



Umove Holding A/S

Farverland 7
2600 Glostrup
CVR No. 35379975

Annual report 2024

The Annual General Meeting adopted the annual report on 25.06.2025

Caspar Schultz

Chairman of the General Meeting

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Entity details

Entity

Umove Holding A/S

Farverland 7

2600 Glostrup

Business Registration No.: 35379975

Registered office: Albertslund

Financial year: 01.01.2024 - 31.12.2024

Board of Directors

Per Fomsgaard Hansen, Chair

Annelise Arboe Sommer

Caspar Schultz

Manfred Laurence Klumpenaar

Stephen Zhuo Wong

Executive Board

Ole Steensbro

Annelise Arboe Sommer

Auditors

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

Eventyrvej 16

4100 Ringsted

Business Registration No.: 33771231

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Umove Holding A/S for the financial year 01.01.2024 - 31.12.2024.

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

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2024 and of the results of their operations and the consolidated cash flows 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.

Glostrup, 25.06.2025

Executive Board

Ole Steensbro

Annelise Arboe Sommer

Board of Directors

Per Fomsgaard Hansen
Chair

Annelise Arboe Sommer

Caspar Schultz

Manfred Laurence Klumpenaar

Stephen Zhuo Wong

Independent auditor's report

To the Shareholders of Umove Holding A/S

Opinion

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

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Umove Holding 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, for both the Group and the Parent Company, as well as consolidated statement of cash flows ("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 Consolidated Financial Statements and the Parent Financial Statements" section of our report. We are independent of the Group 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 commentary

Management is responsible for the 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 Consolidated Financial Statements and the Parent Company 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 consolidated financial statements and the parent financial statements

Management is responsible for the preparation of Consolidated Financial Statements and Parent Company 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 Group's and the Parent 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 Group or the Parent 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 the parent 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 Group's and the Parent 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 Group's and the Parent 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 Group and the Parent 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.
- 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 forming an opinion on the Consolidated Financial Statements and the Parent Company 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.

Ringsted, 25.06.2025

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No. 33771231

Brian Pedersen
State Authorised Public Accountant
Identification No (MNE) mne28701

Kenneth Østergaard
State Authorised Public Accountant
Identification No (MNE) mne47262

Management commentary

Financial highlights

| | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|-----------|-----------|-----------|-----------|----------|
| | DKK'000 | DKK'000 | DKK'000 | DKK'000 | DKK'000 |
| Key figures | | | | | |
| Revenue | 1,288,381 | 1,069,566 | 1,002,289 | 729,790 | 694,827 |
| Gross profit/loss | 1,033,859 | 812,095 | 705,185 | 535,475 | 514,747 |
| Operating profit/loss | 77,253 | 64,885 | 38,648 | 28,011 | 25,228 |
| Net financials | (73,503) | (38,544) | (15,737) | (11,116) | (11,101) |
| Profit/loss for the year | 2,071 | 21,492 | 17,670 | 10,865 | 18,779 |
| Balance sheet total | 2,225,736 | 1,748,406 | 1,015,591 | 772,024 | 663,854 |
| Investments in property, plant and equipment | 563,000 | 841,505 | 292,329 | (196,935) | (66,964) |
| Equity | 113,423 | 111,352 | 107,530 | 100,725 | 108,639 |
| Cash flows from operating activities | 348,812 | 143,221 | 119,777 | 78,414 | 99,190 |
| Cash flows from investing activities | (552,396) | (836,965) | (287,677) | (190,770) | (61,216) |
| Cash flows from financing activities | 223,682 | 666,729 | 189,640 | 69,219 | (66,964) |
| Average number of employees | 1,505 | 1,253 | 1,138 | 949 | 946 |
| Ratios | | | | | |
| Gross margin (%) | 80.24 | 75.93 | 70.36 | 73.37 | 74.08 |
| Net margin (%) | 0.16 | 2.01 | 1.76 | 1.49 | 2.70 |
| Return on equity (%) | 1.84 | 19.64 | 16.97 | 10.38 | 17.76 |
| Equity ratio (%) | 5.10 | 6.37 | 10.59 | 13.05 | 16.36 |

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

Gross margin (%):

$\frac{\text{Gross profit/loss}}{\text{Revenue}} * 100$

Net margin (%):

$\frac{\text{Profit/loss for the year}}{\text{Revenue}} * 100$

Return on equity (%):

Profit/loss for the year * 100

Average equity

Equity ratio (%):

Equity * 100

Balance sheet total

Primary activities

The main activity of the Group is to provide public transport services for the Public Transport Authorities of the Regions and Municipalities in Denmark.

Development in activities and finances

The income statement of the Group for 2024 shows a profit of TDKK 2,071, and at 31st of December 2024 the balance sheet of the Group shows positive equity of TDKK 113,423.

Umove provides transport services for 4 out of 5 regional Public Transport Authorities (PTA) and 2024 was characterized by continued growth.

During 2024 Umove increased its operation on Sealand in Kastrup, Slangerup, Hvidovre and Kalundborg with 103 new electrical buses in Movia contracts A21 and A22.

In Jutland Umove have started a new contract in Viborg (MT65) with 30 electrical buses and in the southern part of Jutland in Tønder, Aabenraa and Haderslev, Umove have renewed a contract (ST20) with 63 EV-buses and number of used diesel buses.

Umove has also during the year been awarded new contracts with electrical buses in the Movia A23 tender. A total of 58 new electrical vehicles with a contract period of minimum 12 years. The contracts will begin during 2025 and 2026.

Umove thereby maintain its position as a market leader in Denmark, and the share of electrical buses continues to increase.

Special risks - operating risks and financial risks

Operating risks

The Group is not assessed to be exposed to any special risks. The Group's most important customers are Public Transport Authorities (PTAs), and the service contracts are typically concluded for a long period of time with the possibility of extension; thus, the service contracts match the useful lives of the buses.

