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EUROTUST A/S
Form 20-F
June 23, 2006

As filed with the Securities and Exchange Commission on June 23, 2006

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 20-F

☐ REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES
EXCHANGE ACT OF 1934

OR

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE
ACT OF 1934

For the fiscal year ended December 31, 2005

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

OR

☐ SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

Date of event requiring this shell company report _____

For the transition period from _____ to _____

Commission File No.: 0-30690

EUROTUST A/S
f/k/a
Euro909.com A/S
(Exact name of Company as specified in its charter)

EUROTUST A/S
(Translation of Company's name
into English)

THE KINGDOM OF DENMARK
(Jurisdiction of incorporation
or organization)

POPPELGAARDVEJ 11-13
2860 SOEBORG DENMARK
(Address of principal executive offices)

Securities registered or to be
registered pursuant to Section 12(b)
of the Act: None

Securities registered or to be
registered pursuant to Section 12(g)
of the Act: None

Securities for which there is a
reporting obligation pursuant to
Section 15(d) of the Act: American Depositary Shares, each
representing one ordinary share,
nominal value DKK 7.50 per ordinary

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share.

Indicate the number of outstanding shares of each of the Company's classes of capital or common stock as of close of the period covered by the annual report (December 31, 2005):

Ordinary shares 5,826,232
American Depositary Shares: 5,799,351

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes ☐ No ☒

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

Yes ☐ No ☒

Note - Checking the box above will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 from their obligations under those Sections.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☐ Accelerated filer ☐ Non-accelerated filer ☒

Indicate by check mark which financial statement item the registrant has elected to follow.

Item 17 ☐ Item 18 ☒

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐ No ☒

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EXCHANGE RATE INFORMATION

In this annual report, unless otherwise specified or unless the context otherwise requires, all references to "\$" or "dollars" are to U.S. dollars and all references to "DKK" are to Danish kroner. We have converted DKK amounts as of December 31, 2005 into U.S. dollars at an exchange rate of \$1.00 = DKK 6.3241, which was the noon buying rate on December 31, 2005, the last business day of the year. We do not make any representation that the Danish kroner

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amounts could have been, or could be, converted into U.S. dollars at that rate on December 31, 2005, or at any other rate.

Unless specifically indicated or the context clearly indicates otherwise all references to our ordinary shares shall include our American Depositary Shares (ADSs) and vice-versa.

WE USE THE TERMS "WE", "OUR", "US", EUROTUST" AND "THE COMPANY" TO MEAN EUROTUST A/S AND ITS SUBSIDIARIES AND THEIR RESPECTIVE PREDECESSORS.

AS NO INDEPENDENT SOURCES OF INDUSTRY DATA ARE AVAILABLE, INDUSTRY DATA CONTAINED HEREIN, INCLUDING MARKET SIZE DATA, ARE BASED ON OUR ESTIMATES WHICH ARE DERIVED FROM INTERNAL MARKET STUDIES AND MANAGEMENT CALCULATIONS.

DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS

This report on Form 20-F contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 regarding our plans and objectives and future operations. Forward-looking statements attempt to predict future occurrences and are identified by words like "believe," "may," "intend," "will," "expect," "anticipate," "estimate" or "continue," or other comparable terms. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements. The forward-looking statements included in this report are based on current expectations that involve numerous risks and uncertainties. Our plans and objectives are based, in part, on assumptions involving judgments about, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond our control. Although we believe that our assumptions underlying the forward-looking statements are reasonable, any of these assumptions could prove inaccurate and, therefore, we cannot assure you that the forward-looking statements included in this report will prove to be accurate. In light of the significant uncertainties inherent in the forward-looking statements included in this report, you should not assume, and we cannot assure you, that we can achieve our objectives or implement our plans. Such statements speak only as of the date hereof and are subject to change. We undertake no obligation to revise or update publicly any forward-looking statements for any reason. Factors that could cause our actual results to differ materially from those expressed or implied by forward-looking statements include, but are not limited to, our ability to identify new under valued opportunities for investment or acquisition; the potential unforeseen impact of product or service offerings from competitors; our ability to raise additional capital should it be required to finance our growth aspirations; our ability to negotiate appropriate strategic relationships; our ability to control costs and expenses; and general economic and political conditions and specific conditions in the markets we address and the factors set forth under the headings "Key Information - Risk Factors" (Item 4.C), "Information on the Company" (Item 4) and "Operating and Financial Review and Prospects" (Item 5).

ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS

Not required because this Form 20-F is filed as an Annual Report.

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ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE

Not required because this Form 20-F is filed as an Annual Report.

ITEM 3. KEY INFORMATION

A. SELECTED FINANCIAL DATA

The selected consolidated financial data presented below as of December 31, 2001, 2002, 2003, 2004 and 2005 and for the years then ended have been taken or are derived from our audited consolidated financial statements for those periods. The selected consolidated financial data have been prepared in accordance with generally accepted accounting principles in the United States of America ("GAAP").

Effective October 1, 2000, we changed our method of accounting for revenue recognition of domain name registration revenue in accordance with Staff Accounting Bulletin (SAB) No.101 (SAB 101), REVENUE RECOGNITION IN FINANCIAL STATEMENTS. Under SAB 101, which was adopted retroactively to January 1, 2000, we recognized revenues rateably over the period the customer is provided access to the registry through our servers. Before SAB 101 became effective, we recognized revenue from initial registration of domain names when the registration process was complete and annual service fees (registration renewal fees) were recognized when invoiced to the customer. On July 21, 2001, we sold our domain name registration service business, which was a part of our internet services segment, to VeriSign, Inc. ("VeriSign.") In December 2001 we sold our print and online media business; GAAP requires that the results of operations from a discontinued segment be segregated from the results of operations from our continuing business segments. As a result, our Consolidated Statement of Operations and Consolidated Statement of Cash Flows for the fiscal year ended December 31, 2001 and 2002 reflect the fact that the print and online media business is treated as a discontinued operation.

On May 19, 2005 our shareholders approved a one for six reverse split of our ordinary shares such that six ordinary shares nominal value DKK 1.25 were combined into one ordinary share nominal value DKK 7.50 ("New Ordinary Shares"). In lieu of issuing a fraction of a New Ordinary Share, we paid to each holder the value thereof based upon the closing price of an ADS on the NASDAQ Small Cap Market on May 19, 2005. All information contained in this annual report has been presented as if such reverse stock split occurred as of January 1, 2001.

The financial information presented below is only a summary and should be read together with our consolidated financial statements included elsewhere in this report.

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CONSOLIDATED STATEMENT OF OPERATIONS DATA: (1)

YEAR ENDED DECEMBER 31			
2001	2002	2003	2004
-----	-----	-----	-----
DKK	DKK	DKK	DKK

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(IN THOUSANDS, EXCEPT PER SHARE)

CONSOLIDATED STATEMENT OF OPERATIONS DATA:

Revenue	151,914	92,028	109,822	91,036
Total operating expenses	347,922	161,000	116,269	110,759
Operating loss	(196,008)	(68,972)	(6,447)	(19,723)
Net (loss) income from continuing operations	18,165	(97,363)	(7,959)	(26,251)
Net (loss) income from discontinued operations	(10,460)	(185,985)	1,629	84,705
Net (loss) income	7,705	(283,348)	(6,330)	58,454
(Loss) Income from continuing operations per average common share, basic	4.50	(22.33)	(1.70)	(5.30)
(Loss) Income from discontinued operations per average common share, basic	(2.58)	(42.66)	0.35	17.12
Net (loss) income per average common share, basic	1.92	(64.99)	(1.35)	11.82
(Loss) Income from continuing operations per average common share, diluted	4.38	(22.33)	(1.70)	(4.99)
(Loss) income from discontinued operations per average common share, diluted	(2.52)	(42.66)	0.35	16.09
Net (loss) income per average common share diluted	1.86	(64.99)	(1.35)	11.10
Weighted average number of common shares outstanding, basic	4.030	4,360	4,671	4,947
Weighted average number of common shares outstanding diluted	4,124	4,360	4,671	5,266

(1) In June 2001, the FASB issued SFAS 142 fully effective for fiscal years beginning after December 15, 2001, which changed the accounting for goodwill from an amortization method to an impairment-only approach. We adopted the provisions of SFAS 142 effective January 1, 2002. If the standards of SFAS 142 had been in effect beginning January 1, 2000 then (i) for the year ended December 31, 2000 our net loss would have been DKK 142,431 and both our basic and diluted loss per common share would have been DKK 50.28; and (ii) for the year ended December 31, 2001 our net income would have been DKK 12,364, our basic income per common share would have been DKK 3.06 and our diluted income per common share would have been DKK 3.00.

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INTERNET SERVICES:

Revenue	72,183	20,008	21,203	23
Total operating expenses	238,112	95,554	28,838	14,478
	-----	-----	-----	-----
Operating loss	(165,929)	(75,546)	(7,635)	(14,455)
	=====	=====	=====	=====

BROADCAST MEDIA:

Revenue	79,731	72,020	88,619	91,013
Total operating expenses	109,810	65,446	87,431	96,281
	-----	-----	-----	-----
Operating income (loss)	(30,079)	6,574	1,188	(5,268)
	=====	=====	=====	=====

DISCONTINUED OPERATIONS, NET (LOSS) GAIN:	(10,460)	(179,985)	(8,420)	1,090
	=====	=====	=====	=====

CONSOLIDATED BALANCE SHEET DATA:

			AS OF DECEMBER 31,	
	2001	2002	2003	2004
	-----	-----	-----	-----
	DKK	DKK	DKK	DKK
			(IN THOUSANDS)	
Total assets	445,611	168,217	140,845	178,248
Net assets	333,168	44,242	46,360	101,566
Capital stock	34,006	34,006	39,693	38,312
Working capital (deficit)	137,256	(4,280)	(35,674)	(19,447)
Number of ordinary shares outstanding	4,534	4,534	5,292	5,108

We have never paid any dividends on our ordinary shares.

EXCHANGE RATE INFORMATION

The exchange rate on June 12, 2006 (the latest practicable date) was DKK 5.9301 per \$1.00. The following table sets forth (i) the average exchange rate for the years 2001, 2002, 2003, 2004 and 2005 calculated using the average exchange rate on the last day of each month of the relevant year and (ii) the high and low exchange rates for each of the most recent six months. (All rates are expressed as Danish kroner per U.S. dollar.)

AVERAGE -----

YEAR ENDED DECEMBER 31: -----

2001	DKK 8.3619
2002	DKK 7.8897
2003	DKK 6.5899
2004	DKK 5.9893
2005	DKK 6.0034

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MONTH ENDED: -----	HIGH ----	LOW ---
June 2006 (as of June 12, 2006)	DKK 5.9301	DKK 5.8201
May 2006	DKK 5.9221	DKK 5.7875
April 2006	DKK 6.1861	DKK 5.9510
March 2006	DKK 6.2619	DKK 6.1236
February 2006	DKK 6.2964	DKK 6.1732
January 2006	DKK 6.3082	DKK 6.0700
December 2005	DKK 6.3712	DKK 6.1982

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B. CAPITALIZATION AND INDEBTEDNESS

Not required because this Form 20-F is filed as an Annual Report.

C. REASONS FOR THE OFFER AND USE OF PROCEEDS

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ITEM 4. INFORMATION ON THE COMPANY

A. HISTORY AND DEVELOPMENT

We are a Danish limited company, organized in 1986 under the Danish Act on Limited Companies of the Kingdom of Denmark. Originally, we were organized under the name Telepartner A/S. In 1999 we changed our name to euro909.com A/S and in December 2001 we changed our name to EuroTrust A/S. Our registered office is Poppelgaardvej 11-13, 2860 Soeborg, Denmark. Our telephone number is +45 39 54 00 00.

OUR BUSINESS

Until December 2001, our business operated in three distinct areas: Internet products and services; broadcasting; and print and online media. In early 2001 we made the strategic decision to focus primarily on providing Internet infrastructure products and services and e-commerce solutions in Scandinavia and selected west European markets and on key elements of our broadcasting business. To that end, in 2001, we sold our domain name registration, the remaining assets of our historical telecommunications business and our print and online media businesses, and consolidated our television programming business. As of January 1, 2004, we sold our secure internet hosting business, our digital video surveillance business and our secure remote back-up business. As a part of these transactions, we will continue to receive royalty payments from future sales of the secure hosting and remote back-up services that we formerly marketed. We sold our PKI services business to VeriSign, Inc. ("VeriSign.") on April 1, 2004. We sold the last of our Internet related business, our virus detection software and services business on September 30, 2004.

As a result of these various transactions, subsequent to September 30, 2004 our business consisted of our broadcast media division, which owns dk4, a Danish television station and operates the television production company Prime Vision.

The proceeds from our divestitures in 2004 allowed us to invest more than \$10 million U.S. in Prime Vision. Prime Vision owned one of Europe's first High Definition mobile production units, five fully digitalized mobile production units and two mobile analog production units that we rebuilt into

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digital units during 2005. We used these assets to produce content both for our own broadcast operations and for outside clients.

In addition to our television production operations, we continued to expand our media content platforms in 2004. Our original television channel, dk4, increased its subscriber base to record levels. Late in 2004, we also added a new speciality television channel, 4SPORT, to focus on coverage of both Danish sports, in cooperation with The Danish Sports Association, and international sporting events of particular interest to Danish fans.

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On November 29, 2005, we entered into agreements to acquire all of the capital stock of Aktiv Gruppen A/S, a Danish company which operates in two distinct lines of business, namely the development and sale of residential real estate projects in Denmark and Norway, and the operation of wind energy farms in Germany. On April 17, 2006 we consummated our acquisition of Aktiv Gruppen.

On May 4, 2006 we entered into an agreement to sell three of our seven mobile television production vans, our Prime Vision brand name and the external customer base of Prime Vision.

On June 2, 2006 we completed the sale of our media business by selling all of the outstanding shares of Europe-Visions A/S to Tritel Investment, Inc.

As a result of the sale of Europe-Visions A/S as of June 2, 2006, our business consists of our property development operations and our wind energy operations.

