

## **GOOGLE DENMARK APS**

Sankt Petri Passage 5,2., DK-1165 København K

## **ANNUAL REPORT FOR 1 JANUARY - 31 DECEMBER 2024**

**CVR No 28.86.69.84**

**The annual report was presented and adopted at the Annual General Meeting of the Company on 26 June 2025.**

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**Yas Farah Bakhsh Akbatani**  
**Chairman of the General Meeting**

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**FINANCIAL STATEMENTS**

**For the year ended 31 December 2024**

<b>TABLE OF CONTENTS</b>	<b>PAGE</b>
<b>MANAGEMENT'S STATEMENT AND AUDITOR'S REPORT</b>	
MANAGEMENT'S STATEMENT	2
INDEPENDENT AUDITOR'S REPORT	3 - 4
<b>MANAGEMENT'S REVIEW</b>	
COMPANY INFORMATION	5
FINANCIAL HIGHLIGHTS	6
MANAGEMENT'S REVIEW	7
<b>FINANCIAL STATEMENTS</b>	
INCOME STATEMENT 1 JANUARY - 31 DECEMBER	9
BALANCE SHEET 31 DECEMBER	10
STATEMENT OF CHANGES IN EQUITY	12
NOTES TO THE FINANCIAL STATEMENTS	14
ACCOUNTING POLICIES	17

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**MANAGEMENT'S STATEMENT**

**For the year ended 31 December 2024**

The Executive Board has today considered and adopted the annual report of Google Denmark ApS for the financial year 1 January - 31 December 2024.

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

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2024 of the Company and of the results of the Company operations for 2024.

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

We recommend that the annual report be adopted at the Annual General Meeting.

26 June 2025

**Executive Board**

Michael Tangney

Svilen Ivanov Karaivanov

## **Independent auditor's report**

**To the shareholders of Google Denmark ApS**

### **Opinion**

We have audited the financial statements of Google Denmark ApS for the financial year 1 January – 31 December 2024, 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 2024 and of the results of the Company's operations for the financial year 1 January – 31 December 2024 in accordance with the Danish Financial Statements Act.

### **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.

As part of an audit conducted in accordance with ISAs and 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.



## Independent auditor's report

- ▶ 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. ☐

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 the Management's review

Management is responsible for the Management's review.

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

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

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

Copenhagen, 26 June 2025  
EY Godkendt Revisionspartnerselskab  
CVR no. 30 70 02 28

Kennet Hartmann  
State Authorised  
Public Accountant  
mne40036

Rikke Buchholt  
State Authorised  
Public Accountant  
mne46359

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**COMPANY INFORMATION**

**For the year ended 31 December 2024**

**The Company**

Google Denmark ApS  
Sankt Petri Passage 5,2.  
DK-1165 København K

CVR No: 28.86.69.84

Financial period: 1 January- 31 December

Municipality of reg. office: Copenhagen

**Executive Board**

Michael Tangney  
Svilen Ivanov Karaivanov

**Auditors**

EY Godkendt Revisionspartnerselskab  
Dirch Passers Allé 36  
DK-2000 Frederiksberg

**Bankers**

Citibank  
Hedegaardsvej 88,1.  
2300 København S

## FINANCIAL HIGHLIGHTS

## Financial Highlights

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

	2024	2023	2022	2021	2020
	TDKK	TDKK	TDKK	TDKK	TDKK
<b>Key figures</b>					
<b>Profit/loss</b>					
Revenue	454,300	461,994	408,274	341,287	322,426
Operating profit/loss	85,411	83,244	76,597	51,876	54,774
Net financials	11,259	7,011	660	-240	20
Profit for the year	72,967	70,207	60,136	48,415	21,899
<b>Balance sheet</b>					
Balance sheet total	458,075	412,856	348,885	243,538	263,272
Equity	382,075	309,108	238,901	178,765	130,350
Investment in property, plant and equipment	2,632	1,958	1,582	39,968	17,143
Number of employees	153	158	144	139	123
<b>Ratios</b>					
Profit margin	21.2 %	19.4 %	18.8 %	18.2 %	17.0 %
Return on assets	21.1 %	21.8 %	22.1 %	25.5 %	20.8 %
Solvency ratio	83.4 %	74.9 %	68.5 %	73.4 %	49.5 %
Return on equity	21.1 %	25.6 %	28.8 %	31.3 %	18.3 %
<b>Explanation of financial ratios</b>					
Profit margin	$\frac{\text{Profit before financials} \times 100}{\text{Revenue}}$				
Return on assets	$\frac{\text{Profit before financials} \times 100}{\text{Total assets}}$				
Solvency ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total assets at year end}}$				
Return on equity	$\frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$				

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## MANAGEMENT'S REVIEW

For the year ended 31 December 2024

### Key activities

Google Denmark ApS is engaged in the provision of marketing and customer support services and the provision of contract research and development services to Group Enterprises.

