as tax computed on the taxable income for the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

Prepayments
Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash
Cash comprises cash in hand and bank deposits.

Operating leases
Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

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

Tax receivable or payable
Current tax receivable or payable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

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

Cash flow statement

In accordance with Act S. 86, para (4) of the Danish Financial Statements Act, the Company has not prepared a cash flow statement as the cash flow statement is included in the ultimate parent company.