Market risks

The Group is not subject to any special price risks as the indexation of contract payments from the Public Transport Authorities includes general fluctuations in wage levels, interest rate levels and energy prices.

Interest rate risks

The interest-bearing debt constitutes a material amount in the Group. Changes to the interest rate level are, however, included in the indexation of the service contracts with the Public Transport Authorities and, therefore, increases in interest rates do not constitute any significant risk for the Group.

Credit risks

The debtor risk is considered very limited as the Group's major customers are the Public Transport Authorities.

Strategy

The group is mainly focused on expanding the business through successful tendering in the public transport bus market but is also open for M&A opportunities if they support the positive development of the group.

Profit/loss for the year in relation to expected developments

The expected Profit before tax for 2024 was mDKK 26-28. Thus, Umove Holding A/S did not reach its target for 2024. The year 2024 was influenced by high interest rates, negative index effects and increased costs for implementation of new systems.

Uncertainty relating to recognition and measurement

There has been no uncertainty regarding recognition and measurement in the Annual Report.

Unusual circumstances affecting recognition and measurement

The financial position on 31 December 2024 of the Group and the results of the activities and cash flows of the Group for the financial year for 2024 have not been affected by any unusual events.

Outlook

2025 will mainly be focused on mobilization of new operations in the Greater Copenhagen area as well as West Sealand (Movia A22 and A23). Also, some smaller contracts in Jutland are under mobilization.

Profit before tax in 2025 is expected to be at the level of mDKK 9-11.

Statutory report on corporate social responsibility

For a short description of our business model, see the section "Key activities" on page 9.

It is Umove's policy to consider social and environmental issues as well as corporate governance when making decisions and in its day-to-day operations. We adhere to the UN Global Compact initiatives and support a set of basic values within human rights, employee rights, environment, and anti-corruption:

Human rights

- 1) Umove supports and respects the protection of internationally proclaimed human rights; and
- 2) we ensure that we do not participate in the infringement of human rights.

Umove has moreover implemented the following diversity policy:

"We see diversity as a strength for our Company. We appreciate working together across differences in age, gender, religion, sexuality, and ethnicity. We believe that diversity inspires and builds strength, and we provide equal opportunities for everyone by being flexible and showing individual considerations. We have room for diversity taking into consideration the overall interests of the Company".

The Company activities are continuously reviewed by senior management, employee representatives and the various work counsel functions as described in Danish law. The company also has a Whistle blower and Grievance mechanisms in place which gives all internal and external stakeholders opportunity to report any deviating behavior anonymously. Based on that, risk of breach of the human rights policies of the company are regarded as low.

Actions in 2024:

Considering the continuous growth, Umove has during 2024 strengthened its focus on People and Culture and have initiated various initiatives to improve engagement, satisfaction, and ongoing competence upgrades across the company.

Update of our purchase agreements with the main suppliers to secure that they meet our standards in terms of staff conditions and environmental protection. The process is ongoing as agreements are renewed but the initiative has not yet given reason to any disputes with suppliers.

Visits to our main suppliers (i.e., vehicle manufacturers) to check relevant conditions are met.

In 2025 we will continue the initiatives launched in 2024, and with a planned strengthening of our procurement function, we will also strengthen focus on our suppliers.

Employee rights

Umove:

- 1) Ensures the freedom of association of its employees and recognizes their right to and need for collective bargaining.
- 2) Supports the elimination of any type of forced labor.
- 3) Rejects child labor; and
- 4) Eliminates any discrimination in conditions of work and employment.

Moreover, Umove has implemented the following occupational health and safety policy:

"A good working environment is an important condition for being able to provide the right services to our passengers. Naturally, the physical environment and tools must be in working order, but we also look positively at our cooperation in our environmental organization, with trade organizations and external partners who help us map employee satisfaction. Such initiatives are always backed up by action plans that can contribute to improving our working environment."

In general employee rights and a good working environment is key, to ensure that Umove can attract and maintain the right people to perform our services over time. Lack of the right people could potentially have an impact on our ability to deliver contractual services.

Actions in 2024:

During the year we carried out the annually employee engagement survey among all employees in Umove. In general, the engagement results are satisfying and improved compared to the year before. The outputs are used to develop and implement various new initiatives to continue to improve the employee satisfaction.

Umove Academy, an internal leadership training program, has been continued in 2024. The program consists of six modules of training covering various leadership topics – a total of 16 days of education. The program has been developed in cooperation between Umove and DEKRA.

In 2025 the HR function will be further strengthened to support the growth of the group and strengthen people engagement activities, pre-, on- and offboarding processes as well as upgrading leadership capabilities.

Environment and work environment

Umove

- 1) Supports a precautionary approach to environmental challenges.
- 2) Takes initiatives to promote a high level of environmental responsibility; and
- 3) Encourages the development and dissemination of environmentally sound technologies.

Moreover, the majority of Umove is ISO 14001 and ISO 45001 certified and has implemented the following environmental policy:

"Even though public transport contributes to an overall reduction of transport emissions into the environment, we do have an impact on the environment. We use fossil fuel, CNG, Electricity, chemicals and generate waste. We produce noise and have an overall impact on the surroundings. Therefore, it is important for us to minimize our impact on the environment by being prepared to experiment with alternative technologies and energy sources when requested by the Public Transport Authorities. We are pleased to lead the way and to assume a calculated risk daily assisted by our environmental management system ISO 14001, which ensures that we work systematically with our environmental impact. We aim continuously at reducing our consumption of resources and our environmental impact through, for example, our systems and follow up on fuel consumption. On locations where new buses operate, we invest in technology that assist the drivers in "green driving". If we can reduce our fuel consumption, we reduce both the environmental impact and save money.

Actions in 2024:

Denmark as a country is on the road to full electrification of bus operations. We are investing heavily in electric vehicles and charging infrastructure and expect this process to continue until around 90% of the market has been tendered (during the coming 4-5 years). Only very few tenders allow for the use of fossil fuels, and where electrification is not yet possible (if high speed is required), the Public Transport Authorities typically require the use of HVO. Umove have ordered more than 200 electric vehicles to be delivered in 2024 and 2025.