### The past year and follow up on development expectations from last year

The income statement of the Company for 2024 shows a profit of TDKK 72,967, and at 31 December 2024 the balance sheet of the Company shows equity of TDKK 382,075.

The Company recorded a profit before tax of TDKK 96,671 for 2024 which is an increase of 7% compared with 2023 and is in line with expectations. Revenue decreased by 2% to TDKK 454,300 during the period, due to a decrease in the provision of marketing and support services to Group Enterprises.

The Company has no plans or intention to restructure, reorganize or dispose of any assets other than those reflected in these financial statements, which could materially affect the book value or the classification of assets and liabilities, presentation of the income statement or which should be disclosed in these accounts. There are no future changes anticipated in the business of the Company at this time.

### Outlook

The Company expects profits before financial income and expenses for 2025 to be in line with 2024.

Forward-looking statements are subject to risks and uncertainties that could cause the Company's actual results to differ materially from those expressed in the forward looking statements.

### Corporate Social Responsibility

In accordance with the Danish Financial Statements Act (DFSA - section 99a), the parent company Google LLC, Corporate Identity Number 3582691, incorporated in the United States of America, prepares a non-financial social responsibility report for the group pursuant to the European Union (EU) NonFinancial Reporting Directive (NFRD) 2014/95/EU which includes Google Denmark ApS. This report is available on Google's corporate website at <https://www.gstatic.com/gumdrop/sustainability/google-2025-eu-nfrd-report.pdf>

### Data ethics

In accordance with the Danish Financial Statements Act (DFSA - section 99d), the parent company Google LLC, Corporate Identity Number 3582691, incorporated in the United States of America, prepares a data ethics report for the group pursuant to the European Union (EU) NonFinancial Reporting Directive (NFRD) 2014/95/EU which includes Google Denmark ApS. This report is available on Google's corporate website at <https://www.gstatic.com/gumdrop/sustainability/google-2025-eu-nfrd-report.pdf>

### Operating risks

As a provider of marketing and customer support services and contract research and development services to Group Enterprises, the Company's principal risks and uncertainties relate to scaling back its operations due to a reduction in demand for its services. The demand for its services would be impacted by the principal risks and uncertainties faced by Group Enterprises, namely:

- These businesses face intense competition. If they do not continue to innovate and provide products and services that are useful to users, they may not remain competitive, and their revenues and operating results could be adversely affected.
- These businesses generate their revenues almost entirely from advertising, and the reduction in spending by or loss of advertisers could seriously harm them.
- A variety of new and existing U.S. and foreign laws could subject these businesses to claims or otherwise harm them.



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**MANAGEMENT'S REVIEW**

**For the year ended 31 December 2024**

**Critical accounting estimates and judgements**

In the process of applying the Company's accounting policies, management is of the opinion that there are no critical judgements involved that have a significant material effect on the amounts recognised in the financial statements, or no sources of estimation uncertainty involved that have a significant material effect on the amounts recognised in the financial statements.

**Subsequent events**

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

**INCOME STATEMENT****For the year ended 31 December 2024**

	<b>Note</b>	<b>2024</b>	<b>2023</b>
		<b>TDKK</b>	<b>TDKK</b>
<b>Revenue</b>	3	454,300	461,994
Other external expenses	4	(61,530)	(67,232)
<b>Gross profit</b>		<b>392,770</b>	<b>394,762</b>
Staff expenses	5	(298,190)	(298,533)
Depreciation and impairment of property, plant and equipment	6	(9,169)	(12,985)
Other operating expenses		0	(98)
<b>Profit before financial income and expenses</b>		<b>85,411</b>	<b>83,146</b>
Financial income	7	12,121	7,156
Financial expenses	8	(861)	(145)
<b>Profit before tax</b>		<b>96,671</b>	<b>90,157</b>
Tax on profit for the year	9	(23,704)	(19,950)
<b>Profit for the year</b>		<b>72,967</b>	<b>70,207</b>