B. BUSINESS OVERVIEW

DESCRIPTION OF CONTINUING BUSINESS

REAL ESTATE DEVELOPMENT

Our real estate development segment, through various wholly owned subsidiaries and corporate joint ventures, primarily develops homeowner condominiums, complexes, single family homes, recreational homes and multi-family rental complexes throughout Denmark and Norway. The development occurs as we: 1) seek out desirable locations for property development, 2) acquire permission for resale of a finalized development project, 3) acquire the land or options to purchase the land, 4) design the project in cooperation with outside architects and engineers, 5) acquire governmental permission to build the project, 6) pre-sell through local real estate agents a minimum number of units, requiring purchasers to sign a binding sales contract and guarantee, 7) construct the properties through outside construction contractors and 8) sell remaining units, if any.

In order to minimize our potential exposure in this area we generally do not begin construction of each stage of the development project until at least 75% of the units to be developed in that stage of the project have been contracted for by purchasers who put down a small deposit and deliver to us a bank guarantee for the remainder of the purchase price.

We sell these units primarily through local real estate agents to whom we pay a commission for each sale.

Generally, if we are unable to obtain contracts for 75% of the units within a designated period of time we will return the deposits and bank guarantees to the prospective purchasers and will not begin development of the

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project. Additionally, in these instances if the land on which the project was to be built was not owned by us, but was subject to our option, we will not exercise the option to acquire the land.

Operating under this methodology we generally do not obligate the Company to incur expenditures for a particular project until we have assured ourselves that the revenue to be received in regard to the number of units that have been pre-sold will cover substantially all of our expenses associated with the project.

As of June 1, 2006 we have under development, projects to construct 316 units in Denmark and 231 units in Norway. We expect to complete construction of these units over the next two years.

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We also have options to acquire land and/or own land for the development of 2,473 units in Denmark and 1,400 units in Norway.

We also own recreational property timeshare units in Helsingor, Denmark for resale and we own a 565 square meter office property in Koge, Denmark which is leased to third parties.

WIND ENERGY

In June 2005, Aktiv Gruppen acquired six operating windmills located in windparks in Germany. The Company also holds a 25% equity interest in an additional windmill in Germany. Each respective windmill or windpark has entered into 20 year agreements with German electric utilities companies, to sell all of the electricity generated. The agreements have fixed prices. The manufacturers have agreed to operate the windparks at a fixed percentage of revenue. When the windmills were purchased the manufacturers guaranteed that they would be in full operation for 97% of each year for the ten years after installation. The Company has leased the land on which the windparks are located for 20 years with two five year options to extend the lease.

Aktiv Gruppen plans to continue to expand this segment through the development and operation of windmill energy parks throughout Europe, where we believe there is a strong consumer and government preference for renewable and alternative non-polluting energy sources, resulting in attractive government subsidies and tax benefits from accelerated depreciation. We expect this political climate to persist in the near future.

In May 2006 we entered into an agreement to acquire a 50.25% interest in European Wind Farms A/S. European Wind Farms is currently developing wind energy farms in Germany, Italy, Poland, Bulgaria, Lithuania and France. European Wind Farms current projects will have an installed capacity of approximately 200 megawatts generating approximately 400 million kilowatt hours of electric power on a yearly basis. The wind farms under development are all expected to be operational within two years. European Wind Farms is in the final stages of negotiations for the project rights to develop additional wind farms with an installed capacity of 300 megawatts.

Windmills installed in countries other than Germany will not have government fixed prices and therefore, the amount we receive for the sale of the electricity generated by the windmills is subject to the then prevailing market price for electricity. However in these countries when the windmill begins operation we will in some of the other countries be given a "green certificate" because the energy we generate is non-polluting. These certificates allow energy companies to create a certain amount of pollution from their energy production

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and therefore these certificates can be sold to companies that produce energy from sources that are not "non-polluting", such as oil and coal. A market has developed in Europe for the sale of these "green certificates." In determining where and when to put up new windmills we will consider both the expected market price of electricity and the value of the "green certificates."

The amounts of electricity that can be generated by a windmill is dependent upon the amount of wind at the specific site and therefore before we decide where to establish a wind farm we review existing historical wind studies and, if necessary, commission our own wind measurement study.

DESCRIPTION OF HISTORIC BUSINESS

MEDIA

For most of 2001 we operated two television channels, dk4 and Bio+. Both channels were carried by TDC on Cable, formerly known as TeleDanmark, Denmark's largest cable operator. In

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October 2001 we consolidated the programming of both channels into dk4, and expanded its programming by covering European Union parliament sessions and joining the Pan-European Parliament TV network. This decision was a result of the fact that the agreement with TDC to broadcast dk4 was extended and Bio+ was not. Also in 2001, we entered into two new distribution agreements and a new programming agreement for dk4. Specifically, we entered into distribution agreements with the Danish digital satellite television service provider Canal Digital A/S. In December 2003, we entered into a new four-year agreement with Canal for the continued distribution of dk4 programming on their digital satellite television network extending our relationship to December 31, 2007. In December 2003 we reacquired the remaining 15% minority interest in our broadcast business that we had previously sold to Parken Sport and Entertainment A/S for DKK 12 million in December 2001. In March 2004 we entered into a new agreement with TDC on Cable extending our relationship to December 31, 2006. Late in 2004, we also added a new speciality television channel, 4SPORT, to focus on coverage of both Danish sports, in cooperation with The Danish Sports Association, and international sporting events of particular interest to Danish fans.

DK4

We acquired dk4 in October 1999. As of December 31, 2005, approximately 44% of all households in Denmark had access to dk4. In 2001, dk4 launched its revised Internet platform. The homepage contains live video streaming, enabling subscribers to watch part of dk4's broadcasts live over the Internet.

dk4's principal programs are in the areas of culture, education, sports and politics:

- o POLITICS. dk4 broadcasts proceedings of the Danish Parliament, including debates and selected expert hearings. During 2002, dk4 offered more than 50 programs on the European Union, among these roundtable discussions and presentation of Members of Parliament, including the former and the present President of the European Parliament plus selected Members of the European Commission. In 2001, dk4 was acknowledged as a European Channel by the European Parliament and joined the discussion forum for Parliamentary Channels in the European Union ("EU"). In 2003, dk4 has continued to focus on broadcasting programming from the EU. In conjunction with the European Parliament, dk4 produced an

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educational video for Danish high schools on "Model European Parliament" (a multicultural conference for young people on the inner workings of the EU).

- o SPORTS. Beginning in 2002, dk4 offered a number of niche sports programs.
- o CULTURE. dk4 offers programs focusing on theatre, opera, literature, classical music and history. In the 2000/2001 season, programs on contemporary art and fine wines were added. Furthermore, a number of musical shows were introduced and the number of such shows was increased in 2002.
- o EDUCATION. Educational offerings include lectures given at the newly founded "DK4 University", a series which is also integrated with the Internet. In 2001, an add-on to this series was introduced through the "EU University" with a number of lectures on current EU topics such as Enlargement and the future Constitution of the EU. In 2002, we introduced an educational series on use of PCs.

PRIME VISION

In October 1999, dk4 acquired Prime Vision, or PV, a production company. PV assists others in broadcasting live events and also produces original programs for dk4 as well as for other television channels. Throughout 2005 PV owned and operated seven large mobile vans used in the broadcasting of

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live events and for the production of original television programming. These vans include all of the necessary equipment required for these productions, including cameras and sound equipment. PV employs the technicians such as cameramen and sound engineers who are expert in the appropriate operation of the equipment. Therefore, PV could offer a complete package of production equipment and personnel to broadcasters who broadcast live events and to companies who produce original programming. One of our primary objectives was for PV to become the leading production facility house in Scandinavia. By the end of 2003 PV was among the three leading production companies in Denmark and has been employed as a production company for the Danish Premier Soccer League and a number of other sports productions.

BIO+

We acquired Bio+ in September 1999. As a result of a strategic alliance with Fox Kids Europe in January 2000, we repackaged and relaunched the channel. As repackaged, Bio+'s primary offering was Danish movies. In October 2001, we combined the operations of Bio+ with those of dk4.

INTERNET PRODUCTS AND SERVICES

We sold the remainder of our businesses in Internet products and services division during 2004 through the sale of our PKI services business, on April 1, 2004, and our virus detection software and services business on September 30, 2004. As a result, subsequent to September 30, 2004 our business consists of our broadcast media division, which owns dk4, a Danish television station and operates the television production company Prime Vision.

The following is a description of the Internet products and services we

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provided through year 2004:

VIRUS SURVEILLANCE/DETECTION/SUPPORT, SECURITY PENETRATION TESTING/ANALYSIS. Gartner research indicates that the IT security-consulting sector represents the largest share of the Western European IT security market. To address this sector, we offered the Scandinavian business community an array of virus detection products and services marketed under our Virus 112 brand name. Through our wholly-owned subsidiary, EuroTrust Virus112 A/S ("Virus112"), we offered a suite of IT security consulting services including sophisticated virus detection software, IT security support, security gap penetration assessments and system vulnerability testing to more than 2,000 businesses in Denmark and Norway. Offered on a subscription basis, Virus112's Early Warning System scans the Internet for potential threats and immediately notifies its clients via fax, email and text messaging of any potential outbreaks, minimizing the risk of potential infections. In September 2001, Virus112 expanded its business by offering IT security consulting services that emphasize risk assessment and penetration testing services. In October 2002, Virus112 expanded its product offerings by adding the following:

- o "Virus112 Mail Scanning," a 24x7 e-mail surveillance and virus-scanning, recognition and removal technology;
- o "Virus112 Spam Scanner," a 24x7 automated guard against spam emails which also provides the customer with a monthly report and online access to information on email activity and blocked e-mails; and
- o "EuroTrust Security Scanner," (ESS) a scanning system that scans external IP addresses for potential security risk, to prevent viral attacks through the Internet.

PUBLIC KEY INFRASTRUCTURE (PKI) SERVICES. PKI services, as well as digital signatures and certificates, enable both companies and private individuals to encrypt their online communications and ensure confidentiality. Until our sale of this business to VeriSign effective April 1, 2004, we sold PKI services under the VeriSign Managed PKI Service (MPKI) and VeriSign Go Secure! brands, and tailored them to meet the specific needs of enterprises that wished to issue digital certificates to employees, customers, citizens or trading partners.

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In November 2000, we became part of VeriSign's Global Affiliate Network, an expanding group of international service providers using common technology, operating practices and infrastructure, compliant with the European Union (EU) common criteria requirements, to deliver interoperable trust services over the Internet. Under our Affiliate Agreement with VeriSign, as amended, we provided the following VeriSign trusted Internet infrastructure products and services in Denmark, Norway, Sweden, Finland, Austria and Switzerland:

MPKI - MANAGED PKI-SOLUTIONS. MPKI is a managed service that allows an organization to use our data processing infrastructure to develop and deploy customized digital certificate services for use by employees, customers and business partners. MPKI can be used to provide digital certificates for a variety of applications, including: controlling access to sensitive data and account information, enabling digitally-signed e-mail, encryption of e-mail, or SSL sessions. MPKI services can help customers create an online electronic trading community, manage supply chain interaction and facilitate and protect online credit card transactions.

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GO SECURE! VeriSign Go Secure! services are a set of managed application services that enable enterprises to quickly build digital certificate-based security into their transaction and communication applications. Go Secure! services are similar in functionality to MPKI services and are designed to incorporate digital certificates into existing e-mail, browsing applications, directory and virtual private network devices. GoSecure(R) allows businesses to create a Virtual Private Network (VPN) that integrates VeriSign's strong encryption technology. GoSecure is also offered in cooperation with vendors of server firewall products.

WEB SERVER DIGITAL CERTIFICATE SERVICES. Digital certificates are electronic credentials that identify parties online, enabling encrypted online communications and legally binding, valid digital signatures for online transactions in e-commerce, financial services, supply-chain management, Virtual Private Networks, and wireless and mobile commerce environments. Until April 2004, we offered a family of web server certificate services that allows organizations to implement and operate secure websites that utilize the Secure Sockets Layer, or SSL protocol or the Wireless Transport Layer Security, or WTLS, protocol to establish their identities to customers and other websites during electronic commerce transactions and communications over wired or wireless internet protocol, or IP, networks. Without a digital certificate installed on the website server the SSL and WTLS protocols cannot be utilized. Given that we host more web sites on servers in our data center than any other company in Denmark, we expect to take advantage of the current growth trend for server security. Digital Ids can easily be created for customers and suppliers through the MPKI administration solution.

APPLICATION ACCELERATION SERVICES. These are rapid deployment services that secure information passed over applications such as Microsoft Exchange, SAP and Virtual Private Networks (VPN) for e-commerce.

CONTENT SIGNING CERTIFICATES. In addition to Web Server Digital Certificate services, until April 2004 we offered content signing certificates. Content signing digital certificates enable developers, content providers, publishers and vendors to digitally sign their content in order to authenticate the source and provide assurance of the integrity of the content delivered to end-users.

To expand and complement the services described above, our professional services group, which includes experts in digital certificate architecture and application integration, was staffed to provide a variety of design, development and implementation services. These services included integrating with existing applications and databases, consulting on policies and procedures related to the management and

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deployment of digital certificates, training classes on the latest developments in security technology and selecting the necessary software and hardware to complement a digital certificate solution.

As a result of an independent examination of our PKI processing center in Copenhagen, we received the prestigious WebTrust Seal of Assurance from KPMG. The WebTrust seal, which was displayed on all of our web sites, indicates that we have complied with the business standards prescribed by the American Institute of Certified Public Accountants and the Canadian Institute of Chartered Accountants concerning the issuance of digital certificates by certification authorities and adopted by several European countries including Denmark.

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Until December 2003, we also offered our customers a number of other internet security products, including secure hosting, digital video surveillance and secure remote backup services. In December 2003, as part of our plan to intensify our focus on our television programming business and on providing virus detection products and services, we sold EuroTrust Secure Hosting A/S, our secure hosting subsidiary, EuroTrust Realtime Security A/S, our digital video surveillance subsidiary, EuroTrust Sweden AB, our Swedish subsidiary, and the assets related to EuroTrust NetVaulting A/S, our secure remote backup business.

REMOTE DATA BACKUP SERVICES. We provided remote data backup services to more than 300 European businesses through EuroTrust NetVaulting A/S (formerly known as WISEhouse Denmark A/S), a wholly-owned subsidiary of EuroTrust. Remote backup services protect the data found on company servers from the threat of fire, hardware failure, natural disasters, theft and viruses. The backup technology is based on IBM's Tivoli Storage Manager software.