Anti-corruption and bribery

The primary risks in this area are identified as the receipt of gifts or benefits that influence employees in such a way that their objectivity can be doubted, resulting in a conflict of interest between personal interests and the interests of the company.

With a view to ensuring that all decisions are made on an objective basis and always regarding what is best for the company, Umove have implemented a set of policies to cover that.

The company is engaged with a low number of customers (4 Public Transport Authorities and a limited number of municipalities) in a very regulated tendered marketplace with objective and transparent criteria for assignment of contracts.

Representatives of management are fully informed of the company's rules in respect of gift's etc. It is the company's policy that no employees are allowed to receive gifts. All commercial activities towards clients are managed by senior management. Commercial agreements are not agreed or signed by any employee, but senior management. In respect of supplier agreements, the same rules apply.

It is part of the scope of the external auditors' activities to report any occurring or suspected occurrence to senior management and ultimately the company board of directors.

In 2024, no suspected occurrences were reported.

The company always adheres to relevant local and international legislation and follows development in this area closely and will continuously assess if further initiatives regarding anti-corruption are necessary.

Other Policies

Besides the above, Umove has laid down guidelines for the Company's day-to-day staff management (values for being a good colleague and rules for a good management style) and staff policy principles in staff manuals.

Umoves vision is to connect people by building a better future through sustainable mobility solutions, and we aim to achieve this by becoming the best mobility operator in Denmark. We believe that we can help take a very important social responsibility as well as environmental responsibility by providing sustainable mobility solutions that contribute to a greener future.

Umove have four core values that guide our operations: Integrity, Empowerment, Business acumen, and Ownership. These values represent our commitment to providing top-notch services to our customers and passengers, are guiding principles to all colleagues in Umove while conducting ourselves with honesty, energy, and accountability.

Our staff policy includes, among other things, the following in day-to-day cooperation:

- We do our best and take responsibility for our actions.
- We treat each other with respect and talk nicely to each other.
- We help each other as best we can.
- We stop rumors before they become a problem.
- We appreciate our differences and see it as a strength.
- We do what we can to keep each other informed, and our working language is Danish.

Rules for good Umove leadership:

- Manage expectations: Align expectations with your employees
- Expect that your employees do their best and promote continuous feedback
- Appreciate a good effort
- Practice as you preach
- Be well mannered and organized
- Have focus on the ball never the man/woman

Statutory report on data ethics policy

Umove doesn't use advanced technologies such as artificial intelligence or machine learning. The company handles general data such as customer data and employee data. Data are processed in accordance with GDPR. With the limited processing of data, it is the company's assessment that there is no need for a specific policy on data ethics. The company will continuously assess whether a policy is necessary.

Consolidated income statement for 2024

| | Notes | 2024 DKK'000 | 2023 DKK'000 |
|--|-------|------------------|-----------------|
| Revenue | 2 | 1,288,381 | 1,069,566 |
| Other operating income | | 20,437 | 17,322 |
| Costs of raw materials and consumables | | (185,087) | (208,916) |
| Other external expenses | 3 | (89,872) | (65,877) |
| Gross profit/loss | | 1,033,859 | 812,095 |
| Staff costs | 4 | (803,259) | (637,659) |
| Depreciation, amortisation and impairment losses | | (153,347) | (109,551) |
| Operating profit/loss | | 77,253 | 64,885 |
| Other financial income | 5 | 460 | 1,285 |
| Other financial expenses | 6 | (73,963) | (39,829) |
| Profit/loss before tax | | 3,750 | 26,341 |
| Tax on profit/loss for the year | 7 | (1,679) | (4,849) |
| Profit/loss for the year | 8 | 2,071 | 21,492 |

Consolidated balance sheet at 31.12.2024

Assets

| | Notes | 2024 DKK'000 | 2023 DKK'000 |
|--|-------|------------------|------------------|
| Completed development projects | 10 | 14,562 | 16,227 |
| Acquired rights | | 515 | 1,524 |
| Goodwill | | 14,977 | 22,738 |
| Development projects in progress | 10 | 25,206 | 5,313 |
| Intangible assets | 9 | 55,260 | 45,802 |
| Land and buildings | | 223,814 | 66,028 |
| Other fixtures and fittings, tools and equipment | | 1,606,611 | 950,755 |
| Leasehold improvements | | 9,209 | 10,104 |
| Property, plant and equipment in progress | | 93,693 | 163,661 |
| Prepayments for property, plant and equipment | | 0 | 353,669 |
| Property, plant and equipment | 11 | 1,933,327 | 1,544,217 |
| Deposits | | 6,348 | 4,001 |
| Financial assets | 12 | 6,348 | 4,001 |
| Fixed assets | | 1,994,935 | 1,594,020 |
| Manufactured goods and goods for resale | | 34,275 | 25,645 |
| Inventories | | 34,275 | 25,645 |
| Trade receivables | | 86,335 | 60,555 |
| Other receivables | | 24,177 | 52,294 |
| Tax receivable | | 0 | 450 |
| Joint taxation contribution receivable | | 4,585 | 0 |
| Prepayments | 13 | 53,921 | 8,414 |
| Receivables | | 169,018 | 121,713 |
| Other investments | | 6,196 | 5,814 |
| Investments | | 6,196 | 5,814 |
| Cash | | 21,312 | 1,214 |

| | | |
|-----------------------|------------------|------------------|
| Current assets | 230,801 | 154,386 |
| <hr/> | | |
| Assets | 2,225,736 | 1,748,406 |
| <hr/> | | |