**BALANCE SHEET**

For the year ended 31 December 2024

<b>Assets</b>	<b>Note</b>	<b>2024</b>	<b>2023</b>
		<b>TDKK</b>	<b>TDKK</b>
Other fixtures and fittings, tools and equipment		3,358	3,593
Leasehold improvements		20,840	28,335
Property, plant and equipment in progress		1,040	8
<b>Property, plant and equipment</b>	10	<b>25,238</b>	<b>31,936</b>
Deferred rent		0	52
Non-current deposits		2,423	2401
<b>Fixed assets</b>		<b>27,661</b>	<b>34,389</b>
Receivables from group enterprises	11	420,777	355,881
Other receivables		1,178	3,963
Deferred tax asset	12	2,858	2,684
Corporation tax		5,487	15,461
Prepayments and other assets	13	114	478
<b>Receivables</b>		<b>430,414</b>	<b>378,467</b>
<b>Currents assets</b>		<b>430,414</b>	<b>378,467</b>
<b>Assets</b>		<b>458,075</b>	<b>412,856</b>

**BALANCE SHEET**  
**As at 31 December 2024**

<b>Liabilities and equity</b>	<b>Note</b>	<b>2024</b>	<b>2023</b>
		<b>TDKK</b>	<b>TDKK</b>
Share capital	14	750	750
Retained earnings	15	381,325	308,358
<b>Equity</b>		<b>382,075</b>	<b>309,108</b>
Other provisions	16	0	699
<b>Provisions</b>		<b>0</b>	<b>699</b>
Deferred rent		5	0
<b>Long-term debt</b>	17	<b>5</b>	<b>0</b>
Trade payables		6,943	9,900
Payables to group enterprises		12,031	342
Other payables	17	57,021	92,789
Deferred rent		0	18
<b>Short-term debt</b>		<b>75,995</b>	<b>103,049</b>
<b>Debt</b>		<b>76,000</b>	<b>103,049</b>
<b>Liabilities and equity</b>		<b>458,075</b>	<b>412,856</b>

Subsequent events	2
Contingent assets, liabilities and other financial obligations	18
Related parties	19
Accounting Policies	20

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**STATEMENT OF CHANGES IN EQUITY**  
**For the year ended 31 December 2024**

	<b>Note</b>	<b>Share capital</b>	<b>Retained earnings</b>	<b>Total</b>
<b>2024</b>		<b>TDKK</b>	<b>TDKK</b>	<b>TDKK</b>
Equity at 1 January		750	308,358	309,108
Transferred: see distribution of profit	15	0	72,967	72,967
Equity at 31 December		<u><b>750</b></u>	<u><b>381,325</b></u>	<u><b>382,075</b></u>

**NOTES TO THE FINANCIAL STATEMENTS****For the year ended 31 December 2024****1. Critical accounting estimates and judgements**

In the process of applying the Company's accounting policies, management is of the opinion that there are no critical judgements involved that have a significant material effect on the amounts recognised in the financial statements, or no sources of estimation uncertainty involved that have a significant material effect on the amounts recognised in the financial statements.

**2. Subsequent events**

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

**3. Revenue**

	<b>2024</b>	<b>2023</b>
	<b>TDKK</b>	<b>TDKK</b>
Denmark	0	0
Rest of Europe	353,260	362,606
America	101,040	99,388
	<b>454,300</b>	<b>461,994</b>

Geographical segment and business are similar, hence they are disclosed together.

**4. Fees paid to auditor appointed at the annual general meeting**

	<b>2024</b>	<b>2023</b>
	<b>TDKK</b>	<b>TDKK</b>
Total Fees to EY	<b>406</b>	<b>307</b>
Fee for Statutory audit	406	307
	<b>406</b>	<b>307</b>

**5. Staff expenses**

	<b>2024</b>	<b>2023</b>
	<b>TDKK</b>	<b>TDKK</b>
Wages and salaries	246,682	267,996
Pensions	19,072	20,707
Other staff expenses	32,436	9,830
	<b>298,190</b>	<b>298,533</b>
<b>Average number of employees</b>	<b>153</b>	<b>158</b>

The directors receive remuneration in respect of their services of the Company from other group companies. The cost of the services that they provide to the Company is estimated at 120,000 DKK.