SECURE HOSTING. We provided secure web hosting services to more than 11,000 customers in Denmark, Sweden and Norway through EuroTrust Secure Hosting A/S ("Hosting"). Hosting was created in January 2002 as a result of the combination of our Digiweb activity with DHT Hosting ApS, a Danish automated hosting company.

Our hosting services were based in our secure Internet data center in Soeborg, Denmark. The center, designed with a wide range of physical security features, including state-of-the-art smoke detection and fire suppression systems, 24x7 secured access and video camera surveillance, as well as security breach alarms, is capable of housing more than 1,500 servers and delivers one of the strongest high-availability bandwidth capacities in Europe.

REAL TIME SECURITY. Through EuroTrust RealTime Security A/S, we offered a full service digital video security system, which provided real-time video monitoring and remote storage of the recording via a high speed Internet connection to a central storage location. This system was able to provide customers with the benefits of a complete video surveillance system without the need to purchase and maintain costly video surveillance hardware required by most traditional Closed Circuit Television ("CCTV") monitoring systems. The system included, among other features, the following:

- o Remote viewing and surveillance;
- o Offsite recording and storage of the recordings in a secured centralized location; and
- o Email confirmation of alarms to minimize false alerts

DISTRIBUTION OF SALES

The following tables set out our revenues by category and region for each of the years ended December 31, 2003, 2004 and 2005.

BREAKDOWN OF REVENUES BY

CATEGORY (1)

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	2003		2004		2005
	DKK	PERCENTAGE	DKK	PERCENTAGE	DKK
(CURRENCY AMOUNTS ARE IN THOUSAND DKK)					
Internet services	21,203	19%	23	0%	0
Broadcasting	88,619	81%	91,013	100%	94,652
	109,822	100%	91,036	100%	94,652

BREAKDOWN OF REVENUES BY GEOGRAPHIC MARKET (1)

	2003		2004		2005		USD
	DKK	%	DKK	%	DKK	%	
Denmark	109,000	99.2%	84,510	93%	86,784	92%	13,723
Norway	417	0.4%	-	0%	-	-%	-
Sweden	405	0.4%	6,526	7%	7,868	8%	1,244
	109,822	100%	91,036	100%	94,652	100%	14,967

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SEASONALITY

Our quarterly operating results typically fluctuate with the seasons. Construction of a customer's home typically proceeds after signing the agreement of sale and can require 12 months or more to complete. Weather-related problems may occur in the late winter and early spring, delaying starts or closings or increasing costs and reducing profitability. In addition, delays in opening new communities or new sections of existing communities could have an adverse impact on home sales and revenues. Because of these factors, our quarterly operating results may be uneven and may be marked by lower revenues and earnings in some quarters than in others. In addition, the electricity generated by our wind parks is dependent upon the seasonal nature of the wind velocity in a particular area.

INTELLECTUAL PROPERTY

We rely primarily on a combination of copyrights, trademarks, service marks, restrictions on disclosure and other methods to protect our intellectual property. We also enter into confidentiality agreements with our employees, consultants and current and potential affiliates, customers and business partners. We also generally control access to and distribution of documentation and other proprietary information.

COMPETITION

REAL ESTATE DEVELOPMENT

We compete with many other developers in Denmark and Norway in the sale of residential housing units. Many of our competitors have greater resources than we do which may enable them to obtain better parcels of land for development. The sale of residential real estate in Denmark and Norway is dependent to a large extent on the location of the development and the purchase

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price of the unit.

WIND ENERGY

We compete with both other wind energy companies as well as companies which generate electricity from other sources both polluting and non-polluting. Most of these companies have far greater resources than us.

BROADCAST MEDIA

In our broadcast business, we compete with channels that are carried by more Cable providers, included in more "TV Packages", offered to cable subscribers, and catering to a much larger viewing audience than we do. Until 2001, cable providers were subject to governmental regulations that limited their programming to the programming provided by those channels chosen through a referendum of subscribing households, every two years.

Presently, the only channels that cable providers are required to include in their "TV Packages" are the publicly funded channels, i.e., DR, DR2, TV2, (and one local TV station). We expect that the number of channels competing to be included in those "TV Packages" will increase in the ensuing years. If viewer preferences change and we are unsuccessful in addressing those changes in our programming, we may lose favor with them and cable providers may choose to replace us with a competitor.

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GOVERNMENT REGULATION

REAL ESTATE DEVELOPMENT

Our real estate development business is subject to obtaining numerous national and local approvals and licenses in connection with our construction of residential units and to our compliance with various zoning and other regulations.

WIND ENERGY

Our wind energy business is subject to obtaining numerous permits regarding the construction of windmills and to various regulations regarding the operation of the windmills.

BROADCAST MEDIA

Our broadcast station dk4 has been granted a license by the Danish Board of Satellite and Cable. Our license obligates us to carry a certain mix of programs I.E. no more than a certain percentage of our programs can be sports, news, commercials, etc. If we change our program profile, we must advise the Danish Board of Satellite and Cable. We believe that we are currently in compliance with all of our license requirements.

SALES AND MARKETING

Our real estate units are primarily sold through local real estate brokers to whom we pay a sales commission.

We market our dk4 television broadcast station through local advertising sponsorships and participations in cable operator and cable organization symposiums and direct marketing to individual cable operators. Our market is dominated by three large operators that represent more than 80% of our potential

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viewers. dk4 is currently carried by two of those operators.

Prime Vision produces programming for a large array of distributors of content in the Scandinavian market. We market the Prime Vision services through word of mouth from satisfied clients as well as from the publicity we receive as the Company responsible for the production of many important sporting events like soccer, basketball and boxing. Prime Vision has established a well known reputation in broadcasting of live sporting events and is involved in producing major sports events for large TV channels in Denmark and Sweden. We also produce content for large channels like DR, TV2, Viasat in Denmark, and STV, Canal Digital and Viasat in Sweden, which is helpful for marketing the capability of Prime Vision.

C. RISK FACTORS

IN ADDITION TO OTHER INFORMATION IN THIS FORM 20-F, THE FOLLOWING RISK FACTORS SHOULD BE CAREFULLY CONSIDERED IN EVALUATING US AND OUR BUSINESS BECAUSE THESE FACTORS CURRENTLY HAVE OR MAY IN THE FUTURE HAVE A SIGNIFICANT IMPACT ON OUR BUSINESS, OPERATING RESULTS OR FINANCIAL CONDITION. ACTUAL RESULTS COULD DIFFER MATERIALLY FROM THOSE PROJECTED IN THE FORWARD-LOOKING STATEMENTS CONTAINED IN THIS FORM 20-F AS A RESULT OF THE RISK FACTORS DISCUSSED BELOW AND ELSEWHERE IN THIS FORM 20-F.

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RISK FACTORS ASSOCIATED WITH CONTINUING BUSINESS

AN ADVERSE CHANGE IN ECONOMIC CONDITIONS COULD REDUCE THE DEMAND FOR HOMES AND, AS A RESULT, COULD REDUCE OUR EARNINGS.

Changes in economic conditions in Denmark and Norway, as well as local economic conditions where we conduct our operations and where prospective purchasers of our homes live, can have a negative impact on our business. Adverse changes in employment levels, job growth, consumer confidence, interest rates and population growth may reduce demand and depress prices for our homes. This, in turn, can reduce our earnings.

THE PROPERTY DEVELOPMENT INDUSTRY IS HIGHLY COMPETITIVE AND, IF OTHERS ARE MORE SUCCESSFUL, OUR BUSINESS COULD DECLINE.

We operate in a very competitive environment, which is characterized by competition from a number of other property developers in each market in which we operate. We compete with other property developers for land, financing, and skilled management and labor resources. We also compete with the resale, or "previously owned," home market. Increased competition could cause us to reduce our prices. An oversupply of homes available for sale could also depress our home prices and adversely affect our operations. If we are unable to compete effectively in our markets, our business could decline.

IF LAND IS NOT AVAILABLE AT REASONABLE PRICES, OUR SALES AND EARNINGS COULD DECREASE.

Our operations depend on our ability to continue to obtain land for the development of our residential communities at reasonable prices. Changes in the general availability of land, competition for available land, availability of financing to acquire land, zoning regulations that limit housing density and other market conditions may hurt our ability to obtain land for new residential communities. If the supply of land appropriate for development of our residential communities becomes more limited because of these factors, or for any other reason, the cost of land could increase and/or the number of homes

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that we sell and build could be reduced.

GOVERNMENT REGULATIONS MAY DELAY THE START OR COMPLETION OF OUR COMMUNITIES, INCREASE OUR EXPENSES OR LIMIT OUR PROPERTY DEVELOPMENT ACTIVITIES, WHICH COULD HAVE A NEGATIVE IMPACT ON OUR OPERATIONS.

We must obtain the approval of numerous governmental authorities in connection with our development activities, and these governmental authorities often have broad discretion in exercising their approval authority. We incur substantial costs related to compliance with legal and regulatory requirements. Any increase in legal and regulatory requirements may cause us to incur substantial additional costs. Various statutes, ordinances, rules and regulations concerning building, zoning, sales and similar matters apply to and/or affect the housing industry. This governmental regulation affects construction activities as well as sales activities, mortgage lending activities and other dealings with consumers.

INCREASES IN TAXES OR GOVERNMENT FEES COULD INCREASE OUR COSTS, AND ADVERSE CHANGES IN TAX LAWS COULD REDUCE CUSTOMER DEMAND FOR OUR HOMES.

Increases in real estate taxes and other local government fees could increase our costs and have an adverse effect on our operations. In addition, increases in local real estate taxes could adversely affect our potential customers who may consider those costs in determining whether to make a home purchase and decide, as a result, not to purchase one of our homes. In addition, any changes in the income tax laws that

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would reduce or eliminate tax deductions or incentives to homeowners, such as the proposed changes limiting the deductibility of interest on home mortgages, could make housing less affordable or otherwise reduce the demand for housing, which in turn could reduce our sales and hurt our operating results.

ADVERSE WEATHER CONDITIONS AND CONDITIONS IN NATURE BEYOND OUR CONTROL COULD DISRUPT THE DEVELOPMENT OF OUR PROJECTS, WHICH COULD HARM OUR SALES AND EARNINGS.

Adverse weather conditions and natural disasters, such as, floods and fires, can have serious effects on our ability to develop our residential communities. We also may be affected by unforeseen engineering, environmental or geological problems. Any of these adverse events or circumstances could cause delays in the completion of, or increase the cost of, developing one or more of our residential communities and, as a result, could harm our sales and earnings.

PRODUCT LIABILITY LITIGATION AND WARRANTY CLAIMS THAT ARISE IN THE ORDINARY COURSE OF BUSINESS MAY BE COSTLY, WHICH COULD ADVERSELY AFFECT OUR BUSINESS.

As a homebuilder, we are subject to construction defect and home warranty claims arising in the ordinary course of business. These claims are common in the homebuilding industry and can be costly. In many of our projects we have an indemnity from our general construction contractor, which covers defects for up to 10% of the cost of a project for the first year after the construction has been completed, and for up to 2% of the cost of a project for the next 4 years. We anticipate that this will cover any claims. Therefore, we do not carry an additional insurance, which is costly and the amount of coverage offered by insurance companies is currently limited. There can be no assurance that the indemnity coverage we have from our general contractors will cover all defect and home warranty claims. If claims exceed the amount of this indemnity,

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we may experience losses that could hurt our financial results

IF OUR POTENTIAL CUSTOMERS ARE NOT ABLE TO OBTAIN SUITABLE FINANCING, OUR BUSINESS MAY DECLINE.

Our business and earnings also depend on the ability of our potential customers to obtain mortgages for the purchase of our homes. Increases in the cost of home mortgage financing could prevent our potential customers from purchasing our homes. In addition, where our potential customers must sell their existing homes in order to buy a home from us, increases in mortgage costs could prevent the buyers of our customers' existing homes from obtaining the mortgages they need to complete the purchase, which could result in our potential customers' inability to buy a home from us. If our potential customers or the buyers of our customers' current homes are not able to obtain suitable financing, our sales and revenues could decline.

IF WE ARE NOT ABLE TO OBTAIN SUITABLE FINANCING, OUR BUSINESS MAY DECLINE.

Our business and earnings depend substantially on our ability to obtain financing for the development of our residential communities and the purchase and installation of windmills. If we are not able to obtain suitable financing, our costs could increase and our revenues could decrease, or we could be precluded from continuing our operations at current levels. Increases in interest rates can make it more difficult and/or expensive for us to obtain the funds we need to operate our business.

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OUR BUSINESS IS SEASONAL IN NATURE, SO OUR QUARTERLY OPERATING RESULTS FLUCTUATE.

Our quarterly operating results typically fluctuate with the seasons. Construction of a customer's home typically proceeds after signing the agreement of sale and can require 12 months or more to complete. Weather-related problems may occur in the late winter and early spring, delaying starts or closings or increasing costs and reducing profitability. In addition, delays in opening new communities or new sections of existing communities could have an adverse impact on home sales and revenues. Because of these factors, our quarterly operating results may be uneven and may be marked by lower revenues and earnings in some quarters than in others. In addition, the electricity generated by our wind parks is dependent upon the seasonal nature of the wind velocity in a particular area.

THE AMOUNT OF ELECTRICITY WE GENERATE FOR SALE IS ENTIRELY DEPENDENT UPON WIND VELOCITY.

We locate our wind parks in areas where studies indicate that the historic wind velocity is sufficient to generate such minimum amount of electricity as in our judgment will generate a profit. If wind patterns change and the expected minimum wind velocity does not occur over our revenues and profits may be materially adversely affected.

NEW TECHNOLOGIES MAY BECOME BETTER SOURCES OF CLEAN ENERGY.

If new technologies for the production of clean energy from sources other than wind power are developed and these technologies are to provide clean energy more efficiently and at lower prices than wind energy we may not be able to sell the electricity we generate at a profit which would have a material adverse effect on our business.

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RISK FACTORS ASSOCIATED WITH HISTORIC BUSINESS

WE HAVE A SIGNIFICANT ACCUMULATED LOSS AND THE LIKELIHOOD OF FUTURE PROFITABILITY IS UNCERTAIN. CONTINUING LOSSES MAY EXHAUST OUR CAPITAL RESOURCES AND FORCE US TO TERMINATE OPERATIONS.