Equity and liabilities

| | | 2024 | 2023 |
|--|--------------|------------------|------------------|
| | Notes | DKK'000 | DKK'000 |
| Contributed capital | 14 | 4,559 | 4,559 |
| Retained earnings | | 18,864 | 106,793 |
| Proposed dividend for the financial year | | 90,000 | 0 |
| Equity | | 113,423 | 111,352 |
| Deferred tax | 15 | 32,434 | 27,033 |
| Provisions | | 32,434 | 27,033 |
| Subordinate loan capital | | 0 | 1,108 |
| Mortgage debt | | 0 | 11,118 |
| Bank loans | | 13,186 | 701,004 |
| Lease liabilities | | 0 | 2,381 |
| Payables to group enterprises | | 1,525,826 | 177,044 |
| Other payables | | 93,249 | 62,351 |
| Non-current liabilities other than provisions | 16 | 1,632,261 | 955,006 |
| Current portion of non-current liabilities other than provisions | 16 | 54,645 | 499,535 |
| Bank loans | | 31 | 0 |
| Trade payables | | 226,216 | 54,857 |
| Payables to group enterprises | | 107 | 6,498 |
| Other payables | | 166,619 | 94,125 |
| Current liabilities other than provisions | | 447,618 | 655,015 |
| Liabilities other than provisions | | 2,079,879 | 1,610,021 |
| Equity and liabilities | | 2,225,736 | 1,748,406 |
| Events after the balance sheet date | 1 | | |
| Unrecognised rental and lease commitments | 18 | | |
| Contingent liabilities | 19 | | |
| Assets charged and collateral | 20 | | |
| Non-arm's length related party transactions | 21 | | |
| Group relations | 22 | | |
| Subsidiaries | 23 | | |

Consolidated statement of changes in equity for 2024

| | Contributed capital DKK'000 | Retained earnings DKK'000 | Proposed dividend for the financial year DKK'000 | Total DKK'000 |
|---------------------------|-----------------------------------|---------------------------------|--|------------------|
| Equity beginning of year | 4,559 | 106,793 | 0 | 111,352 |
| Profit/loss for the year | 0 | (87,929) | 90,000 | 2,071 |
| Equity end of year | 4,559 | 18,864 | 90,000 | 113,423 |

Consolidated cash flow statement for 2024

| | Notes | 2024 DKK'000 | 2023 DKK'000 |
|---|-------|------------------|------------------|
| Operating profit/loss | | 77,253 | 64,885 |
| Amortisation, depreciation and impairment losses | | 153,347 | 109,551 |
| Working capital changes | 17 | 192,053 | (6,321) |
| Other adjustments | | 76 | 13,987 |
| Cash flow from ordinary operating activities | | 422,729 | 182,102 |
| Financial income received | | 460 | 256 |
| Financial expenses paid | | (73,963) | (38,797) |
| Taxes refunded/(paid) | | (414) | (340) |
| Cash flows from operating activities | | 348,812 | 143,221 |
| Acquisition etc. of intangible assets | | (19,893) | (24,400) |
| Sale of intangible assets | | 0 | 14,534 |
| Acquisition etc. of property, plant and equipment | | (563,099) | (826,610) |
| Sale of property, plant and equipment | | 30,978 | 36 |
| Current asset investments made | | (382) | (525) |
| Cash flows from investing activities | | (552,396) | (836,965) |
| Free cash flows generated from operations and investments before financing | | (203,584) | (693,744) |
| Loans raised | | 0 | 638,857 |
| Repayments of loans etc. | | (1,111,776) | (12,135) |
| Incurrance of debt to group enterprises | | 1,342,391 | 66,605 |
| Repayment of lease liabilities | | (6,933) | (8,928) |
| Dividend paid | | 0 | (17,670) |
| Cash flows from financing activities | | 223,682 | 666,729 |
| Increase/decrease in cash and cash equivalents | | 20,098 | (27,015) |
| Cash and cash equivalents beginning of year | | 1,214 | 28,229 |
| Cash and cash equivalents end of year | | 21,312 | 1,214 |

Cash and cash equivalents at year-end are composed of:

| | | |
|--|---------------|--------------|
| Cash | 21,312 | 1,214 |
| Cash and cash equivalents end of year | 21,312 | 1,214 |

Notes to consolidated financial statements

1 Events after the balance sheet date

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

2 Revenue

| | 2024 DKK'000 | 2023 DKK'000 |
|----------------------------------|------------------|------------------|
| Busservices | 1,270,904 | 1,061,351 |
| Other revenue | 17,477 | 8,215 |
| Total revenue by activity | 1,288,381 | 1,069,566 |

All of the Group's revenue is on the Danish market.

3 Fees to the auditor appointed by the Annual General Meeting

With reference to section 96 part 3 of the Danish Financial Statements Act, the fee to the auditor elected by the general meeting has not been disclosed.

4 Staff costs

| | 2024 DKK'000 | 2023 DKK'000 |
|---------------------------------------|-----------------|-----------------|
| Wages and salaries | 722,930 | 578,681 |
| Pension costs | 70,507 | 52,858 |
| Other social security costs | 9,822 | 6,120 |
| | 803,259 | 637,659 |
| Average number of full-time employees | 1,505 | 1,257 |

| | Remuneration of management 2024 DKK'000 | Remuneration of management 2023 DKK'000 |
|--------------------|---|---|
| Executive Board | 9,294 | 8,790 |
| Board of Directors | 2 | 315 |
| | 9,296 | 9,105 |

5 Other financial income

| | 2024 | 2023 |
|------------------------|----------------|----------------|
| | DKK'000 | DKK'000 |
| Other interest income | 30 | 0 |
| Other financial income | 430 | 1,285 |
| | 460 | 1,285 |

6 Other financial expenses

| | 2024 | 2023 |
|---|----------------|----------------|
| | DKK'000 | DKK'000 |
| Financial expenses from group enterprises | 13,158 | 5,734 |
| Other interest expenses | 39,665 | 0 |
| Other financial expenses | 21,140 | 34,095 |
| | 73,963 | 39,829 |