**6. Depreciation and impairment of property, plant and equipment**

	<b>2024</b>	<b>2023</b>
	<b>TDKK</b>	<b>TDKK</b>
Depreciation of property, plant and equipment	9,169	12,985
	<b>9,169</b>	<b>12,985</b>

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2024**
**7. Financial income**

	<b>2024</b>	<b>2023</b>
	<b>TDKK</b>	<b>TDKK</b>
Interest received from group enterprises	11,348	7,156
Other financial income	773	0
	<b>12,121</b>	<b>7,156</b>

**8. Financial expenses**

	<b>2024</b>	<b>2023</b>
	<b>TDKK</b>	<b>TDKK</b>
Other financial expenses	667	80
Foreign exchange losses	194	65
	<b>861</b>	<b>145</b>

**9. Tax on profit for the year**

	<b>2024</b>	<b>2023</b>
	<b>TDKK</b>	<b>TDKK</b>
Current tax for the year	21,501	17,467
Deferred tax for the year	(174)	1,156
Adjustment of tax concerning previous years	2,377	0
Adjustment of deferred tax concerning previous years	0	1,327
	<b>23,704</b>	<b>19,950</b>

**10. Property, plant and equipment**

	<b>Other fixtures and fittings, tools and equipment</b>	<b>Leasehold improvements</b>	<b>Property, plant and equipment in progress</b>	<b>Total</b>
	<b>TDKK</b>	<b>TDKK</b>	<b>TDKK</b>	<b>TDKK</b>
Cost at 1 January 2024	15,651	84,974	8	100,633
Additions for the year	1,600	0	1,032	2,632
Disposals for the year	(171)	0	0	(171)
Transfers for the year	0	0	0	0
Cost at 31 December 2024	<b>17,080</b>	<b>84,974</b>	<b>1,040</b>	<b>103,094</b>
Impairment losses and depreciation at 1 January 2024	12,058	56,639	0	68,697
Depreciation for the year	1,674	7,495	0	9,169
Reversal of impairment and depreciation of sold assets for the year	(10)	0	0	(10)
Impairment losses and depreciation at 31 December 2024	<b>13,722</b>	<b>64,134</b>	<b>0</b>	<b>77,856</b>
Carrying amount at 31 December 2024	<b>3,358</b>	<b>20,840</b>	<b>1,040</b>	<b>25,238</b>

**NOTES TO THE FINANCIAL STATEMENTS****For the year ended 31 December 2024****11. Receivables from group enterprises**

Receivables from group enterprises includes amounts that relate to the Company's participation in an intragroup cash pooling program. The program involves the transfer of cash amounts that the Company had previously held with external banks and balances with related parties to an intragroup cash pooling company, as part of the efficient management of cash balances within the wider group.

**12. Deferred tax asset / (liability)**

	<b>2024</b>	<b>2023</b>
	<b>TDKK</b>	<b>TDKK</b>
Deferred tax asset at 1 January	2,684	3,838
Amounts recognised in the income statement for the year	174	(2,481)
Adjustment of deferred tax concerning previous years	0	1,327
<b>Deferred tax asset at 31 December</b>	<b>2,858</b>	<b>2,684</b>

The recognised tax asset comprises temporary differences associated with assets that are expected to be utilised within the next 5 years.

**13. Prepayments**

Prepayments consist of prepaid expenses of TDKK114 concerning other external expenses.

**14. Equity**

The share capital consists of 750 shares of a nominal value of TDKK 750. No shares carry any special rights.

**15. Distribution of profit**

	<b>2024</b>	<b>2023</b>
	<b>TDKK</b>	<b>TDKK</b>
Retained earnings	72,967	70,207
	<b>72,967</b>	<b>70,207</b>

**16. Other provisions**

	<b>2024</b>	<b>2023</b>
	<b>TDKK</b>	<b>TDKK</b>
Other provisions	0	699
	<b>0</b>	<b>699</b>

The provisions are expected to mature as follows:

Within 1 year	0	699
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**NOTES TO THE FINANCIAL STATEMENTS****For the year ended 31 December 2024****17. Long-term debt**

Payments due within 1 year are recognised in short-term debt. Other debt is recognised as long-term debt.