We incurred a net loss in each of the years ended December 31, 2002 and 2003 and we incurred an operating loss in each of those years and for the year ended December 31, 2001 and 2004. For the year ended December 31, 2005 we had a net loss of DKK 7.9 million (approximately \$1.3 million). As of December 31, 2005, we had an accumulated deficit of DKK 465.3 million (approximately \$73.6 million). We may incur additional losses in the foreseeable future. We cannot assure you that we will become profitable or, if we do become profitable, that we will be able to sustain or increase our profitability in the future. If operating losses continue for longer than we expect and we cannot raise additional capital, we may be forced to terminate operations.

OUR FUTURE REVENUES ARE UNPREDICTABLE AND OUR FINANCIAL RESULTS MAY FLUCTUATE. IF OUR FINANCIAL RESULTS FALL BELOW EXPECTATIONS IN ONE OR MORE FUTURE QUARTERS, THE MARKET PRICE OF OUR ADSS MAY BE NEGATIVELY IMPACTED.

We cannot accurately forecast our revenues or operating results. Our revenues and operating results may fluctuate significantly because of several factors, many of which are beyond our control. These factors include:

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- o market acceptance of our products and services;
- o a change in television viewer preferences if we are unsuccessful in addressing those changes in our programming;
- o the non-renewal of our contract with TeleDanmark Kabel to carry dk4;
- o the non-renewal of our contract with Canal Digital A/S to carry dk4;
- o the continued interest in televising live sporting events in Scandinavia;
- o the pace at which new television programming is produced in Scandinavia;
- o customer renewal rates for our products and services;
- o our success in cross marketing our products and services to our existing customers and to new customers;
- o developing our direct and indirect distribution channels;
- o a decrease in the level of spending for Internet products and services from which our royalties are based;
- o our ability to expand our operations;
- o our success in assimilating the operations and personnel of any acquired businesses;
- o the impact of price changes in our products and services or those of our competitors; and

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- o general economic conditions and economic conditions specific to the television programming production or Internet services industry.

Due to all of the above factors, we believe that period-to-period comparisons of our operating results will not necessarily be meaningful, and you should not rely on them as an indication of future performance. Also, operating results may fall below our expectations and the expectations of securities analysts or investors in one or more future quarters. If this were to occur, the market price of our ADSs would likely decline which may result in a significant decline in the value of your investment.

WE HAVE A LIMITED OPERATING HISTORY IN THE MEDIA BUSINESS AND MAY ENCOUNTER DIFFICULTIES SIMILAR TO THOSE FACED BY EARLY STAGE COMPANIES. OUR RESULTS FROM OPERATIONS MAY DEPEND ON HOW SUCCESSFUL WE ARE IN DEALING WITH THESE DIFFICULTIES.

Over the last five years, our business has evolved from (i) a telecommunications company that also provided Internet access to (ii) an Internet services provider focusing primarily on domain name registration services to (iii) providing trusted Internet infrastructure products and services to (iv) our current business which is made up of our TV broadcast channel - dk4 and our TV production company - Prime Vision. We have only a limited operating history in this business on which you can base an evaluation of our current business and prospects. As such, our current business and prospects must be

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considered in light of the risks and uncertainties encountered by companies in the early stages of development.

We cannot be certain that we will successfully address this risk. If we fail, our business and results from operations may be materially and adversely impacted.

WE COMPETE IN THE HIGHLY COMPETITIVE BROADCASTING INDUSTRY.

The Danish broadcast industry is highly competitive and dominated by a few large companies. As a result of competition, in 2001 we consolidated our broadcast operations into one channel. In addition, we expect that the number of channels competing for the places in the TeleDanmark Kabel programming network will increase in the ensuing years. If viewer preferences change and we are unsuccessful in addressing those changes in our programming, we may lose favor with them and they may choose to view a competitor's channel over ours.

IF WE ARE UNABLE TO NEGOTIATE A RENEWAL OF OUR CONTRACT WITH EITHER TELEDANMARK KABEL OR CANAL DIGITAL A/S THE REVENUES FROM OUR BROADCASTING BUSINESS MAY BE ADVERSELY AFFECTED.

Our dk4 television channel is carried as part of the basic package of channels provided to all cable television subscribers to TeleDanmark Kabel (the primary Company providing cable television service in Denmark), for which we receive a per subscriber fee as well as to all subscribers of Canal Digital A/S, a Danish digital satellite television service provider. Our agreement with each of TeleDanmark Kabel and Canal Digital A/S to carry dk4 as part of its basic package expires on December 31, 2006 and December 31, 2007, respectively. We cannot assure you that we will successfully negotiate a renewal of our agreement with TeleDanmark Kabel or Canal Digital A/S. If we are unable to renew any of the agreements the revenues from our broadcasting business would decrease significantly and the results of operations from our broadcasting business would

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be materially and adversely affected.

IF THE INTEREST IN VIEWING LIVE SPORTING EVENTS IN THE SCANDINAVIAN MARKET SHOULD DECREASE OR IF THERE IS A SLOWDOWN IN OTHER TELEVISION PROGRAMMING PRODUCTION OUR RESULTS COULD BE ADVERSELY AFFECTED.

As of May 1, 2005 we have approximately eight large mobile television production vans which are leased to various other companies primarily for their broadcast of live sporting events or the production of original television programming. We also provide many of the technical personnel required for these productions. If we are unable to lease these vans and our technical personnel to other broadcasters or television production companies we will be in a position where we will not be able to cover the expenses associated with this business which in turn could materially and adversely effect our business. Our ability to keep these vans busy in order to generate revenue will be effected by many factors outside of our control, including the continued interest in viewing live sporting events and the continued desire to produce television programming in Scandinavia.

RISK FACTORS ASSOCIATED WITH BOTH CONTINUING BUSINESS AND HISTORIC BUSINESS

WE MAY NEED TO RAISE ADDITIONAL CAPITAL IN THE FUTURE. IF WE CANNOT DO SO, WE MAY NOT BE ABLE TO FUND OUR FUTURE ACTIVITIES OR CONTINUE OPERATING.

Our future capital requirements will depend on a number of factors, including our ability to generate positive cash flow from operations, capital expenditure requirements and acquisition

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opportunities. If we need to raise additional capital in the future, we cannot assure you that we will be able to do so on acceptable terms or at all. If we raise additional capital through the issuance of equity or convertible debt securities, the percentage ownership of our company held by existing shareholders, including holders of our ADSs, will be diluted. In addition, new securities may contain certain rights, preferences or privileges that are senior to those of our ordinary shares. If we are unsuccessful in raising additional capital, when needed, our business and results from operations may be materially and adversely affected.

OUR LONG-TERM GROWTH STRATEGY ASSUMES THAT WE MAKE SUITABLE ACQUISITIONS AND INVESTMENTS. IF WE ARE UNABLE TO ADDRESS THE RISKS ASSOCIATED WITH ACQUISITIONS AND INVESTMENTS OUR BUSINESS COULD BE HARMED.

Our long-term growth strategy includes identifying and, from time to time, acquiring or investing in suitable candidates on acceptable terms. In particular, we intend to acquire or make investments in businesses that provide products and services that expand or complement our existing businesses and expand our geographic reach. In pursuing acquisition and investment opportunities, we may compete with other companies having similar growth and investment strategies. Competition for these acquisition or investment targets could also result in increased acquisition or investment costs and a diminished pool of businesses, available for acquisition or investment. Our long-term growth strategy could be impeded if we fail to identify and acquire or invest in promising candidates on terms acceptable to us.

Assimilating acquired businesses involves a number of other risks, including, but not limited to:

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- o disrupting our business;
- o incurring additional expense associated with a write-off of all or a portion of the related goodwill and other intangible assets due to changes in market conditions or the economy in the markets in which we compete or because acquisitions are not providing the benefits expected;
- o incurring unanticipated costs or unknown liabilities;
- o managing more geographically-dispersed operations;
- o diverting management's resources from other business concerns;
- o retaining the employees of the acquired businesses;
- o assimilating the operations and personnel of the acquired businesses; and
- o maintaining uniform standards, controls, procedures and policies.

For all these reasons, our pursuit of an overall acquisition and investment strategy or any individual acquisition or investment could have a material adverse effect on our business, financial condition and results of operations. If we are unable to successfully address any of these risks, our business could be harmed.

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RAPID GROWTH IN OUR BUSINESS COULD STRAIN OUR MANAGERIAL, OPERATIONAL, FINANCIAL, ACCOUNTING AND INFORMATION SYSTEMS, AND OFFICE RESOURCES. IF WE FAIL TO MANAGE OUR GROWTH EFFECTIVELY, OUR BUSINESS MAY BE NEGATIVELY IMPACTED.

In order to achieve our growth strategy, we will need to expand all aspects of our business, including our computer systems and related infrastructure. We cannot assure you that our infrastructure, technical staff and technical resources will adequately accommodate or facilitate our expanded operations. To be successful, we will need to continually improve our financial and managerial controls, billing systems, reporting systems and procedures, and we will also need to continue to expand, train and manage our workforce.

OUR INTERNATIONAL PRESENCE CREATES RISKS WHICH MAY ADVERSELY AFFECT OUR BUSINESS.

There are certain risks inherent in doing business on an international level. These risks include differences in legal and regulatory requirements and other trade barriers, difficulties in staffing and managing foreign operations, problems in collecting accounts receivable, fluctuations in currency exchange rates, delays from government agencies, and tax laws. In addition, our operations may be affected by changing economic, political and governmental conditions in the countries in which we operate. Our inability or failure to address these risks could have a material adverse affect on our business, operations and financial condition. Also, we cannot assure you that laws or administrative practices relating to taxation, or other matters of countries within which we operate will not change. Any change in these areas could have a material adverse effect on our business, financial condition and results of operations.

IF WE ARE UNABLE TO ATTRACT AND RETAIN HIGHLY QUALIFIED MANAGEMENT AND TECHNICAL PERSONNEL, OUR BUSINESS MAY BE HARMED.

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Our success depends in large part on the contributions of our senior management team, and other key employees and on our ability to attract, integrates, train, retain and motivate these individuals and additional highly skilled technical and sales and marketing personnel. We face intense competition in hiring and retaining quality management personnel. Many of these companies have greater financial resources than we do to attract and retain qualified personnel. The only key employee that has signed an employment agreement is Soren Degn, our Chief Financial Officer. Under the agreement, he can terminate employment on six months notice. As a result, we may be unable to retain our key employees or attract, integrate, train and retain other highly qualified employees in the future, when necessary. If we fail to attract qualified personnel or retain and motivate our current personnel, our business may be negatively impacted.

OUR RESULTS FROM OPERATIONS MAY BE ADVERSELY AFFECTED BY EXCHANGE RATE FLUCTUATIONS.

A portion of our expenditures and receivables are paid in foreign currencies. As a result, our financial results may be affected by an appreciation or depreciation in the value of the Danish kroner relative to the currencies of the countries in which we operate. Except for one hedging transaction done in March of 2002, we have not engaged in hedging or other risk management activities in order to offset the risk of currency exchange rate fluctuations. We cannot predict in any meaningful way the effect of exchange rate fluctuations upon future results. If the value of the Danish kroner declines and the

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currencies of the countries in which we operate appreciate or remain stable our results from operations may be negatively affected.

WE ARE SUBJECT TO INCREASED U.S. REGULATORY REQUIREMENTS IN OUR NEXT FISCAL YEAR, WHICH WILL INCREASE OUR COSTS AND POSE RISKS THAT THE VALUE OF OUR ADSS COULD DECLINE IF WE FAIL TO TIMELY COMPLY.

The value of our publicly traded ADSS held by non-affiliates makes us subject to the financial controls certification requirements of Section 404 of the Sarbanes-Oxley Act as of the end of our next fiscal year, June 30, 2007. We will have to expend significant resources to meet this requirement, and we cannot assure you that we will successfully achieve this objective by that date. Failure to achieve Section 404 certification in a timely manner may adversely effect investor confidence in our Company and this lack of investor confidence may adversely effect the market price of our ADSS.

THE MARKET PRICE OF OUR ADSS MAY DECLINE IF THE VALUE OF THE DANISH KRONER FALLS AGAINST THE US DOLLAR.

Fluctuations in the exchange rate between the Danish Kroner and the US dollar are likely to affect the market price of our ADSS. For example, because EuroTrust's financial statements are reported in Danish Kroners, if the value of the Danish Kroner falls against the US dollar, EuroTrust's earnings per share in US dollars will be reduced. This may adversely affect the price at which our ADSS trade in the US.

THERE IS A LIMITED PUBLIC MARKET FOR OUR SECURITIES AND OUR SECURITIES MAY EXPERIENCE EXTREME PRICE AND VOLUME FLUCTUATIONS.

Our ordinary shares are not listed on any securities exchange or market. However, our ADSS are quoted on the Nasdaq National Market(R). The market price

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of our ADSs may fluctuate significantly in response to various factors and events, including:

- o variations in our operating results;
- o the liquidity of the markets;
- o investor perceptions of us and the segments in which we operate;
- o changes in earnings estimates by analysts;
- o sales of ADSs by existing holders; and
- o general economic conditions.

In addition, Nasdaq has recently experienced broad price and volume fluctuations. This volatility has had a significant effect on the market price of securities of companies for reasons that have often been unrelated to their operating performance. These broad market fluctuations may also adversely affect the market price of our ADSs and as a result, holders of our ADSs may lose a significant portion of their investment.

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WE HAVE NEVER PAID A DIVIDEND NOR DO WE ANTICIPATE DOING SO IN THE FORESEEABLE FUTURE.

We have not declared or paid any cash dividends on our ordinary shares. We do not expect to declare any dividends in the foreseeable future. We anticipate that all cash that would otherwise be available to pay dividends will be applied in the foreseeable future to finance our growth or to implement shareholder-approved repurchases of our stock. Payment of any future dividends will depend on our earnings and capital requirements, and other factors our board of directors deem appropriate.

D. ORGANIZATIONAL STRUCTURE OF THE COMPANY

The following is a list as of December 31, 2005, of our significant subsidiaries and their jurisdiction of incorporation and our ownership interest in those subsidiaries.

