



Howden Forsikringsmægler A/S

Dokken 10, 6700 Esbjerg
CVR-nr. 34 89 02 85

Annual Report 2025

1 October - 31 December

The Annual Report has been presented and adopted at the
Company's Annual General Meeting on 27 March 2026

Johnny Krohn Rasmussen

Contents

Company Details	
Company Details	3
Statement and Report	
Management's Statement	4
Independent Auditor's Report	5-7
Management Commentary	
Financial Highlights	8
Management Commentary	9-10
Financial Statements 1 October - 31 December	
Income Statement	11
Balance Sheet	12-13
Equity	14
Notes	15-20
Accounting Policies	21-26

Company Details

Company Howden Forsikringsmægler A/S
Dokken 10
6700 Esbjerg

CVR No.: 34 89 02 85
Established: 13 December 2012
Municipality: Esbjerg
Financial Year: 1 October - 31 December

Board of Directors Lars Rosenkrantz Gundorph, chairman
Carl Anders Holde-Jensen
Johnny Krohn Rasmussen

Executive Board Jesper Bøgh Krell

Auditor EY Godkendt Revisionspartnerselskab
Dirch Passers Allé 36
2000 Frederiksberg

Management's Statement

Today the Board of Directors and Executive Board have discussed and approved the Annual Report of Howden Forsikringsmægler A/S for the financial year 1 October - 31 December 2025.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2025 and of the results of the Company's operations for the financial year 1 October - 31 December 2025.

The Management Commentary includes in our opinion a fair presentation of the matters dealt with in the Commentary.

We recommend the Annual Report be approved at the Annual General Meeting.

Esbjerg, 27 March 2026

Executive Board

Jesper Bøgh Krell

Board of Directors

Lars Rosenkrantz Gundorph
Chairman

Carl Anders Holde-Jensen

Johnny Krohn Rasmussen

Independent Auditor's Report

To the Shareholder of Howden Forsikringsmægler A/S

Opinion

We have audited the Financial Statements of Howden Forsikringsmægler A/S for the financial year 1 October - 31 December 2025, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2025 and of the results of the Company's operations for the financial year 1 October - 31 December 2025 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

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 as to 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 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 the financial statements.

Independent Auditor's Report

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- 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 note 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 audit of the financial statements to obtain sufficient appropriate audit evidence regarding the consolidated financial information of the entities or business units as a basis for forming an opinion on the financial statements. We are responsible for the direction, supervision and review of the audit work performed. 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.

Statement on Management's review

Management is responsible for Management's review.

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

In connection with our audit of the Financial Statements, our responsibility is to read Management's review and, in doing so, consider whether Management's review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's review provides the information required under the Danish Financial Statements Act.

Independent Auditor's Report

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

Frederiksberg, 27 March 2026

EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Thomas Hjortkjær Petersen
State Authorised Public Accountant
MNE no. mne33748

Bjørn Würtz Rosendal
State Authorised Public Accountant
MNE no. mne40039

Financial Highlights

	2025 DKK '000	2024/25 DKK '000	2024 DKK '000	2023 DKK '000
Income statement				
Gross profit/loss	52.872	74.490	52.957	80.973
Operating profit/loss before depreciation and amortisation (EBITDA)	30.643	-5.349	-23.955	2.675
Operating profit/loss of main activities	25.534	-26.068	-41.025	-3.444
Financial income and expenses, net	-1.696	-5.326	-6.623	-901
Profit/loss for the year before tax	24.103	-33.664	-53.548	-3.694
Profit/loss for the year	17.727	-30.563	-44.247	-2.610
Balance sheet				
Total assets	244.927	211.632	220.934	142.477
Equity	55.751	38.024	71.893	18.169
Investment in property, plant and equipment	-106	-584	-583	-545
Key ratios				
Equity ratio	22,8	18,0	32,5	12,8
Return on equity	37,8	-55,6	-98,3	-24,1

The ratios stated in the list of key figures and ratios have been calculated as follows:

Equity ratio:
$$\frac{\text{Equity, at year-end} \times 100}{\text{Total assets, at year-end}}$$

Return on equity:
$$\frac{\text{Profit/loss after tax} \times 100}{\text{Average equity}}$$

Management Commentary

Principal activities

The company's activities consist of advising Danish private and public companies on risk matters, as well as arranging and placing insurance and pension agreements with a customer-centric approach.