7 Tax on profit/loss for the year

| | 2024 | 2023 |
|--------------------------------------|----------------|----------------|
| | DKK'000 | DKK'000 |
| Change in deferred tax | 5,401 | 4,849 |
| Refund in joint taxation arrangement | (3,722) | 0 |
| | 1,679 | 4,849 |

8 Proposed distribution of profit/loss

| | 2024 | 2023 |
|--|----------------|----------------|
| | DKK'000 | DKK'000 |
| Ordinary dividend for the financial year | 90,000 | 0 |
| Retained earnings | (87,929) | 21,492 |
| | 2,071 | 21,492 |

9 Intangible assets

| | Completed development projects DKK'000 | Acquired rights DKK'000 | Goodwill DKK'000 | Development projects in progress DKK'000 |
|---|---|--|-----------------------------|---|
| Cost beginning of year | 16,643 | 10,299 | 92,582 | 5,313 |
| Additions | 0 | 0 | 0 | 19,893 |
| Cost end of year | 16,643 | 10,299 | 92,582 | 25,206 |
| Amortisation and impairment losses beginning of year | (416) | (8,775) | (69,844) | 0 |
| Amortisation for the year | (1,665) | (1,009) | (7,761) | 0 |
| Amortisation and impairment losses end of year | (2,081) | (9,784) | (77,605) | 0 |
| Carrying amount end of year | 14,562 | 515 | 14,977 | 25,206 |

10 Development projects

Development projects consist of the development of internal software for use in planning and disposition, and are capitalized in accordance with applicable requirements for recognition.

11 Property, plant and equipment

| | Land and buildings DKK'000 | Other fixtures and fittings, tools and equipment DKK'000 | Leasehold improvements DKK'000 | Property, plant and equipment in progress DKK'000 | Prepayments for property, plant and equipment DKK'000 |
|---|----------------------------------|--|--------------------------------------|---|---|
| Cost beginning of year | 94,597 | 1,384,559 | 15,855 | 163,661 | 353,669 |
| Transfers | 119,455 | 423,360 | 92 | (189,238) | (353,669) |
| Additions | 40,828 | 373,927 | 714 | 147,531 | 0 |
| Disposals | 0 | (53,246) | 0 | (28,261) | 0 |
| Cost end of year | 254,880 | 2,128,600 | 16,661 | 93,693 | 0 |
| Depreciation and impairment losses beginning of year | (28,569) | (433,804) | (5,751) | 0 | 0 |
| Depreciation for the year | (2,497) | (138,714) | (1,701) | 0 | 0 |
| Reversal regarding disposals | 0 | 50,529 | 0 | 0 | 0 |
| Depreciation and impairment losses end of year | (31,066) | (521,989) | (7,452) | 0 | 0 |
| Carrying amount end of year | 223,814 | 1,606,611 | 9,209 | 93,693 | 0 |

12 Financial assets

| | Deposits DKK'000 |
|------------------------------------|---------------------|
| Cost beginning of year | 4,001 |
| Additions | 2,347 |
| Cost end of year | 6,348 |
| Carrying amount end of year | 6,348 |

13 Prepayments

Prepayments consist of prepaid expenses such as software subscriptions, marketing costs, events and insurances. In 2024, prepayments also includes significant deposits from the lender in connection with loan restructuring and repayment of existing bank loans that are redeemed shortly after the balance sheet date.

14 Contributed capital

| | Number | Nominal value DKK'000 |
|----------|------------------|-----------------------------|
| A-shares | 4,052,673 | 4,052 |
| B-shares | 506,501 | 506 |
| C-shares | 13 | 1 |
| | 4,559,187 | 4,559 |

The share capital consists of TDKK 4,559 shares of a nominal value of DKK 1. No shares carry any special rights.

15 Deferred tax

| | 2024 DKK'000 | 2023 DKK'000 |
|------------------------------------|-----------------|-----------------|
| Changes during the year | | |
| Beginning of year | 27,033 | 22,183 |
| Recognised in the income statement | 5,401 | 4,850 |
| End of year | 32,434 | 27,033 |

16 Non-current liabilities other than provisions

| | Due within 12 months 2024 DKK'000 | Due within 12 months 2023 DKK'000 | Due after more than 12 months 2024 DKK'000 | Outstanding after 5 years 2024 DKK'000 |
|-------------------------------|--|--|--|---|
| Mortgage debt | 0 | 822 | 0 | 0 |
| Bank loans | 50,249 | 491,780 | 13,186 | 0 |
| Lease liabilities | 0 | 6,933 | 0 | 0 |
| Payables to group enterprises | 0 | 0 | 1,525,826 | 0 |
| Other payables | 4,396 | 0 | 93,249 | 48,335 |
| | 54,645 | 499,535 | 1,632,261 | 48,335 |

The payables to group enterprises TDKK 235,155 consists of subordinated loan capital from the group's investors which is due 31 December 2029. The repayment of the principal amount of the loan is subordinated to all other present and future obligations, including claims according to the Danish Bankruptcy Act.

17 Changes in working capital

| | 2024 DKK'000 | 2023 DKK'000 |
|--|-----------------|-----------------|
| Increase/decrease in inventories | (8,630) | (1,762) |
| Increase/decrease in receivables | (43,170) | (30,313) |
| Increase/decrease in trade payables etc. | 243,853 | 25,754 |
| | 192,053 | (6,321) |

18 Unrecognised rental and lease commitments

| | 2024 | 2023 |
|---|----------------|----------------|
| | DKK'000 | DKK'000 |
| Total liabilities under rental or lease agreements until maturity | 99,104 | 74,106 |

The period of non-terminability for operating leases are 3-164 months.

19 Contingent liabilities

The group has contractually committed itself to the purchase of equipment of TDKK 302,629.