SUBSIDIARY		COUNTRY OF INCORPORATION	INTEREST OWNERSHIP
-----		-----	-----
Europe-Visions A/S	(1)	Denmark	100.0% (Sold June 2, 2006)

(1) Formerly known as Euro909Media A/S

Other significant operating subsidiaries consolidated under Europe-Visions A/S and their jurisdiction of incorporation and our ownership interest in those subsidiaries at December 31, 2005:

SUBSIDIARY		COUNTRY OF INCORPORATION	INTEREST OWNERSHIP
-----		-----	-----

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Ciac A/S	Denmark	100.0%
Prime Vision A/S	Denmark	100.0%
Arhustudiet A/S	Denmark	100.0%
Publishing & Management ApS	Denmark	51.0%
TV Akademiet A/S	Denmark	100.0%
Formedia A/S	Denmark	100.0%
Mobile Broadcasting A/S	Denmark	100.0%

PROPERTY, PLANT AND EQUIPMENT

On April 1, 2005, we sold our building located at Poppelgardvej 11-13 in Soborg, Copenhagen to Lion Ejendomme ApS for DKK 20,000,000 in cash. At December 31, 2004 the net book value of the building was DKK 19,638,000. We lease approx. 85 square meters at Poppelgardvej 11-13 in Soborg, Copenhagen from Comendo A/S.

For our broadcasting media operations, we lease 2,233 square meters in Copenhagen, Denmark, and 1,152 square meters in Aarhus, Denmark. Furthermore, we lease six apartments in Aarhus for a total of 724 square meters.

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For our Internet services operations, until February 2005, we leased 1,130 square meters of floor space in Aarhus, Denmark, for our remote data backup subsidiary, EuroTrust Net Vaulting. We sublet approximately 1,049 square meters of office space in Aarhus to Munk IT, Metro Express and Ewire. These subleases expired in the first quarter of 2005.

The total aggregate annual lease costs were approximately DKK 3,574,537 (not in thousands) for 2005. The operating leases are cancelable by both parties through various times between three and six months. We believe that the current facilities for our media operations will be adequate for our purposes for at least the next 12 months. We also believe that there is a supply of alternative facilities available in each of the locations where we operate, should we deem it desirable to expand our facilities or otherwise change locations.

ITEM 5. OPERATING AND FINANCIAL REVIEW AND PROSPECTS

A. OPERATING RESULTS

OVERVIEW

Until December 2001, our business operated in three distinct areas: Internet products and services; broadcasting; and print and online media. In early 2001 we made the strategic decision to focus primarily on providing Internet infrastructure products and services and e-commerce solutions in Scandinavia and selected west European markets and on key elements of our broadcasting business. To that end, in 2001, we sold our domain name registration, the remaining assets of our historical telecommunications business and our print and online media businesses, and consolidated our television programming business. In December 2003 and January, 2004, as part of our plan to intensify our focus on our television programming business and on providing virus detection products and services, we sold EuroTrust Secure Hosting A/S, our secure hosting subsidiary, EuroTrust Realtime Security A/S, our digital video surveillance subsidiary, EuroTrust Sweden AB, our Swedish subsidiary, and the assets related to EuroTrust NetVaulting A/S, our secure remote backup business.

We sold our PKI services business on April 1, 2004 and our virus detection software and services business on September 30, 2004.

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As a result of these various transactions, subsequent to September 30, 2004 our business consists of our broadcast media division, which owns dk4, a Danish television station and operates the television production company Prime Vision.

The proceeds from our divestitures in 2004 allowed us to invest more than \$10 million U.S. in Prime Vision. Prime Vision now owns one of Europe's first High Definition mobile production units, five fully digitalized mobile production units and two mobile analog production units that we expect to rebuild into digital units during 2005. We use these assets to produce content both for our own broadcast operations and for outside clients.

In addition to our television production operations, we continued to expand our media content platforms in 2004. Our original television channel, dk4, increased its subscriber base to record levels. Late in 2004, we also added a new speciality television channel, 4SPORT, to focus on coverage of both Danish sports, in cooperation with The Danish Sports Association, and international sporting events of particular interest to Danish fans.

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CRITICAL ACCOUNTING POLICIES

The discussion and analysis of our financial condition and results of operations are based upon our consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States (GAAP). The preparation of these financial statements requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosures of contingent assets and liabilities. Management bases its estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily available from other sources. Actual results may differ from these estimates under different assumptions or conditions. We believe that the estimates, assumptions and judgments involved in the accounting policies described below have the greatest potential impact on our consolidated financial statements, so we consider these to be our critical accounting policies. See "Summary of Significant Accounting Policies" in the consolidated financial statements for more information about these critical accounting policies, as well as descriptions of other significant accounting policies.

ALLOWANCE FOR DOUBTFUL ACCOUNTS

We maintain allowances for doubtful accounts for estimated losses resulting from the inability of our customers to make required payments. We regularly review the adequacy of our accounts receivable allowance after considering the size of the accounts receivable balance, each customer's expected ability to pay and our collection history with each customer. We review significant invoices that are past due to determine if an allowance is appropriate based on the risk category using the factors described above. We also monitor our accounts receivable for any build up of concentration to any one customer, industry or geographic region. At December 31, 2005 we have two customers who account for approximately 21% and 20% of our outstanding receivables. If we are unable to collect these receivables it would have a significant negative impact on our operating income. We require all acquired companies to adopt our credit policies. The allowance for doubtful accounts represents our best estimate, but changes in circumstances relating to accounts receivable may result in a requirement for additional allowances in the future.

VALUATION OF LONG-LIVED ASSETS

Our long-lived assets totaled DKK 67.1 million, as of December 31, 2005, which consist primarily of equipment subject to amortization and depreciation. We test long-lived assets for recoverability whenever events or changes in circumstances indicate that the carrying amount of such an asset may not be recoverable. Such events or circumstances include, but are not limited to:

- o a significant decrease in the market price of a long-lived asset;
- o a significant adverse change in the extent or manner in which a long-lived asset is being used or in its physical condition;
- o a significant adverse change in legal factors or in the business climate that could affect the value of a long-lived asset;
- o a current-period operating or cash flow loss combined with a history of operating or cash flow losses or a projection or forecast that demonstrates continuing losses associated with the use of a long-lived asset; and
- o a current expectation that it is probable that a long-lived asset will be sold or otherwise disposed of significantly before the end of its previously estimated useful life.

An impairment loss would be recognized when the sum of the undiscounted future net cash flows expected to result from the use of the asset and its eventual disposition is less than its carrying amount. Such impairment loss would be measured as the difference between the carrying amount of the asset and its fair value, which is usually based on future estimated discounted cash flows. Significant judgment is required in the forecasting of future operating results, which are used in the preparation of projected cash flows. If we made different judgments or utilized different estimates, material differences may result in write-downs of net long-lived and intangible assets, which would be reflected by charges to our operating results for any period presented.

We recorded no impairment charge in the years ended December 31, 2004 and December 31, 2005.

GOODWILL

We account for acquisitions under the purchase method of accounting, typically resulting in goodwill. Statement of Financial Accounting Standards (SFAS) No. 142, Goodwill and Other Intangible Assets, requires us to assess goodwill for impairment at least annually in the absence of an indicator of possible impairment and immediately upon an indicator of possible impairment. The statement requires estimates of the fair values of our reporting units. If we determine the fair value of a reporting unit is less than the carrying amount recorded on our Consolidated Balance Sheet, we must measure any impairment loss. The measurement of the impairment loss involves comparing the fair value of the reporting unit with the fair values of the recognized and unrecognized assets and liabilities to arrive at an implied fair value of goodwill, which is then compared to the book value of the goodwill of the reporting unit. At December 31, 2005, we had DKK 24.56 million of goodwill recorded on our Consolidated Balance Sheet. The entire goodwill was recorded in our Broadcasting media segment.

We performed our annual impairment assessment of goodwill in accordance

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with the provisions of SFAS No. 142. In testing for potential impairment, we measured the estimated fair value of our reporting units based upon discounted future operating cash flows using a discount rate reflecting our estimated discount rate for the specific reporting units. Differences in assumptions used in projecting

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future operating cash flows and estimated discount rate could have a significant impact on the determination of impairment amounts.

In estimating future cash flows we used our internal budgets. Our budgets were based on recent sales data for existing products and expected growth rates for the Internet security services and framework agreements entered into with customers in the broadcasting segment. These budgets were based on current royalty percentages, expected staffing levels and expected inflation.

Due to the numerous variables associated with our judgments and assumptions relating to the valuation of the reporting units and the effects of changes in circumstances affecting these valuations, both the precision and reliability of the resulting estimates are subject to uncertainty, and as additional information becomes known, we may change our estimates.

For the year ended December 31, 2004 based on our annual impairment assessment of goodwill, there were impairment charges of DKK 965 thousand. No impairment charge was recorded for the year ended December 31, 2005.

TAX ASSET VALUATION

We currently have deferred tax assets resulting from net operating loss carry forwards, and deductible temporary differences, all of which will reduce taxable income in the future. We assess the realization of these deferred tax assets when necessary to determine whether an income tax valuation allowance is required. Based on available evidence, both positive and negative, we determine whether it is more likely than not that all or a portion of the remaining net deferred tax assets will be realized. The main factors that we consider include:

- o future earnings potential determined through the use of internal forecasts;
- o cumulative losses in recent years;
- o history of loss carry forwards and other tax assets expiring;
- o the carry forward period associated with the deferred tax assets; and
- o the nature of the income that can be used to realize the deferred tax asset.

If it is our belief that it is more likely than not that some portion of these assets will not be realized, an income tax valuation allowance is recorded. Our gross tax assets and valuation allowances were DKK 113.9 million and DKK 105.3 million respectively, as of December 31, 2005 resulting in a net deferred tax asset of DKK 8.6 million.

See Note 13 to our financial statements for further details regarding this deferred tax asset.

If market conditions improve and future results of operations exceed our current expectations, our existing tax valuation allowances may be adjusted,

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resulting in future tax benefits. Alternatively, if market conditions deteriorate further or future results of operations are less than expected, future assessments may result in a determination that some or all of the net deferred tax assets are not realizable. As a result, we may need to establish additional tax valuation allowances for all or a portion of the net deferred tax assets.

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CONSOLIDATED RESULTS

YEAR ENDED DECEMBER 31, 2005 COMPARED WITH YEAR ENDED DECEMBER 31, 2004

Net revenue for the year ended December 31, 2005 was DKK 94.7 million, an increase of DKK 3.7 million, or 4.0%, compared to revenue of DKK 91.0 million for the year ended December 31, 2004. The table below compares revenue for both years on a segment-by-segment basis.

	REVENUE		VALUE INCREASE (DECREASE)	PERCENTAGE INCREASE (DECREASE)
	2005	2004		
(IN MILLIONS OF DKK)				
Internet services	0	23	(23)	(100.0%)
Broadcast media	94,652	91,013	3,639	4.0%
Total	94,652	91,036	3,616	4.0%

The Internet services segment showed a decrease in revenues and the broadcast media segment showed an increase in revenues. The decrease in revenue in our Internet services segment is attributable to the sales of all our business within that segment through 2003 and 2004. The increase in revenue in our broadcast media segment reflects the increase in number of subscribers to dk4, our television channel, and the increase of revenue in Prime Vision, our production company.

Total operating expenses for the year ended December 31, 2005 were DKK 118.4 million, a increase of DKK 7.6 million, or 4.7%, from the total operating expenses of DKK 110.8 million for the year ended December 31, 2004. This decrease is primarily attributable due to the increase in production facilities and the increase in expenses related to the growth in Prime Vision as well as the increase of new subscribers to dk4 and the related variable costs related to the increase number of subscribers and our increased focus on further developing and enhancing our broadcast media business. The table below shows our operating expenses by category on a segment-by-segment basis.

	COST OF SALES		VALUE INCREASE (DECREASE)	PERCENTAGE INCREASE (DECREASE)
	2005	2004		
(IN MILLIONS OF DKK)				

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Internet Services	0	0	0	0.0%
Broadcast media	68,806	60,349	8,457	14.0%
Total	68,806	60,349	8,457	14.0%

SALES/MARKETING	VALUE INCREASE (DECREASE)	PERCENTAGE INCREASE (DECREASE)
2005	2004	

(IN MILLIONS OF DKK)

Internet services	2,847	3,502	(655)	(18.7%)
Broadcast media	14,302	14,225	77	0.5%
Total	17,149	17,727	(578)	(3.3%)

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GENERAL/ ADMINISTRATION	VALUE	PERCENTAGE
2005	2004	INCREASE (DECREASE)

(IN MILLIONS OF DKK)

Internet services	6,839	8,905	(2,066)	(23.2%)
Broadcast media	13,916	12,638	1,278	10.1%
Total	20,755	21,543	(788)	(3.7%)

DEPRECIATION AMORTIZATION AND WRITE DOWN	VALUE	PERCENTAGE
2005	2004	INCREASE (DECREASE)

(IN MILLIONS OF DKK)

Internet Services	594	2,071	(1,477)	(71.3%)
Broadcast media	11,101	9,069	2,032	22.4%
Total	11,695	11,140	555	5.0%

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In our Internet services segment the operating expenses generally decreased due to our continued focus on lowering expenses generally in this segment.

In our broadcast media segment operating expenses generally increased due to the increase in production facilities and the increase in expenses related to the growth in Prime Vision as well as the increase of new subscribers to dk4 and the related variable costs related to the increase number of subscribers and our increased focus on further developing and enhancing our broadcast media business.

For the year ended December 31, 2005, the gross profit for our Internet services segment was DKK 0. For the year ended December 31, 2004, the gross profit for our Internet services business was DKK 23 thousand, or a margin of 100% of segment revenues.

In the case of our broadcast media segment, the gross profit for 2005 was DKK 25.8 million or 27.3% of segment revenues while the gross profit margin for 2004 was DKK 30.7 million, or 33.7% of segment revenues. This decrease is primarily attributable to the increase in cost resulting from our increased focus on further developing and enhancing our broadcast media business.

For the year ended December 31, 2005 our operating loss increased by DKK 4.1 million to DKK 23.8 million compared to a loss of DKK 19.7 million for the year ended December 31, 2004.

The operating loss for our Internet services segment decreased by DKK 4.3 million to DKK 10.3 million compared to a loss of DKK 14.6 million for the year ended December 31, 2004.

For our broadcast media segment, we incurred an operating loss of DKK 13.5 million compared to an operating loss of DKK 5.3 million for the year ended December 31, 2004. This decrease is attributable to the increase in operating expenses due to our increased focus on further developing and enhancing our broadcast media business.