Recognition and measurement uncertainty

The measurement of certain assets and liabilities is based on accounting estimates made by management.

These estimates are prepared in accordance with accounting policies and are based on management's assumptions and experience.

The estimates are considered realistic and prudent. The areas involving assumptions and estimates deemed significant for the financial statements include intangible assets, work in progress, trade receivables, deferred tax and provisions.

No particular uncertainties are assessed in relation to recognition and measurement.

Development in activities and financial and economic position

The profit for the year amounted to TDKK 17.727 compared to a loss of TDKK 30.563 in the previous year.

In Q4 2025 Howden Forsikringsmægler achieved a normalized EBITDA of 31.195 TDKK.

<i>EBITDA, Normalized</i>	<i>2025</i>	<i>30.09.25</i>
	<i>TDKK</i>	<i>TDKK</i>
Reported EBITDA	30.643	(5.349)
<i>IT infrastructure and Howden rebranding</i>	<i>81</i>	<i>1.801</i>
<i>Organizational adjustments</i>	<i>471</i>	<i>2.272</i>
<i>Acquisition-related costs</i>	<i>0</i>	<i>1.520</i>
Total Normalization adjustments	552	5.593
EBITDA, Normalization	31.195	244

Like the 2024 financial year, 2025 has been a year of consolidation, during which Howden Forsikringsmægler has focused on consolidating processes and systems, a process that will continue into 2026.

Management expects to begin realizing the benefits of this strategic focus toward the end of 2026, when the consolidation of IT infrastructure and processes is expected to be largely completed. As a result, the full impact of these investments is expected to materialize in 2027.

In October 2024, we launched our rebranding campaign, during which North Risk changed its name to Howden.

The rebranding has strengthened our market position in Denmark, enhanced our integration with the global network and increased our cross-functional expertise and knowledge sharing.

Risk management and loss prevention have become an increasingly significant part of the company's customer advisory services, ensuring that customers receive the right coverage and pricing from insurance providers. In addition to traditional insurance brokerage, the company has experienced growing demand for claims prevention initiatives and related advisory services.

Management Commentary

Profit/loss for the year compared to the expected development

As of 31.12.2025, the company realised a normalized EBITDA of TDKK 30.644.

The financial results for the year are in line with expectations.

Significant events after the end of the financial year

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

Future expectations

The next financial year will cover a twelve-month period, during which we expect normalized EBITDA to be in the range of DKK 10 - 15 million. The guidance assumes that customer and competitor behavior will remain at current levels.

Income Statement 1 October - 31 December

	Note	2025 DKK '000	2024/25 DKK '000
Gross profit		52.872	74.490
Staff costs	1	-22.229	-79.839
Depreciation, amortisation and impairment losses for tangible and intangible assets		-5.109	-20.719
Operating profit		25.534	-26.068
Income from investments in subsidiaries		265	-2.270
Other financial income	2	1.299	2.879
Other financial expenses	3	-2.995	-8.205
Profit before tax		24.103	-33.664
Tax on profit/loss for the year	4	-6.376	3.101
Profit for the year	5	17.727	-30.563

Balance Sheet at 31 December

Assets

	Note	2025 DKK '000	30.09.2025 DKK '000
Development projects completed, including patents and similar rights originating from development projects		1.573	1.678
Acquired concessions, patents, licences, trademarks and similar rights		12.660	14.651
Goodwill		92.285	95.134
Development projects in progress and prepayments for intangible assets		6.513	6.086
Intangible assets	6	113.031	117.549
Other plant, fixtures and equipment		864	866
Leasehold improvements		223	253
Property, plant and equipment	7	1.087	1.119
Investments in subsidiaries		10.302	9.997
Other investments		41	41
Deferred tax assets		0	7.016
Financial non-current assets	8	10.343	17.054
Non-current assets		124.461	135.722
Trade receivables		23.775	13.130
Receivables from group enterprises		44.313	45.597
Other receivables		26.963	3.856
Corporation tax receivable		3.781	0
Prepayments	9	1.266	1.549
Receivables		100.098	64.132
Cash and cash equivalents		20.368	11.778
Current assets		120.466	75.910
Assets		244.927	211.632