The Parent and the Danish subsidiaries participate in a Danish joint taxation arrangement in which EVon Denmark ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Parent and the Danish subsidiaries are therefore liable for income taxes etc. for the jointly taxed entities, and also for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

20 Assets charged and collateral

The following assets have been placed as security with mortgage credit institutes, bankers and credit institutes:

Mortgage deed with a nominal value of TDKK 1,354,003 (2023: TDKK 764,494) in the group's machinery with a carrying amount of TDKK 1,512,090 (2023: TDKK 820,503)

Company charges with a nominal value of TDKK 44,000 (2023: TDKK 44,000) in the group's immaterial rights, operating equipment, inventory, and claims with a carrying amount of TDKK 320,756 (2023: TDKK 242,709)

Mortgage deed with a nominal value of TDKK 83,810 (2023: TDKK 33,921) in the group's land and buildings with a carrying amount of TDKK 214,998 (2023: TDKK 54,807)

21 Non-arm's length related party transactions

Only non-arm's length related party transactions are disclosed in the annual report. No such transactions were conducted during the financial year.

22 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the smallest and the largest group:

Quantum Mobility Denmark ApS, Copenhagen

23 Subsidiaries

| | Registered in | Corporate form | Ownership % |
|---------------------------|---------------|----------------|-------------|
| Umove Service ApS | Glostrup | ApS | 100.00 |
| Umove Service II ApS | Glostrup | ApS | 100.00 |
| Umove A/S | Glostrup | A/S | 100.00 |
| UM Leasing Vest 2017 ApS | Horsens | ApS | 100.00 |
| UM Leasing Øst 2019 ApS | Glostrup | ApS | 100.00 |
| UM Leasing Øst 2020 A/S | Glostrup | ApS | 100.00 |
| UM Leasing Øst 2021 ApS | Glostrup | ApS | 100.00 |
| UM Leasing Øst 2022 ApS | Glostrup | ApS | 100.00 |
| UM Leasing Øst 2023 ApS | Glostrup | ApS | 100.00 |
| UM Leasing 2024 ApS | Glostrup | ApS | 100.00 |
| UM Ejendomme Øst 2018 ApS | Glostrup | ApS | 100.00 |

Parent income statement for 2024

| | Notes | 2024 DKK'000 | 2023 DKK'000 |
|--|-------|-----------------|-----------------|
| Revenue | 2 | 12,499 | 12,893 |
| Other external expenses | | (2,598) | (3,292) |
| Gross profit/loss | | 9,901 | 9,601 |
| Staff costs | 3 | (9,903) | (9,601) |
| Depreciation, amortisation and impairment losses | | (24) | 0 |
| Operating profit/loss | | (26) | 0 |
| Income from investments in group enterprises | | 28,165 | 32,577 |
| Other financial income | 4 | 5,599 | 4,483 |
| Other financial expenses | 5 | (40,120) | (17,910) |
| Profit/loss before tax | | (6,382) | 19,150 |
| Tax on profit/loss for the year | 6 | 8,454 | 2,342 |
| Profit/loss for the year | 7 | 2,072 | 21,492 |

Parent balance sheet at 31.12.2024

Assets

| | Notes | 2024 DKK'000 | 2023 DKK'000 |
|--|-------|------------------|------------------|
| Other fixtures and fittings, tools and equipment | | 0 | 24 |
| Property, plant and equipment | 8 | 0 | 24 |
| Investments in group enterprises | | 1,009,697 | 974,362 |
| Financial assets | 9 | 1,009,697 | 974,362 |
| Fixed assets | | 1,009,697 | 974,386 |
| Receivables from group enterprises | | 630,468 | 119,716 |
| Deferred tax | 10 | 2,143 | 2,140 |
| Other receivables | | 188 | 188 |
| Joint taxation contribution receivable | | 8,451 | 846 |
| Receivables | | 641,250 | 122,890 |
| Cash | | 22 | 140 |
| Current assets | | 641,272 | 123,030 |
| Assets | | 1,650,969 | 1,097,416 |

Equity and liabilities

| | | 2024 | 2023 |
|--|--------------|------------------|------------------|
| | Notes | DKK'000 | DKK'000 |
| Contributed capital | | 4,559 | 4,559 |
| Reserve for net revaluation according to equity method | | 14,167 | 121,002 |
| Retained earnings | | 4,698 | (14,209) |
| Proposed dividend for the financial year | | 90,000 | 0 |
| Equity | | 113,424 | 111,352 |
| Provisions for investments in group enterprises | 11 | 8,033 | 863 |
| Provisions | | 8,033 | 863 |
| Subordinate loan capital | | 0 | 1,108 |
| Payables to group enterprises | | 662,258 | 589,309 |
| Non-current liabilities other than provisions | 12 | 662,258 | 590,417 |
| Bank loans | | 31 | 0 |
| Trade payables | | 551 | 672 |
| Payables to group enterprises | | 863,361 | 390,749 |
| Other payables | | 3,311 | 3,363 |
| Current liabilities other than provisions | | 867,254 | 394,784 |
| Liabilities other than provisions | | 1,529,512 | 985,201 |
| Equity and liabilities | | 1,650,969 | 1,097,416 |
| Events after the balance sheet date | 1 | | |
| Contingent liabilities | 13 | | |
| Assets charged and collateral | 14 | | |
| Related parties with controlling interest | 15 | | |
| Non-arm's length related party transactions | 16 | | |

Parent statement of changes in equity for 2024

| | Contributed capital DKK'000 | Reserve for net revaluation according to the equity method DKK'000 | Retained earnings DKK'000 | Proposed dividend for the year DKK'000 | Total DKK'000 |
|---------------------------|-----------------------------------|--|---------------------------------|---|------------------|
| Equity beginning of year | 4,559 | 121,002 | (14,209) | 0 | 111,352 |
| Profit/loss for the year | 0 | (106,835) | 18,907 | 90,000 | 2,072 |
| Equity end of year | 4,559 | 14,167 | 4,698 | 90,000 | 113,424 |

Notes to parent financial statements

1 Events after the balance sheet date

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

2 Revenue

| | 2024 DKK'000 | 2023 DKK'000 |
|----------------------------------|-----------------|-----------------|
| Other revenue | 12,499 | 12,893 |
| Total revenue by activity | 12,499 | 12,893 |

All of the Company's revenue is on the Danish market.