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For 2005, we had interest income of DKK 1.4 million and interest expense of DKK 1.5 million. For 2004, interest income was DKK 0.3 million and interest expense was DKK 1.2 million. The increase in interest income in 2005 reflects the increase in our cash balances from the sale of our businesses.

For 2005, we had a net foreign exchange income of DKK 0.7 million compared to a net foreign exchange loss of DKK 0.8 million in 2004.

For 2004, based on our review of the valuation of long term investments and marketable securities held at December 31, 2004, we wrote down a total amount of DKK 14.9 million. No write down was made in 2005.

Our Net loss for the year ended December 31, 2005 decreased to DKK 7.9 million compared to a Net income of DKK 58.5 million for the year ended December 31, 2004. The decrease in our Net income of DKK 66.4 million is primarily attributable to one time gains from the sale of the Internet segment businesses in the aggregate of DKK 83.6 million offset by a one time write down of long term investments and marketable securities of DKK 14.9 million in 2004.

YEAR ENDED DECEMBER 31, 2004 COMPARED WITH YEAR ENDED DECEMBER 31, 2003

Net revenue for the year ended December 31, 2004 was DKK 91.0 million, a

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decrease of DKK 18.8 million, or 17.1%, compared to revenue of DKK 109.8 million for the year ended December 31, 2003. The table below compares revenue for both years on a segment-by-segment basis.

	REVENUE		AMOUNT OF	PERCENTAGE
	2004	2003	INCREASE (DECREASE)	INCREASE (DECREASE)
	-----	-----	-----	-----
	(IN THOUSANDS OF DKK)			
Internet services	23	21,203	(21,180)	(99.9%)
Broadcast media	91,013	88,619	2,394	2.7%
TOTAL	91,036	109,822	(18,786)	(17.1%)

The Internet services segment showed a decrease in revenues and the broadcast media segment showed an increase in revenues. The decrease in revenue in our Internet services segment is primarily attributable to the sales of our remote backup business as of December 1, 2003 and the sale of our secure hosting business as of January 1, 2004. The increase in revenue in our broadcast media segment reflects the increase in number of subscribers to dk4, our television channel, and the increase of revenue in Prime Vision, our production company.

Total operating expenses for the year ended December 31, 2004 were DKK 110.8 million, a decrease of DKK 5.5 million, or 4.7%, from the total operating expenses of DKK 116.3 million for the year ended December 31, 2003. This decrease is primarily attributable to decreases in Cost of sales and General and administrative expenses, resulting primarily from the sales of the businesses in our Internet services segment. The table below shows our operating expenses by category on a segment-by segment basis.

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	COST OF SALES		AMOUNT OF	PERCENTAGE
	2004	2003	INCREASE (DECREASE)	INCREASE (DECREASE)
	-----	-----	-----	-----
	(IN THOUSANDS OF DKK)			
Internet services	0	7,773	(7,773)	(100.0%)
Broadcast media	60,349	58,045	2,304	4.0%
TOTAL	60,349	65,818	(5,469)	(8.3%)

	SELLING AND MARKETING		AMOUNT OF	PERCENTAGE
	2004	2003	INCREASE (DECREASE)	INCREASE (DECREASE)
	-----	-----	-----	-----
	(IN THOUSANDS OF DKK)			
Internet services	3,502	5,410	(1,908)	(35.3%)
Broadcast media	14,225	12,085	2,140	17.7%
TOTAL	17,727	17,495	232	1.3%

	GENERAL AND ADMINISTRATIVE		AMOUNT OF	PERCENTAGE
	2004	2003	INCREASE (DECREASE)	INCREASE (DECREASE)
	-----	-----	-----	-----

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(IN THOUSANDS OF DKK)

Internet services	8,905	14,344	(5,439)	(37.9%)
Broadcast media	12,638	12,537	101	0.8%
	-----	-----	-----	-----
TOTAL	21,543	26,881	(5,338)	(19.9%)

	DEPRECIATION, AMORTIZATION AND WRITE DOWN 2004	2003	AMOUNT OF INCREASE (DECREASE)	PERCENTAGE INCREASE (DECREASE)
	-----	-----	-----	-----
	(IN THOUSANDS OF DKK)			
Internet services	2,071	1,311	760	(58.0%)
Broadcast media	9,069	4,764	4,305	90.4%
	-----	-----	-----	-----
TOTAL	11,140	6,075	5,065	83.4%

In our Internet services segment the operating expenses generally decreased due to our continued focus on lowering expenses generally and the significant cost reduction from the divestiture of the businesses in this segment.

In our broadcast media segment operating expenses generally increased due to the increase in production facilities and the increase in expenses related to the growth in Prime Vision as well as the increase of new subscribers to dk4 and the related variable costs related to the increase number of subscribers and our increased focus on further developing and enhancing our broadcast media business.

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For the year ended December 31, 2004, the gross profit for our Internet services segment was DKK 23 thousand, or a margin of 100% of segment revenues. For the year ended December 31, 2003, the gross profit for our Internet services business was DKK 13.4 million, or a margin of 63.3% of segment revenues.

In the case of our broadcast media segment, the gross profit for 2004 was DKK 30.7 million, or 33.7% of segment revenues while the gross profit margin for 2003 was DKK 30.6 million, or 34.5% of segment revenues. This decrease is primarily attributable to the increase in cost resulting from our increased focus on further developing and enhancing our broadcast media business.

For the year ended December 31, 2004 our operating loss increased by DKK 13.3 million to DKK 19.7 million compared to a loss of DKK 6.5 million for the year ended December 31, 2003.

The operating loss for our Internet services segment increased by DKK 6.9 million to DKK 14.5 million compared to a loss of DKK 7.6 million for the year ended December 31, 2003. This increase is primarily attributable to the decrease in revenues due to the divestiture of the businesses in this segment.

For our broadcast media segment, we incurred an operating loss of DKK 5.3 million compared to an operating income of DKK 1.2 million for the year ended December 31, 2003. This decrease is attributable to the increase in operating expenses due to our increased focus on further developing and enhancing our broadcast media business.

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For 2004, we had interest income of DKK 0.3 million and interest expense of DKK 1.2 million. For 2003, interest income was DKK 0.2 million and interest expense was DKK 1.6 million. The increase in interest income in 2004 reflects the increase in our cash balances from the sale of our businesses. The decrease in interest expense in 2004 reflects a one time guarantee payment of DKK 1.1 million in 2003 not incurred in 2004.

For 2004, we had a net foreign exchange (loss) of DKK 0.8 million compared to a net foreign exchange loss of DKK 1.8 million in 2003.

For 2004, based on our review of the valuation of long term investments and marketable securities held at December 31, 2004, we wrote down a total amount of DKK 14.9 million.

Our Net income for the year ended December 31, 2004 increased to DKK 58.5 million compared to a Net loss of DKK 6.3 million for the year ended December 31, 2003. The increase in our Net income of DKK 64.8 million is primarily attributable to one time gains from the sale of the Internet segment businesses in the aggregate of DKK 83.6 million offset by a one time write down of long term investments and marketable securities of DKK 14.9 million.

B. LIQUIDITY AND CAPITAL RESOURCES

Historically, our primary cash needs have been for capital expenditures and to fund operating losses. At December 31, 2005, our cash and cash equivalents totaled DKK 12.3 million compared to cash and cash equivalents totaling DKK 6.8 million at December 31, 2004. At December 31, 2005 the ratio of current assets to current liabilities was 1.12 to 1. Our current assets primarily reflect our cash and cash equivalents, restricted cash and accounts receivables.

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At December 31, 2005, we had secured lines of credit from banks totaling DKK 12 million, of which DKK 11.3 million have been drawn, and an outstanding note payable, due in September 2009, in the principal amount of DKK 3.111 million which accrues interest at a rate of 5.5% per annum and is payable in equal monthly installments. Interest on the secured lines of credit is payable on the line at a floating rate based on the market rates of the major banks. The weighted average interest rate as of December 31, 2004 was 6.0%. In Denmark, a line of credit, such as that used by us, can be cancelled upon three months notice. Any termination would result in the principal and interest becoming due and payable immediately. The line of credit has been used for working capital purposes.

For the year ended December 31, 2005, cash used in operations (including cash provided by discontinued operations) was DKK 22.0 million compared to DKK 10.7 million for the prior year, an increase of DKK 11.3 million. The increase is primarily due to a decrease in accounts payable in 2005 compared to 2004.

For the year ended December 31, 2005, cash provided by investing activities was DKK 3.4 million compared to cash provided by investing activities of DKK 6.0 million for the prior year, a decrease of DKK 2.6 million.

For the year ended December 31, 2005, cash provided by financing activities was DKK 24.9 million compared to cash provided by financing activities of DKK 2.1 million for the prior year, an increase of DKK 22.8 million. This increase is primarily due to a net change in restricted cash in of 10.7 and an increase in proceeds from the issuance of common shares of DKK 9.7 million.

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Our capital expenditures for the year ended December 31, 2005 were DKK 16.0 million. These expenditures primarily relate to purchase of equipment in our media segment.

We believe that our cash on hand and the positive trend of our operating cash flow together with borrowings currently available and other potential sources of funds as described above will be sufficient to fund our anticipated working capital needs and capital spending requirements in the foreseeable future. However, if we were to incur any unanticipated expenditures or the positive trend of our operating cash flow does not continue, such circumstances could put a substantial burden on our cash resources.

CONTRACTUAL OBLIGATIONS (in thousands of DKK)

CONTRACTUAL OBLIGATIONS	2006	LATER YEARS	TOTAL OBLIGATIONS
Capital leases	2,191	5,213	7,404
Operating leases	3,926	1,323	5,249
TOTAL CONTRACTUAL OBLIGATIONS	6,117	6,536	12,653

INFLATION

We do not believe that inflation had a material impact on our results of operations.

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IMPACT OF RECENTLY ISSUED ACCOUNTING STANDARDS

In December 2004, the FASB issued SFAS No. 123(R), "Share-Based Payment". This Statement revises SFAS No. 123, "Accounting for Stock-Based Compensation" and supersedes APB Opinion No. 25, "Accounting for Stock Issued to Employees."

SFAS No. 123(R) requires that the compensation cost relating to share-based payment transactions be recognized in financial statements. The cost will be measured based on the fair value of the instruments issued. The Company will be required to apply SFAS No. 123(R) as of the first fiscal year that begins after June 30, 2005. Accordingly, The Company will adopt SFAS No. 123(R) during the first quarter of fiscal 2006. Management is currently evaluating the impact SFAS No. 123(R) will have on the Company's results of operations as a result of adopting this new Standard. Upon adopting SFAS 123(R) the Company's income will decrease as a result of the additional compensation expense if additional options are granted.

In December 2004, the FASB issued Statement of Financial Accounting Standard ("SFAS") No. 153, "Exchanges of Non-monetary Assets." This Statement amends Opinion 29 to eliminate the exception for non-monetary exchanges of similar productive assets and replaces it with a general exception for exchanges of non-monetary assets that do not have commercial substance. A non-monetary

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exchange has commercial substance if the future cash flows of the entity are expected to change significantly as a result of the exchange. The provisions of this Statement are effective for non-monetary asset exchanges occurring in fiscal periods beginning after June 15, 2005. Earlier application is permitted for non-monetary asset exchanges occurring in fiscal periods beginning after December 16, 2004. The provisions of this Statement should be applied prospectively. The adoption of this pronouncement did not have a material effect on the Company's financial statements.

The Emerging Issues Task Force ("EITF") Issue 04-8, "The Effect of Contingently Convertible Instruments on Diluted Earnings per Share." The EITF reached a consensus that contingently convertible instruments, such as contingently convertible debt, contingently convertible preferred stock, and other such securities should be included in diluted earnings per share (if dilutive) regardless of whether the market price trigger has been met. The consensus is effective for reporting periods ending after December 15, 2004. The adoption of this pronouncement did not have a material effect on the Company's financial statements.

In May 2005, the FASB issued FASB 154, "Accounting Changes and Error Corrections," a replacement of APB Opinion No. 20 and FASB statement No. 3, "Reporting Accounting Changes in Interim Financial Statements." This statement changes the requirements for the accounting for and reporting of a change in accounting principle. This Statement applies to all voluntary changes in accounting principle. It also applies to changes required by an accounting pronouncement in the unusual instance that the pronouncement does not include specific transition provisions. When a pronouncement includes specific transition provisions, those provisions should be followed. This statement is effective for accounting changes and corrections of errors made in fiscal years beginning after December 15, 2005.

On September 28, 2005, the FASB ratified the following consensus reached in EITF Issue 05-8 ("Income Tax Consequences of Issuing Convertible Debt with a Beneficial Conversion Feature"): a) The issuance of convertible debt with a beneficial conversion feature results in a basis difference in applying FASB Statement of Financial Accounting Standards SFAS No. 109, Accounting for Income Taxes. Recognition of such a feature effectively creates a debt instrument and a separate equity instrument for book purposes, whereas the convertible debt is treated entirely as a debt instrument for income tax purposes. b) The resulting basis difference should be deemed a temporary difference because it will

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result in a taxable amount when the recorded amount of the liability is recovered or settled. c) Recognition of deferred taxes for the temporary difference should be reported as an adjustment to additional paid-in capital. This consensus is effective in the first interim or annual reporting period commencing after December 15, 2005, with early application permitted. The effect of applying the consensus should be accounted for retroactively to all debt instruments containing a beneficial conversion feature that are subject to EITF Issue 00-27, "Application of Issue No. 98-5 to Certain Convertible Debt Instruments" (and thus is applicable to debt instruments converted or extinguished in prior periods but which are still presented in the financial statements). The adoption of this pronouncement is not expected to have a material impact on the Company's financial statements.

The Emerging Issues Task Force ("EITF") reached a tentative conclusion on EITF Issue No. 05-1, "Accounting for the Conversion of an Instrument That Becomes Convertible upon the Issuer's Exercise of a Call Option" that no gain or loss should be recognized upon the conversion of an instrument that becomes

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convertible as a result of an issuer's exercise of a call option pursuant to the original terms of the instrument. The application of this pronouncement is not expected to have an impact on the Company's consolidated financial statements.