Balance Sheet at 31 December

Equity and liabilities

	Note	2025 DKK '000	30.09.2025 DKK '000
Share capital	10	500	500
Reserve for development costs		6.307	6.056
Retained earnings		48.944	31.468
Equity		55.751	38.024
Provision for deferred tax	11	3.141	0
Provisions		3.141	0
Other non-current liabilities		8.946	9.190
Non-current liabilities	12	8.946	9.190
Prepayments from customers		1.894	4.935
Trade payables		5.086	4.967
Debt to Group companies	13	152.012	141.006
Other liabilities		18.097	13.510
Current liabilities		177.089	164.418
Liabilities		186.035	173.608
Equity and liabilities		244.927	211.632

Contractual obligations and contingencies, etc. 14

Charges and securities 15

Related parties 16

Significant events after the end of the financial year 17

Consolidated Financial Statements 18

Equity

DKK '000	Share capital	Reserve for development costs	Retained earnings	Total
Equity at 1 October 2025	500	6.056	31.468	38.024
Proposed profit allocation, see note 5			17.727	17.727
Other legal bindings				
Revaluations in the year		427	-427	0
Transfers				
Depreciations		-105	105	0
Tax on changes in equity		-71	71	0
Equity at 31 December 2025	500	6.307	48.944	55.751

Notes

	2025 DKK '000	2024/25 DKK '000
1 Staff costs		
Average number of full time employees	111	104
Wages and salaries	20.237	72.360
Pensions	1.770	6.612
Social security costs	222	867
	22.229	79.839

Information on management remuneration has been omitted in accordance with the exception in §98 b, subsection 3, no. 2 of the Danish Financial Statements Act.

The directors of the board do not receive any board remuneration.

2 Other financial income		
Interest income from group enterprises	851	2.361
Other interest income	448	518
	1.299	2.879

3 Other financial expenses		
Interest expenses to group enterprises	2.961	7.597
Other interest expenses	34	608
	2.995	8.205

4 Tax on profit/loss for the year		
Calculated tax on taxable income of the year	-3.781	0
Adjustment of tax in previous years	0	-41
Adjustment of deferred tax	10.157	-3.060
	6.376	-3.101

5 Proposed distribution of profit		
Retained earnings	17.727	-30.563
	17.727	-30.563

Notes

6 | Intangible assets

DKK '000	Development projects completed, including patents and similar rights originating from development projects	Acquired concessions, patents, licences, trademarks and similar rights
Cost at 1 October 2025	3.193	28.109
Cost at 31 December 2025	3.193	28.109
Amortisation at 1 October 2025	1.515	13.458
Amortisation for the year	105	1.991
Amortisation at 31 December 2025	1.620	15.449
Carrying amount at 31 December 2025	1.573	12.660

6 | Intangible assets (continued)

DKK '000	Goodwill	Development projects in progress and prepayments for intangible assets
Cost at 1 October 2025	133.059	6.086
Additions	0	427
Cost at 31 December 2025	133.059	6.513
Amortisation at 1 October 2025	37.925	0
Amortisation for the year	2.849	0
Amortisation at 31 December 2025	40.774	0
Carrying amount at 31 December 2025	92.285	6.513

Development projects relate to the company's development of new platforms that will complement the company's primary activity. The projects are progressing as planned, and are expected to be put into use the coming financial year, but will be further developed on an ongoing basis. It is the management's expectation that the new platforms will lead to a significant boost in both the efficiency and quality of the company's services.

Notes

7 | Property, plant and equipment

DKK '000	Other plant, fixtures and equipment	Leasehold improvements
Cost at 1 October 2025	3.219	802
Additions	106	0
Cost at 31 December 2025	3.325	802
Depreciation and impairment losses at 1 October 2025	2.353	549
Depreciation for the year	108	30
Depreciation and impairment losses at 31 December 2025	2.461	579
Carrying amount at 31 December 2025	864	223

8 | Financial non-current assets

DKK '000	Investments in subsidiaries	Other investments	Deferred tax assets
Cost at 1 October 2025	17.768	41	7.016
Additions	40	0	0
Disposals	0	0	-7.016
Cost at 31 December 2025	17.808	41	0
Revaluation at 1 October 2025	-4.145	0	0
Profit/loss for the year	699	0	0
Revaluation at 31 December 2025	-3.446	0	0
Impairment losses and amortisation of goodwill at 1 October 2025	3.626	0	0
Amortisation of goodwill	434	0	0
Impairment losses and amortisation of goodwill at 31 December 2025	4.060	0	0
Carrying amount at 31 December 2025	10.302	41	0