3 Staff costs

| | 2024 DKK'000 | 2023 DKK'000 |
|---------------------------------------|-----------------|-----------------|
| Wages and salaries | 9,200 | 8,920 |
| Pension costs | 675 | 649 |
| Other social security costs | 28 | 32 |
| | 9,903 | 9,601 |
| Average number of full-time employees | 4 | 4 |

| | Remuneration of Management 2024 DKK'000 | Remuneration of Management 2023 DKK'000 |
|--------------------|--|--|
| Executive Board | 9,294 | 8,790 |
| Board of Directors | 2 | 315 |
| | 9,296 | 9,105 |

4 Other financial income

| | 2024 DKK'000 | 2023 DKK'000 |
|---|-----------------|-----------------|
| Financial income from group enterprises | 5,564 | 4,420 |
| Other financial income | 35 | 63 |
| | 5,599 | 4,483 |

5 Other financial expenses

| | 2024 | 2023 |
|---|----------------|----------------|
| | DKK'000 | DKK'000 |
| Financial expenses from group enterprises | 40,120 | 17,854 |
| Other financial expenses | 0 | 56 |
| | 40,120 | 17,910 |

6 Tax on profit/loss for the year

| | 2024 | 2023 |
|--------------------------------------|----------------|----------------|
| | DKK'000 | DKK'000 |
| Current tax | 0 | (846) |
| Change in deferred tax | (3) | (1,496) |
| Refund in joint taxation arrangement | (8,451) | 0 |
| | (8,454) | (2,342) |

7 Proposed distribution of profit and loss

| | 2024 | 2023 |
|--|----------------|----------------|
| | DKK'000 | DKK'000 |
| Ordinary dividend for the financial year | 90,000 | 0 |
| Retained earnings | (87,928) | 21,492 |
| | 2,072 | 21,492 |

8 Property, plant and equipment

| | Other fixtures and fittings, tools and equipment DKK'000 |
|---|---|
| Cost beginning of year | 99 |
| Cost end of year | 99 |
| Depreciation and impairment losses beginning of year | (75) |
| Depreciation for the year | (24) |
| Depreciation and impairment losses end of year | (99) |
| Carrying amount end of year | 0 |

9 Financial assets

| | Investments in group enterprises DKK'000 |
|--|---|
| Cost beginning of year | 852,498 |
| Cost end of year | 852,498 |
| Revaluations beginning of year | 121,864 |
| Amortisation of goodwill | (3,005) |
| Share of profit/loss for the year | 31,170 |
| Investments with negative equity value transferred to provisions | 7,170 |
| Revaluations end of year | 157,199 |
| Carrying amount end of year | 1,009,697 |

A specification of investments in subsidiaries is evident from the notes to the consolidated financial statements.

A dividend of TDKK 135,000 has been distributed to Umove Holding A/S from Umove A/S. The dividend was approved at the Annual General Meeting on 25.06.2025. The dividend is not tied up in Reserve for net revaluation according to equity method.

10 Deferred tax

| | 2024 DKK'000 | 2023 DKK'000 |
|------------------------------------|-------------------------|-------------------------|
| Changes during the year | | |
| Beginning of year | 2,140 | 644 |
| Recognised in the income statement | 3 | 1,496 |
| End of year | 2,143 | 2,140 |

Deferred tax assets

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.

11 Provisions for investments in group enterprises

Provisions for investments in group enterprises relates to group enterprises with negative equity value legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation will involve a loss.

12 Non-current liabilities other than provisions

| | Due after more than 12 months 2024 DKK'000 |
|-------------------------------|---|
| Payables to group enterprises | 662,258 |
| | 662,258 |

13 Contingent liabilities

The Parent Company is included in a joint VAT registration with the affiliated entities Umove A/S, Umove Service II ApS and UM Leasing Vest 2017 ApS and jointly severally liable for the total VAT and payroll tax.

The Entity participates in a Danish joint taxation arrangement in which EVon Denmark ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc. for the jointly taxed entities, and also for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

14 Assets charged and collateral

The Parent Company has provided suretyship regarding the affiliated companies, Umove A/S and UM Ejendomme Øst 2018 ApS, bank commitments.

15 Related parties with controlling interest

EVon Denmark ApS, Glostrup, owns all shares in the Entity, thus exercising control.

Quantum Mobility Denmark ApS, Copenhagen, owns all shares in the EVon Denmark ApS, thus indirectly exercising control.

Quantum Mobility Holdings Limited, Great Britain, owns all shares in the Quantum Mobility Denmark ApS, thus indirectly exercising control.

16 Non-arm's length related party transactions

All transactions with related parties are on arms-length terms, why no transaction are disclosed according with section 98(c)(7) of the Danish Financial Statements Act.

Accounting policies

Reporting class

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

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

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Consolidated financial statements

The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence. Enterprises in which the Group, directly or indirectly, holds between 20% and 50% of the voting rights and exercises significant, but not controlling, influence are regarded as associates.

Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the acquisition date, with net assets having been calculated at fair value.

Income statement

Revenue

Revenue comprise passenger transport, which is recognised in the income statement when delivery and transfer of risk have been made before year-end. The sale is considered effected based on the following criteria:

- driving has been made before year-end;
- a binding agreement has been made;
- the sales price has been determined; and
- payment has been received or may with reasonable certainty be expected to be received.

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

Information on business segments is based on the Group's risks and returns and its internal financial reporting system. Business segments are regarded as the primary segments.

Other operating income

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

Costs of raw materials and consumables

Costs of raw materials and consumables comprise the consumption of raw materials and consumables for the financial year after adjustment for changes in inventories of these goods from the beginning to the end of the year. This item includes shrinkage, if any, and normal writedowns of the relevant inventories.

Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales as well as office expenses, etc.