In June 2005, the FASB ratified EITF Issue No. 05-2, "The Meaning of 'Conventional Convertible Debt Instrument' in EITF Issue No. 00-19, 'Accounting for Derivative Financial Instruments Indexed to, and Potentially Settled in, a Company's Own Stock'" ("EITF No. 05-2"), which addresses when a convertible debt instrument should be considered 'conventional' for the purpose of applying the guidance in EITF No. 00-19. EITF No. 05-2 also retained the exemption under EITF No. 00-19. EITF No. 05-2 is effective for new instruments entered into and instruments modified in periods beginning after June 29, 2005. The Company has applied the requirements of EITF No. 05-2 since the required implementation date. The adoption of this pronouncement did not have an impact on the Company's consolidated financial statements.

EITF Issue No. 05-4 "The Effect of a Liquidated Damages Clause on a Freestanding Financial Instrument Subject to EITF Issue No. 00-19, 'Accounting for Derivative Financial Instruments Indexed to, and Potentially Settled in, a Company's Own Stock'" ("EITF No. 05-4") addresses financial instruments, such as stock purchase warrants, which are accounted for under EITF 00-19 that may be issued at the same time and in contemplation of a registration rights agreement that includes a liquidated damages clause. The consensus of EITF No. 05-4 has not been finalized. The Company does not believe the adoption of this pronouncement will have an impact on the Company's consolidated financial statements.

In September 2005, the FASB ratified EITF Issue No. 05-7, "Accounting for Modifications to Conversion Options Embedded in Debt Instruments and Related Issues" ("EITF No. 05-7"), which addresses whether a modification to a conversion option that changes its fair value affects the recognition of interest expense for the associated debt instrument after the modification and whether a borrower should recognize a beneficial conversion feature, not a debt extinguishment, if a debt modification increases the intrinsic value of the debt. EITF No. 05-7 is effective for the first interim or annual reporting period beginning after December 15, 2005. The Company does not believe the adoption of this pronouncement will have an impact on the Company's consolidated financial statements.

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OFF BALANCE SHEET ARRANGEMENTS

The Company is not aware of any material transactions which are not disclosed in its consolidated financial statements.

ITEM 6. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

A. DIRECTORS AND EXECUTIVE OFFICERS

The following table sets forth, as of June 1, 2006, the name, position, age, principal occupation and address and the date on which they first became an officer or director for our directors and senior management.

NAME AND POSITION	AGE	PRINCIPAL OCCUPATION AND ADDRESS	DATE BECAME A DIRECTOR/OFFICER
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Bo Kristensen President, Chief Executive Officer	46	Chief Executive Officer of EuroTrust A/S Poppelgaardvej 11-13 2860 Soeborg Denmark	May 2006
Soren Degn Chief Financial Officer...	37	Chief Financial Officer of EuroTrust A/S Poppelgaardvej 11-13 2860 Soeborg Denmark	September 2003
Erik Damgaard Chairman of the Board.....	45	Private Investor c/o EuroTrust A/S Poppelgaardvej 11-13 2860 Soeborg Denmark	December 2005
Peter Juul Director, Chief Executive Officer of Aktiv Gruppen Holding A/S.....	43	Chief Executive Officer of Aktiv Gruppen Holding A/S and a Director of EuroTrust A/S Poppelgaardvej 11-13 2860 Soeborg Denmark	December 2005
John J. Stuart, Jr. (1) (2) Director.....	66	Chief Financial Officer of Irvine Sensors Corporation 3001 Redhill Avenue Costa Mesa, CA 92626-4532 USA	May 1998
Christian Rovsing (1) (2) Director.....	69	Management Consultant c/o EuroTrust A/S Poppelgaardvej 11-13 2860 Soeborg Denmark	May 2006

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NAME AND POSITION	AGE	PRINCIPAL OCCUPATION AND ADDRESS	DATE BECAME A DIRECTOR/OFFICER
Jan Berger (1) (2) Director.....	63	Management Consultant c/o EuroTrust A/S Poppelgaardvej 11-13 2860 Soeborg Denmark	May 2003

(1) Member, audit committee of the Board of Directors.

(2) Member, compensation committee of the Board of Directors.

BO KRISTENSEN, PRESIDENT, CHIEF EXECUTIVE OFFICER

Mr. Kristensen has been our Chief Executive Officer since May 2006. He

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has been affiliated as partner and responsible for economy and financing in the subsidiary Aktiv Gruppen Holding A/S since 2001. Mr. Kristensen also serves as a member of the board for several of our wholly owned subsidiaries. Mr. Kristensen has a Graduate Diploma in Economics (Management Accounting) and Higher Commercial Examination. Mr. Kristensen is highly experienced in both business areas - Renewable Energy and Estate Development

SOREN DEGN, CHIEF FINANCIAL OFFICER

Mr. Degn has been our Chief Financial Officer since September 2003. He also serves as a member of the board for several of our wholly-owned subsidiaries. Prior to this appointment he served as our Corporate Finance Director since 2001. Mr. Degn spent 5 years with Kampsax A/S (a consultancy firm) and 7 years with KPMG in Denmark. Mr. Degn has a Graduate Diploma in Business Administration in accountancy and a MSC (Business Administration and Auditing) in financial planning and control from the Copenhagen Business School.

PETER JUUL, DIRECTOR, CHIEF EXECUTIVE OFFICER OF AKTIV GRUPPEN HOLDING A/S

Mr. Juul has been the Chief Executive Officer of Aktiv Gruppen Holding A/S since November 14, 2005. He was Chairman of the board of Aktiv Gruppen from September 1, 2002 to November 14, 2005. Prior to his becoming Chief Executive Officer of Aktiv Gruppen, Mr. Juul was a partner in the law firm of Interlex Advokater located in Arhus, Denmark.

ERIK DAMGAARD, Chairman of the Board of DIRECTORS

Mr. Damgaard is currently a private investor. From 2002 to 2004 Mr. Damgaard was a software architect for Microsoft Corporation. Prior to 2002 Mr. Damgaard was the Technology Officer of Navision A/S, a company which he helped found. In 2002, Navision A/S was sold to Microsoft.

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JOHN J. STUART, JR., DIRECTOR

Mr. Stuart was elected to our Board of Directors in May 1998. Since January 1983 Mr. Stuart has been employed by Irvine Sensors Corporation ("ISC"), Costa Mesa, California USA, a developer of proprietary technologies to produce extremely compact packages of solid state microcircuitry. He currently serves as ISC's Senior Vice President and Chief Financial Officer, positions he has held since November 1998 and July 1985, respectively. Between July 1985 and February 1995, he also held the position of ISC's treasurer and was reappointed to this position in November 1998. Mr. Stuart holds a degree in Industrial Management from the Massachusetts Institute of Technology.

CHRISTIAN ROVSING, DIRECTOR

Mr. Rovsing was a member of the European Parliament from 1989-2004. He is currently president or a board member of a number of companies active mainly in the areas of space, biotech and telecommunications. Mr. Rovsing received a M.Sc. (electronics) from the Technical University of Denmark.

JAN BERGER, DIRECTOR

Mr. Berger was elected to our Board of Directors in May 2003. Mr. Berger has been a Management Consultant since 1998. He has more than 24 years of experience in the Information Technology (IT) industry and has held various top management positions with leading IT companies. In addition, Mr. Berger has served as a board member at several companies including, chairman of the board

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of Skrivervik Data, a SUN Microsystems distributor in Norway. Mr. Berger has degree in Business Economics and Administration with an emphasis on Sales and Marketing.

There are no family relationships among any of our directors and executive officers or those of our subsidiaries.

B. COMPENSATION

EXECUTIVE COMPENSATION

Cash compensation paid by us and our subsidiaries for the year ended December 31, 2005 to our directors and senior management for services in all capacities, other than professional fees, totaled approximately DKK 2.6 million (approximately \$411,000). In addition, we maintain a standard pension plan for our executive officers under the terms of which we contribute an amount equal to 15% of their annual salary to the plan. The total contribution for 2005 totaled approximately DKK 402,000 (approximately \$64,000).

We have an employment agreement with Mr. Soren Degn our chief financial officer which provides, among other things, for an annual salary of DKK 1,080,000 and an annual vacation payment of DKK 50,000. Also pursuant to the Agreement, in May 2005 Mr. Degn was granted a 10 year option to purchase 112,500 ADSs at a price of DKK 4.75 per ADS (the market price of our ADSs on the date of the grant). Mr. Degn's employment agreement will initially expire on December 31, 2007. However the agreement will automatically be extended for unlimited 1-year periods unless we provide him with 2 years advance notice that the Company will not renew his employment.

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We had an employment agreement with Mr. Aldo Petersen our former chief executive officer which provided, among other things, for an annual salary of DKK 1.8 million an annual vacation payment of DKK 50,000 and an annual bonus based upon the annual income of the Company. This agreement expired on December 31, 2008. In connection with the acquisition of Aktiv Gruppen, Mr. Petersen and the Company agreed in November, 2005 that his employment agreement would terminate immediately after the 2005 Annual General Meeting of the Company, which was held on May 24, 2006. Mr. Petersen was paid DKK 1,000,000 by the Company in exchange for his agreement to the early termination of his employment agreement.

OPTIONS

Options that were granted pursuant to our stock option plan to the named executive officers during the year ended December 31, 2005 and are set forth in the following table:

NAME	SECURITIES UNDERLYING OPTIONS	EXERCISE PRICE PER SHARE (\$)	EXPIRATION DATE
Aldo M. N. Petersen	225,000	4.75	April 30, 2015
Soren Degn	112,500	4.75	April 30, 2015

DIRECTOR COMPENSATION

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Directors are reimbursed for expenses they incur in connection with attending meetings of the Board of Directors and committees thereof. We periodically grant options to our directors, although the amount and timing of those grants are determined by the Board in its sole discretion. In addition, our independent directors are paid (U.S.) \$5,000 per quarter for serving as a director and receive (U.S.) \$1,000 for each Board meeting which they attend in person

C. BOARD PRACTICES

Our Board of Directors may consist of between three and seven members. As of May 24, 2006, the Board consisted of five members. Under certain provisions of the Danish Companies Act, our employees have the right to elect three board members. However, our employees have not exercised this right.

Each director is elected by a vote at the annual or special meeting of the shareholders and serves for a term of one year. All of our current directors were elected or re-elected at the annual general meeting held on May 24, 2006.

There is no restriction on the re-election of directors. The quorum for a meeting of the Board of Directors is a simple majority. All members of the Board of Directors have equal voting rights and all resolutions are passed by a simple majority.

The citizenships of the directors are as follows:

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Name	Country of Citizenship
ERIK DAMGAARD	Denmark
PETER JUUL	Denmark
JOHN J. STUART, JR.	United States
JAN BERGER	Norway
CHRISTIAN ROVSING	Denmark

There are no agreements with our Board members that provide for the payment of benefits upon termination of their directorship.

The Board has determined that Messrs. Berger, Roving and Stuart meet the standard for independent directors as required by the listing standards of NASDAQ.

BOARD COMMITTEES

Our Board of Directors has an audit committee and a compensation committee.

The audit committee reviews our financial statements and accounting practices, approves the selection of the Company's independent auditors and meets and interacts with the independent auditors to discuss questions in regard to the Company's financial reporting, reviews the results and scope of the audit and other services provided by our independent auditors, and our internal controls. The audit committee consists of Messrs. Berger, Roving and Stuart. The Board has determined that Mr. Stuart is an "audit committee financial expert", as defined under the rules promulgated by the United States Securities and Exchange Commission.

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The compensation committee makes recommendations to the Board regarding remuneration of executive officers and reviews our compensation plans and policies. The compensation committee consists of Messrs. Berger, Rovsing and Stuart.

INDEMNIFICATION

Except to the extent indicated below, neither our Articles of Association nor any contract or other arrangement to which we are a party contains any provision under which any of our directors, members of management or officers are insured or indemnified in any manner against any liability that he or she may incur in his or her capacity as a director or an officer.

We have obtained an insurance policy under which our directors and officers are insured against losses arising from their acts or omissions in their capacities as directors or officers up to DKK 40 million. This policy has a DKK 50,000 deductible.

Under the Danish Act on Limited Companies, our directors and officers, who are registered as managers with the Danish Commerce and Companies Agency, are liable for losses caused deliberately or by negligence in connection with the performance of their duties to us and to third parties. Officers not so registered are indemnified by us under applicable Danish law in respect of actions taken by them in their official capacity.

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Insofar as indemnification for liabilities under the Securities Act of 1933, as amended, may be permitted to our directors, officers or controlling persons as set forth above, we have been informed that in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable.

D. EMPLOYEES

As of December 31, 2005, we had 91 employees, a decrease of 10 employees from the prior year. All of our employees are located in Denmark (see the following table.) This decrease is primarily attributable to the selling of our e-security businesses. The table below gives a breakdown of our employees and area of employment:

	Denmark	Total
Sales and marketing	2	2
Customer service and support	0	0
Technical	71	71
Finance and administration	18	18
	--	--
Totals	91	91
	==	==

Some of our employees are members of various labor unions; however, we are not required to, and we do not have agreements with any union. We have not experienced any work stoppages, and we consider our relations with our employees to be good.

Competition in the recruiting of highly-qualified personnel is intense. We believe that our future success will depend, in part, on our continued ability to hire, motivate and retain qualified management, marketing and

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technical personnel. To date, we have not experienced any difficulty in attracting and retaining qualified personnel, but we can provide no assurance that we will be able to continue to attract and retain qualified personnel in the future.

We believe that our relations with our union and non-union employees are good.

E. The following table sets forth the ownership of our ordinary shares by the individuals named in Item 6.A., as of June 9, 2006

NAME	NUMBER ORDINARY SHARES AND ADSS (1)	PERCENT (2)
Bo Kristensen	3,400,000	10.20%
Erik Damgaard	1,823,267	5.47%
Peter Juul	2,820,000	8.46%
Soren Degn	*	*
John J. Stuart, Jr.	*	*
Christian Rovsing	*	*
Jan Berger	*	*
All officers and directors As a group (7 persons)	8,249,667 (3)	24.47%

* Less than 1%

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- (1) Beneficial ownership is determined in accordance with the rules of the Securities and Exchange Commission and generally includes voting or investment power with respect to securities. Common shares relating to options currently exercisable or exercisable within 60 days of June 9, 2006 are deemed outstanding for computing the percentage of the person holding such securities but are not deemed outstanding for computing the percentage of any other person. Except as indicated by footnote, and subject to community property laws where applicable, the persons named in the table above have sole voting and investment power with respect to all shares shown as beneficially owned by them.
- (2) As of June 9, 2006, 33,342,760 ordinary shares are issued, including no treasury shares. Beneficial ownership percentages are calculated based on 33,342,760 ordinary shares issued and outstanding as of June 9, 2006. Of the amount issued, 28,580,878 ordinary shares have been deposited (represented by 28,580,878 ADSSs, each representing one ordinary share issued) under the Deposit Agreement with The Bank of New York.
- (3) Includes 95,000 ordinary shares underlying exercisable options and warrants.