Investments in subsidiaries

Name and domicil	Ownership
Howden Tryggingarmekling Sp/f , Torshavn	100 %
Howden Brand- og Risikorådgivning ApS, Esbjerg	100 %
Kalaallit Nunaat ApS, Nuuk	100 %

Notes

	2025 DKK '000	30.09.2025 DKK '000
9 Prepayments		
Costs	1.266	1.549
	1.266	1.549

	2025 DKK '000	30.09.2025 DKK '000
10 Share capital		
Allocation of Share capital: Share, 500.000 unit in the denomination of 1 DKK	500	500
	500	500

11 | Provision for deferred tax

The provision for deferred tax is related to differences between the carrying amount and tax value of securities, receivables, intangible and tangible fixed assets, including recognised finance lease contracts.

	2025 DKK '000	30.09.2025 DKK '000
Deferred tax of the year, income statement	3.141	0
Provision for deferred tax 31 December 2025	3.141	0

Notes

12 | Long-term liabilities

DKK '000	31/12 2025 total liabilities	Repayment next year	Debt outstanding after 5 years	30/9 2025 total liabilities
Other non-current liabilities	8.946	0	1.792	9.190
	8.946	0	1.792	9.190

Earn-out obligation related to business acquisitions and frozen holiday pay.

In connection with business acquisitions agreements were made regarding a contingent consideration (earn-out) dependent on achievement of specific targets during the period.

The total earn-out obligation is measured at present value based on a discount rate of 9 percent. The amount is recognized as a long-term liability, as payment is expected to occur in 3 years.

Key estimates and uncertainties:

The valuation of the earn-out obligation involves significant uncertainty, as the amount depends on future earnings targets, market conditions and specific milestones.

13 | Debt to Group companies

Debt to group companies is payable when the company has sufficient capital resources. Furthermore, Howden Group Holdings Limited has agreed to provide financial support to the company, if needed, until 31 December 2026.

14 | Contractual obligations and contingencies, etc.

Contingent liabilities

The company has entered into lease obligations that amount to 121.410 DKK at the balance sheet date, with an irrevocable period ending on September 30, 2026.

The company has also entered into rent obligations that amount to 1.506.059 DKK at the balance sheet date, with a 12-month notice period.

Joint liabilities

The Company is jointly and severally liable together with the Parent Company and the other group companies in the joint taxable group for tax on the group's joint taxable income and for certain possible withholding taxes, such as dividend tax, etc.

Tax payable on the Group's joint taxable income is stated in the annual report of Rose BidCo ApS, which serves as management Company for the joint taxation.

15 | Charges and securities

The company has deposited 595.620 DKK in a security account, which is tied to security to Parkeston A/S.

Notes

16 | Related parties

The company has no other related parties with controlling influence besides the parent company Howden Danmark A/S. Management fee and other transactions are determined on market terms.

Transactions with related parties

The Company did not carry out any material transactions that were not concluded on market conditions. According to section 98c, subsection 7 of the Danish Financial Statements Act information is given only on transactions that were not performed on common market conditions.

17 | Significant events after the end of the financial year

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

18 | Consolidated Financial Statements

The Company is included in the consolidated financial statements for Howden Danmark A/S, Nørgaardsvej 30, Kongens Lyngby CVR no 42248789.

Accounting Policies

The Annual Report of Howden Forsikringsmægler A/S for 2025 has been presented in accordance with the provisions of the Danish medium-size Financial Statements Act for enterprises in reporting class C.

The Annual Report is prepared consistently with the accounting principles applied last year, except for the following changes.

Comparative figures

The comparative figures in the Income Statement are not comparable with the current year because last year's figures cover a transition period of 12 months while the current year covers 3 months.

Business combinations

Newly acquiring or newly founded companies are recognized in the accounts from the time of acquisition and the time of incorporation. Sold or liquidated companies are recognized in the consolidated income statement until respectively the time of surrender and the time of settlement.

When acquiring new companies, the acquisition method is used, after which the newly acquired companies' identifiable assets and liabilities are measured at fair value at the time of acquisition. Provision is made only for coverage of costs of restructuring in the commercial enterprise to the extent that they are decided in the acquired company before the takeover. The tax effect of the undertakings is taken into account revaluations.

Positive difference amounts between the purchase price of the capital shares acquired and the fair value of the acquired shares assets and liabilities are recognized as goodwill under intangible fixed assets and systematically depreciated over the income statement after an individual assessment of the period of use. If a reliable useful life cannot be estimated, this is fixed at 10 years. The useful life is reassessed annually.