The debt falls due for payment as specified below:

	<b>2024</b>	<b>2023</b>
	<b>TDKK</b>	<b>TDKK</b>
<b>Deferred rent</b>		
Between 1 and 5 years		
Long-term part	5	0
Short-term part	0	18
	<b>5</b>	<b>18</b>
<b>Other payables</b>		
Other short-term payables	57,021	92,789
	<b>57,021</b>	<b>92,789</b>

Deferred rent consists of a rental discount which is accrued over the term of the lease period.

**18. Contingent assets, liabilities and other financial obligations**

	<b>2024</b>	<b>2023</b>
	<b>TDKK</b>	<b>TDKK</b>
<b>Rental and lease obligations</b>		
The Company has entered into rental and lease agreements.	25,635	32,636

**Other contingent liabilities**

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc. of the Group. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Google Denmark is the management company of the joint taxation group.

**19. Related parties**

	<b>Basis</b>
<b>Controlling interest</b>	
Google International LLC, USA	Parent Company
Alphabet Inc., USA	Ultimate Parent Company

**Transactions**

The Company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(7) of the Danish Financial Statements Act.

The Company has no transactions which have not been on arm's length basis.

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**NOTES TO THE FINANCIAL STATEMENTS****For the year ended 31 December 2024****Consolidated Financial Statements**

The Company is included in the Group Annual Report of the Ultimate Parent Company:

Name	Place of registered office
Alphabet Inc.	USA

The Group Annual Report of Alphabet Inc. may be obtained at the following address:

1600 Amphitheatre Parkway, Mountain View,  
California 94043,  
USA  
[Investor.google.com](http://Investor.google.com)

**20. Accounting Policies**

The Annual Report of Google Denmark ApS for 2024 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large-sized enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2024 are presented in TDKK.

**Cash flow statement**

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

**Recognition and measurement**

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

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

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

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

**Transactions and balances**

Transactions in currencies other than the Company's functional currency ("foreign currency") are recorded at rates of exchange which approximates the actual rates on the date of the transaction. At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items and on translation of monetary items are included in profit or loss for the financial year.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended 31 December 2024**

**20. Accounting Policies (continued)**  
**Income Statement**

**Revenue**

The Company has chosen IAS11/IAS 18 as interpretation for revenue recognition.

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

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

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

**Other external expenses**

Other external expenses comprise cost relating to advertising, administration, premises, operating lease expenses and similar expenses.

**Staff expenses**

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

**Depreciation and impairment of property, plant and equipment**

Depreciation and impairment losses comprise depreciation and impairment of property, plant and equipment.

**Other operating income and expenses**

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

**Financial income and expenses**

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Financial income and expenses comprise interest income and expense, as well as realised and unrealised gains and losses on transactions denominated in foreign currencies.

**Tax on profit for the year**

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

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

**Balance Sheet**

**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.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended 31 December 2024**
**20. Accounting Policies (continued)**

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:

Other fixtures and fittings, tools and equipment	1 - 5 years
Leasehold improvements	7 years

Depreciation period and residual value are reassessed annually.

In case of changes in the depreciation period or the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

**Impairment of property, plant and equipment**

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

If so, the asset is written down to its lower recoverable amount.

**Receivables**

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables.

Receivables are measured at amortised cost.

Write-down for bad and doubtful debts is made when there is objective evidence that a receivable or a portfolio of receivables has been impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the country of domicile and credit ratings of the debtors in accordance with the credit risk management policy of the Parent Company and the Group. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate of the individual receivable or portfolio is used as discount rate.

**Prepayments**

Prepayments comprise prepaid expenses concerning subsequent financial reporting years.

**Cash**

The Company participates in an intragroup cash pooling program, which involves the transfer of cash amounts, bank overdrafts and balances with related parties to an intragroup cash pooling company. The amounts placed with the cash pooling company are classified under "Receivables from group enterprises".

**Provisions**

Provisions are recognised when

- in consequence of an event occurred before or on the balance sheet date;
- the Company has a legal or constructive obligation; and
- it is probable that economic benefits must be given up to settle the obligation.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended 31 December 2024**

**20. Accounting Policies (continued)**  
**Deferred tax assets and liabilities**

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

**Corporation tax**

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in tax on profit/(loss) for the year.

**Financial debts**

Debts are measured at amortised cost, substantially corresponding to nominal value.

**Deferred rent**

Deferred rent consists of a rental discount which is accrued over the term of the lease period.

**Segment information**

The allocation of revenue to activities and geographical markets is disclosed where these activities and markets differ significantly in the organisation of sales of goods and services.