Staff costs

Staff costs include wages and salaries including compensated absence and pensions as well as other social security contributions etc. made to the entity's employees.

Depreciation, amortisation and impairment losses

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

Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.

Other financial income

Financial income comprise interest, realised and unrealised exchange adjustments and price adjustment of securities.

Other financial expenses

Financial expenses comprise interest, financial expenses in respect of finance leases, realised and unrealised exchange adjustments, price adjustment of securities, amortisation of mortgage loans as well as extra payments

and repayment under the on-account taxation scheme.

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.

The Company is jointly taxed with Danish Group Enterprises. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Balance sheet

Goodwill

Goodwill is the positive difference between cost and fair value of assets and liabilities arising from acquisitions. Goodwill is amortised on a straight-line basis over the estimated useful life of 2-20 years, determined on the basis of Management's experience with the individual business areas.

Goodwill is written down to the lower of recoverable amount and carrying amount.

Intellectual property rights etc.

Costs of development projects comprise salaries, amortisation and other expenses directly or indirectly attributable to the Company's development activities.

Development projects that are clearly defined and identifiable and in respect of which technical feasibility, sufficient resources and a potential future market or development opportunity in the enterprise can be demonstrated, and where it is the intention to manufacture, market or use the project, are recognised as intangible assets. This applies if sufficient certainty exists that the value in use of future earnings can cover cost of sales, distribution and administrative expenses involved as well as the development costs.

Capitalised development costs are measured at cost less accumulated amortisation and impairment losses or at a lower recoverable amount. An amount corresponding to the recognised development costs is allocated to the equity item 'Reserve for development costs'. The reserve comprises only development costs recognised in financial years beginning on or after 1 January 2016. The reserve is reduced by amortisation of and impairment losses on the development projects on a continuing basis.

As of the date of completion, capitalised development costs are amortised on a straight-line basis over the period of the expected economic benefit from the development work

Contracts acquired is measured at cost less accumulated amortisation. Contracts is amortised on a straight line basis over its useful life, which is assessed at 7 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.

Leases in terms of which the Group assumes substantially all the risks and rewards of ownership (finance

leases) are recognised in the balance sheet at the lower of the fair value of the leased asset and the net present value of the lease payments computed by applying the interest rate implicit in the lease or an alternative borrowing rate as the discount rate. Assets acquired under finance leases are depreciated and written down for impairment under the same policy as determined for the other fixed assets of the Group.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

| | Useful life |
|--|--------------------|
| Buildings | 25-50 years |
| Other fixtures and fittings, tools and equipment | 5-12 years |
| Leasehold improvements | 5-12 years |

Estimated useful lives and residual values are reassessed annually.

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

The recoverable amount of the asset is calculated as the higher of net selling price and value in use. Where a recoverable amount cannot be determined for the individual asset, the assets are assessed in the smallest group of assets for which a reliable recoverable amount can be determined based on a total assessment.

Head office buildings and other assets for which a separate value in use cannot be determined as the asset does not on an individual basis generate future cash flows are reviewed for impairment together with the group of assets to which they are attributable.

Investments in group enterprises

Investments in subsidiaries are recognised and measured under the equity method.

The item "Investments in subsidiaries" in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with addition of the remaining value of any increases in value and goodwill calculated at the time of acquisition of the enterprises.

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to "Reserve for net revaluation under the equity method" under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

Subsidiaries with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

Inventories

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

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses and costs of completion. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling

price.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value, less writedowns for bad and doubtful debts.

Deferred tax

Deferred tax is recognised in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised in respect of temporary differences concerning goodwill not deductible for tax purposes and other items - apart from business acquisitions - where temporary differences have arisen at the time of acquisition without affecting the profit for the year or the taxable income.

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. In cases where the computation of the tax base may be made according to alternative tax rules, deferred tax is measured on the basis of the intended use of the asset and settlement of the liability, respectively.

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.

Tax payable or receivable

Current tax receivables and liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on taxable incomes for prior years. Tax receivables and liabilities are offset if there is a legally enforceable right of set-off and an intention to settle on a net basis or simultaneously.

Joint taxation contributions payable or receivable

Current joint taxation contributions payable or receivable are recognised in the balance sheet, stated as tax computed on this year's taxable income, 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.

Other investments (current assets)

Investments which are not traded in an active market are measured at the lower of cost and recoverable amount.

Cash

Cash comprises cash in hand and bank deposits.

Dividend

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

Other provisions

Other provisions comprise of where the Parent' legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation will involve a loss, a provision is recognised that is measured at present value of the costs necessary to settle the obligations at the balance sheet date.

Mortgage debt

At the time of borrowing, mortgage debt to mortgage credit institutions is measured at cost which corresponds to the proceeds received less transaction costs incurred. Mortgage debt is subsequently measured at amortised cost. This means that the difference between the proceeds at the time of borrowing and the nominal repayable amount of the loan is recognised in the income statement as a financial expense over the term of the loan applying the effective interest method.

Lease liabilities

Lease liabilities relating to assets held under finance leases are recognised in the balance sheet as liabilities other than provisions, and, at the time of inception of the lease, measured at the present value of future lease payments. Subsequent to initial recognition, lease liabilities are measured at amortised cost. The difference between present value and nominal amount of the lease payments is recognised in the income statement as a financial expense over the term of the leases.

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.

Cash flow statement

The cash flow statement shows the Group's cash flows for the year broken down by operating, investing and financing activities, changes for the year in cash and cash equivalents as well as the Group's cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities

Cash flows from operating activities are calculated as the net profit/loss for the year adjusted for changes in working capital and non-cash operating items such as depreciation, amortisation and impairment losses, and provisions. Working capital comprises current assets less short-term debt excluding items included in cash and cash equivalents.

Cash flows from investing activities

Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, property, plant and equipment as well as fixed asset investments.

Cash flows from financing activities

Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt as well as payments to and from shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise "Cash at bank and in hand".

The cash flow statement cannot be immediately derived from the published financial record.