In the case of the purchase of companies, mergers, demergers, additions of assets and share exchanges, etc., where the participating companies are under the parent company's control, the consolidation method is used. After the consolidation method, the acquired company's assets and liabilities are recognized for accounting purposes values, corrected for any differences in accounting practices. The difference between the agreed remuneration and the accounting value of the acquired company is recognized in equity. The comparison figures be adapted.

Consolidated Financial Statements

Consolidated Financial Statements have not been prepared because the group fulfils the exemption provisions of section 112 of the Danish Financial Statements Act on sub-groups. The Company is included in the consolidated Financial Statements of Howden Danmark A/S, Nørgaardsvej 30, Kongens Lyngby CVR no 42248789.

Accounting Policies

Income Statement

Gross profit

Gross profit or loss includes net revenue and other external costs. Gross profit is determined with reference to section 32 of the Danish Financial Statements Act as a summary of net revenue and other external expenses.

Net revenue

Sale of services is generally recognised on the basis of a measurable degree of completion, using straight-line recognition of services delivered over time in a regular pattern. Where the degree of completion is not measurable or the sales value or the total costs of completion are uncertain, revenue is recognised by the amount that the enterprise as a maximum believes to have a right to claim and is expected to be received for services delivered at the Balance Sheet date.

Fixed fees are recognized as income at the time of entering into the agreement, when the company acquires the right to the payment.

Commission and the facility's fee are recognized when the agreement is concluded.

Fees for risk analyzes and similar tasks are recognized as income at the time of invoicing, when the customer has received the agreed delivery.

Net revenue is recognised exclusive of VAT and less duties and discounts related to the sale.

Other operating income

Other operating income includes items of a secondary nature in relation to the enterprises' principal activities, including profit from sale of intangible and tangible assets, operating loss and conflict compensations, as well as salary refunds. Compensations are recognised when the income is estimated to be realisable.

Other external expenses

Other external expenses include other production, sales, delivery and administrative costs, including costs of energy, marketing, premises, loss on bad debts, lease expenses, etc.

Staff costs

Staff costs comprise wages and salaries, including holiday pay and pensions, and other costs of social security etc., for the Company's employees.

Depreciation, amortisation and impairment losses for tangible and intangible assets

Depreciation and impairment of tangible assets consist of the depreciation and impairment for the financial year, as well as gains and losses from the sale of tangible assets.

Income from investments in subsidiaries

The Income Statement of the Parent Company recognises the proportional share of the results of subsidiaries determined according to the Parent Company's accounting policies and after full elimination of intercompany profits/losses and deduction of amortisation of goodwill resulting from purchase price allocation at the date of acquisition, is recognised in the Parent Company's Income Statement.

Profits from sale are recognized, if the economic rights related to the sold subsidiaries are transferred. However, not before the profit is realised or regarded as realisable. Moreover, realised losses besides impairments are recognised when they are demonstrated.

Accounting Policies

Financial income and expenses

Financial income and expenses include interest income and expenses, financial expenses of finance leases, realised and unrealised gains and losses arising from intercompany, debt and transactions in foreign currencies, as well as charges and allowances under the tax-on-account scheme, etc. Financial income and expenses are recognised by the amounts that relate to the financial year. Interest income and expenses are calculated on amortised cost prices.

Tax

The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the Income Statement by the share that may be attributed to the profit for the year, and is recognised directly in equity by the share that may be attributed to entries directly to equity.

The company is part of a consolidated tax group with all affiliated Danish companies. The current Danish corporate tax is allocated among the companies in the tax group based on their taxable incomes (full allocation with refunds related to tax losses).

Balance Sheet

Intangible fixed assets

Acquired goodwill is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over the expected useful life which is estimated to 10 years. The period of amortisation is determined based on an assessment of the acquired Company's position in the market and earnings profile, and the industry-specific conditions.

Development projects comprise costs, including wages and salaries, and amortisation, which directly or indirectly can be related to the Company's development activities and which fulfil the criteria for recognition in the Balance Sheet.

The accounting item is measured at the lower of the capitalised costs less accumulated amortisation and recoverable amount. Capitalised development costs are amortised on a straight-line basis over the estimated useful life after completion of the development work. The amortisation period is normally 5 years.

Acquired concessions, patents, licenses, trademarks, and similar rights are measured at cost less accumulated amortization and impairment losses. Cost comprises the acquisition price and any directly attributable expenses incurred to bring the asset to its intended use.

The carrying amount of the asset is reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable.

Customer relationships relate to identified assets in connection with business combinations. They used depreciation periods amount to 3-7 years.

Intangible fixed assets are generally written down to the recoverable amount if this is lower than the carrying amount.

Profit or loss from sale of intangible fixed assets is calculated at the difference between the sales price and the carrying amount at the time of the sale. Profit and loss are recognised in the Income Statement under other operating income or other operating expenses.

Accounting Policies

Property, plant and equipment

Other plant, fixtures and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciation base is cost less estimated residual value after end of useful life.

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used.

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value:

	Useful life
Other plant, fixtures and equipment	3-5 years
Leasehold improvements	3-5 years

Expected useful lives and residual values are reviewed annually. Tangible assets are written down to recoverable amount if this is lower than the carrying value.

Tangible fixed assets are generally written down to the recoverable amount if this is lower than the carrying amount.

Profit or loss on sale of property, plant and equipment is stated as the difference between the sales price less selling costs and the carrying amount at the date of sale. Profit or loss is recognised in the Income Statement as other operating income or other operating expenses.

Financial non-current assets

Investments in subsidiaries are measured in the Parent Company Balance Sheet under the equity method, which is regarded as a method of measuring/consolidation.

Investments in subsidiaries are measured in the Balance Sheet at the proportional share of the enterprises' carrying Equity value, calculated in accordance with the Parent Company's accounting policies with deduction or addition of unrealised intercompany profits or losses, and with addition of remaining additional values and goodwill calculated according to the acquisition method. Negative goodwill is recognised in the Income Statement upon acquisition of the Equity interest. Where the negative goodwill is related to takeover of contingent liabilities, the negative goodwill is not recognised before the contingent liabilities are settled or cancelled.

The consolidation method is applied when acquiring enterprises within the Group, where the combination is regarded as completed at the date of acquisition, and by using the carrying amounts of the assets and liabilities acquired.

The difference between the acquisition cost and carrying amounts is recognised directly in equity.

Net revaluation of investments in subsidiaries is transferred under equity to reserve for net revaluation under the equity value method to the extent that the carrying amount exceeds the acquisition value.

Profit and loss at disposal of investments in subsidiaries are determined as the difference between the net selling price and the carrying amount of the disposed investment at the time of sale, including non-depreciated excess values and goodwill. Profit and loss are recognised in the Income Statement under income from investments.

Accounting Policies

Investments in subsidiaries with negative equity value are measured at DKK 0. Any receivables with these companies are written off, to the extent that the receivable is uncollectible from a specifically assessed indication of impairment. To the extent that the Parent Company has a legal or actual obligation to cover a negative balance which exceeds the receivable, the remainder is recognised under provisions for liabilities.

Other investments concerns unlisted capital shares which are measured at cost.

Receivables

Receivables are measured at amortised cost which usually corresponds to nominal value. The value is written down to meet expected losses.

Receivables include client balances, which consist of the net amount of client funds accounts in the bank and client payables. Offsetting has been applied in the recognition in the balance sheet.

Client funds accounts in the bank include all entrusted funds held in designated client accounts, and client payables encompass all amounts received on behalf of third parties.

Accruals, assets

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

Cash and cash equivalents

Cash and cash equivalents include cash at bank.

Tax payable and deferred tax

Current tax liabilities and receivable current tax are recognised in the Balance Sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

The Company is subject to joint taxation with Danish Group companies. The current corporation tax is distributed among the joint taxable companies in proportion to their taxable income and with full allocation and refund related to tax losses. The joint taxable companies are included in the tax-on-account scheme. Joint taxation contributions receivable and payable are recognised in the Balance Sheet under current assets and liabilities, respectively.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carryforwards, are measured at the amount at which the asset is expected to be used within a reasonable number of years, either by setoff against tax on future earnings or by setoff against deferred tax liabilities within the same legal tax entity.

Liabilities

Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less transaction costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the Income Statement over the loan period.

The amortised cost of current liabilities corresponds usually to the nominal value.

Accounting Policies

Cash Flow Statement

With reference to Section 86(4) of the Danish Financial Statements Act, the Company has not prepared a cash flow statement. A cash flow statement has been prepared for the Group.