ITEM 7. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

A. MAJOR SHAREHOLDERS

The following table sets forth information, as of June 9, 2006 with respect to the beneficial ownership of our ordinary shares by each shareholder known by us to beneficially own more than 5% of our ordinary shares.

NAME OF BENEFICIAL OWNER(1)	SHARES BENEFICIALLY OWNED NUMBER (1) PERCENT
-----------------------------	---

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Erik Damgaard	1,823,267	5.47%
A,O, Holding ApS, controlled by Arne Olsen	3,756,550	11.27%
J,L,Invest Holding ApS, controlled by Jan Larsen	3,436,550	10.31%
Dansk Anlaegsinvest ApS, controlled by Bo Kristensen	3,400,000	10.20%
Volleshave Holding ApS, controlled by Peter Juul	2,820,000	8.46%
Peter Forchhammer	3,088,967	9.26%
Vind Energi Invest A/S	2,300,000	6.90%
	=====	=====
TOTAL	20,625,334	61.86%
	=====	=====

- (1) Beneficial ownership is determined in accordance with the rules of the Securities and Exchange Commission and generally includes voting or investment power with respect to securities. Ordinary shares issuable upon currently exercisable or convertible securities or securities exercisable or convertible within 60 days of May 29, 2006 are deemed beneficially owned and outstanding for computing the percentage owned by the person holding such securities, but are not considered outstanding for computing the percentage of any other person.

Our major shareholders do not have different voting rights. We are not owned or controlled, directly or indirectly, by another corporation or by any foreign government. We are not aware of any arrangement that may at a subsequent date result in a change of control.

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B, RELATED PARTY TRANSACTIONS

In the ordinary course of business, EuroTrust engages in transactions with certain entities and individuals that are considered to be related parties as follows:

VERISIGN INC

VeriSign was a minority shareholder in EuroTrust A/S (approx, 18%) until April 1, 2004. The transactions entered into during the year and the accounts payable at the year end shown below are a result of commercial trade with VeriSign. Current accounts with VeriSign are not carrying any interest.

	DECEMBER 31,	
	2004	2005
	----	----
	2,082	--
VeriSign Inc, (Annual fees and royalties)	=====	=====
VeriSign Inc, (Accounts payable)	--	--
	=====	=====

On April 1, 2004, the Company sold the Secure Socket Layer certificate assets of EuroTrust PKI to VeriSign. EuroTrust PKI, a wholly-owned subsidiary of the Company, is the operation through which the Company sold Public Key

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Infrastructure (PKI) Services, including VeriSign's SSL certificates and related services in Austria, Switzerland, Finland, Norway, Sweden and Denmark. Under the terms of the agreement, VeriSign paid the Company \$8,5 million U.S. in cash and assumed the ongoing obligations of EuroTrust PKI SSL contracts.

Simultaneously with the closing of the transaction to sell the assets of EuroTrust PKI to VeriSign, the Company repurchased 458,120 (not in thousands) of its ordinary shares which is equivalent to 458,120 (Not in thousands) American Depository Receipts or "ADRs" from VeriSign for \$1,136 U.S. The repurchase was authorized by the Company's shareholders on May 28, 2003.

NEMETH & SIGETTY A/S

Mr., Karoly Laszlo Nemeth was the Chairman of the board of directors of EuroTrust A/S and is also the joint owner of Nemeth & Sigetty A/S, Nemeth & Sigetty A/S provided legal services to the Company during each of the three years ended December 31, 2003, 2004 and 2005. For the years ended December 31, 2003, 2004 and 2005 Nemeth & Sigetty A/S has been paid, DKK 418, DKK 962 and DKK 142 respectively. The total outstanding payables due to Nemeth & Sigetty A/S at December 31, 2004 and December 31, 2005 were DKK 0 and DKK10, respectively.

C. INTERESTS OF EXPERTS AND COUNSEL,

Not applicable because this is an Annual Report filed under the Exchange Act of 1934.

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ITEM 8. FINANCIAL INFORMATION

A. CONSOLIDATED STATEMENTS AND OTHER FINANCIAL INFORMATION

See Item 18, "Financial Statements" and pages F-1 through F-43 of this report.

LEGAL PROCEEDINGS

We recorded a provision in 2003 of DKK 1 million for expenses relating to an arbitration court settlement regarding the construction of our building located in Soeborg, Denmark. The result of the arbitration court was a net payment to the contractor of approximately DKK 1 million. The case was fully settled in 2004.

Other than as described above, neither we nor our property is a party in any other pending material legal proceeding.

DIVIDEND PAYMENT POLICY

We have not paid out any dividend to our shareholders in the last three financial years. Payment of any future dividends will depend on our earnings and capital requirements, and other factors our board of directors deem appropriate.

B. SIGNIFICANT CHANGES

None

ITEM 9. THE OFFER AND LISTING

A. TITLE

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Our ordinary shares are not traded on any stock exchange or over-the-counter market. However, our ADS are traded on the Nasdaq National Market under the symbol "EURO".

On August 29, 2002, we implemented a one for six reverse ratio change in the number of ordinary shares represented by each ADS such that each new ADS issued subsequent to the ratio change will represent six ordinary shares (prior the ratio change, each ADS represented one ordinary share). Holders of our ADSs prior to the ratio change, each of which represents one ordinary share ("Old ADSs"), exchanged their Old ADSs for new ADSs, each of which represents six ordinary shares ("New ADSs"). On May 19, 2005 our shareholders approved a one for six reverse split of our ordinary shares such that six ordinary shares nominal value DKK 1,25 were combined into one ordinary share nominal value DKK 7,50 ("New Ordinary Shares"). Therefore, each ADS now represents one New Ordinary Share.

On December, 31, 2005, there were 5,799,351 New ADSs issued and outstanding representing 5,799,351 ordinary shares. On June 1, 2006 there were 28,580,878 New ADSs issued and outstanding representing 28,580,878 ordinary shares.

The following table sets forth, for the periods indicated, the range of high and low market prices per ADS as quoted on the Nasdaq SmallCap or National Market. The prices shown below (in US Dollars) are adjusted to reflect the 1 for 6 reverse ratio change in our ADSs, described above, and represent quotations among securities dealers, do not include retail markups, markdowns or commissions and may not represent actual transactions.

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	AMERICAN DEPOSITARY SHARES	
	----- HIGH ----	LOW ----
Year Ending December 31, 2001:	\$28.500	\$5.700
Year Ending December 31, 2002:	\$8.52	\$2.15
Year Ending December 31, 2003:	\$5.02	\$0.75
Year Ending December 31, 2004:		
First Quarter	\$3.90	\$2.21
Second Quarter	\$5.50	\$3.36
Third Quarter	\$4.75	\$4.06
Fourth Quarter	\$6.00	\$4.40
Year Ending December 31, 2005:		
First Quarter	\$6.00	\$4.12
Second Quarter	\$6.51	\$4.41
Third Quarter	\$6.97	\$5.40
Fourth Quarter	\$12.01	\$4.85
Month Ending:		
June 2006 (as of June 12, 2006)	\$16.52	\$14.76

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May 2006	\$18.45	\$12.74
April 30, 2006	\$13.75	\$12.50
March 31, 2006	\$13.65	\$12.86
February 28, 2006	\$13.26	\$10.11
January 31, 2006	\$11.86	\$10.07
December 31, 2005	\$12.01	\$6.590

B. PLAN OF DISTRIBUTION

Not required because this Form 20-F is filed as an Annual Report.

C. MARKETS

Our ordinary shares are not traded on any stock exchange or over-the-counter market. However, our ADSs are traded on the Nasdaq National Market under the symbol "EURO".

D. SELLING SHAREHOLDERS

Not required because this Form 20-F is filed as an Annual Report.

E. DILUTION

Not required because this Form 20-F is filed as an Annual Report.

F. EXPENSES OF THE ISSUE

Not required because this Form 20-F is filed as an Annual Report.

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ITEM 10. ADDITIONAL INFORMATION

A. SHARE CAPITAL

Not required because this Form 20-F is filed as an Annual Report.

B. MEMORANDUM AND ARTICLES OF ASSOCIATION

See Exhibit 1.1.

C. MATERIAL CONTRACTS

On September 30, 2004, we sold our Internet security division, Virus 112, to Comendo A/S, one of the largest providers of managed anti-virus and anti-spam system solutions in Denmark, at a purchase price of approximately U.S. \$2.5 million. The purchase price was paid to us in the following manner: U.S. \$700,000 in cash and U.S. \$1.8 million 5-year, debenture bearing 6% interest. In accordance with the sale agreement, Comendo agreed to hire the Virus 112 employees and assume the employee obligations of Virus 112. In addition, Comendo entered into a 5-year lease for the portion of the facility then occupied by Virus 112.

On April 1, 2004, we sold our PKI services business to VeriSign and terminated the international affiliate agreement ("Affiliate Agreement") with VeriSign which we entered into on November 17, 2000 pursuant to which we became an affiliate of VeriSign, as a member of the VeriSign Global Affiliate Network, for the distribution and delivery of VeriSign's Internet Trust services and products within Denmark, Norway, Sweden, Finland, Austria, Switzerland and

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Italy. Under the terms of the sale agreement, VeriSign paid us \$8.5 million U.S. in cash and assumed the ongoing obligations of EuroTrust PKI SSL contracts.

D. EXCHANGE CONTROLS AND OTHER LIMITATIONS AFFECTING SECURITY HOLDERS

There are no governmental laws, decrees or regulations of the Kingdom of Denmark that restrict the export or import of capital (including, without limitation, foreign exchange controls), or that affect the remittance of dividends, interest or other payments to nonresident holders of ordinary shares. There are no limitations imposed by the laws of the Kingdom of Denmark or our Articles of Association on the right of nonresident or foreign holders to hold or vote ordinary shares.

E. TAXATION

The following summary contains a description of the material United States federal income tax and Danish tax consequences of the purchase, ownership and disposition of ordinary shares or ADSs by a beneficial owner that (i) is an individual citizen or resident in the United States (for United States federal income tax purposes), a corporation or partnership organized under the laws of the United States or any

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state thereof, or estates or trusts the income of which is subject to United States federal income tax regardless of its source, (ii) is not also a resident or corporation of Denmark and is not domiciled in Denmark, (iii) does not hold ordinary shares or ADSs in connection with any permanent establishment or fixed base in Denmark, (iv) does not own, and has not owned (directly, indirectly or by attribution) at any time, 10% or more of our total combined voting power or equity, and (v) holds ordinary shares or ADSs as capital assets. The term "United States holder," as used in this summary, means a beneficial owner of ordinary shares or ADSs meeting these requirements.

The following summary of certain United States federal and Danish tax matters is based on tax laws of the United States and Denmark as in effect on the date of this report and the current Income Tax Treaty between the United States and the Kingdom of Denmark (the "Treaty"), which is a generally effective as of January 1, 2001. We cannot assure you that future legislation, regulations, administrative rulings or court decisions will not adversely affect the accuracy of the statements contained in this report. Also, changes in United States and Danish law and the Treaty made after the date of this report could have retroactive effect.

The following summary does not consider or discuss the tax laws of any country other than the United States or Denmark. This summary does not describe United States federal estate and gift tax considerations, or state, local or provincial tax considerations. Furthermore, it does not address United States federal income tax or Danish tax considerations that apply to United States holders of our ordinary shares or ADSs who are also subject to taxing jurisdictions other than or in addition to the United States. Finally, it does not address all possible categories of United States holders, some of whom (such as financial institutions, trusts, estates, insurance companies, dealers in securities, certain retirement plans and tax exempt organizations) may be subject to special rules.

THE FOLLOWING DISCUSSION DOES NOT PURPORT TO BE EXHAUSTIVE OF ALL POSSIBLE TAX CONSIDERATIONS,. UNITED STATES HOLDERS OF ORDINARY SHARES OR ADSs SHOULD CONSULT THEIR OWN TAX ADVISORS AS TO THE UNITED STATES, DANISH OR OTHER TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF ORDINARY SHARES

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OR ADSs.

UNITED STATES TAX CONSEQUENCES OF OWNERSHIP OF ORDINARY SHARES OR ADSs

DIVIDENDS. For United States federal income tax purposes, the gross amount of all dividends (that is, the amount before reduction for Danish withholding tax) paid to a United States holder with respect to ordinary shares or ADSs out of our current or accumulated earnings and profits ("E&P") will be taxable for United States federal income taxation as a foreign source dividend income. As such, these dividends are not eligible for the dividends received deduction otherwise available to United States corporations in connection with dividends received from United States corporations. To the extent that a distribution exceeds E&P, it will be treated first as a return of capital to the extent of the United States holder's basis, and then, as gain from the sale of a capital asset.

For United States federal income tax purposes, the amount of any dividend paid in Danish kroner will be the United States dollar value of the kroner at the exchange rate in effect on the date of receipt, whether or not the kroner is converted into United States dollars at that time.

The withholding tax imposed by Denmark generally is a creditable foreign tax for United States federal income tax purposes. As a result, a United States holder generally will be entitled to include the amount withheld as foreign tax paid in computing a foreign tax credit (or in computing a deduction for foreign income taxes paid, if the United States holder does not elect to use the foreign tax credit

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provisions of the Internal Revenue Code of 1986, as amended (the "Code")). The Code, however, imposes a number of limitations on the use of foreign tax credits, based on the particular facts and circumstances of each taxpayer. United States holders who hold ordinary shares or ADSs should consult their tax advisors regarding the availability of the foreign tax credit.

Backup withholding, imposed at the rate of 31%, may apply to a United States holder in connection with the sale or exchange of ordinary shares or ADSs. Generally, backup withholding does not apply to a United States holder (i) that is a corporation or comes within certain other exempt categories or (ii) provides a taxpayer identification number, certifies as to no loss of exemption from backup withholding and otherwise complies with applicable requirements of the backup withholding rules.

SALE OR OTHER DISPOSITION OF ORDINARY SHARES OR ADSs. Gain or loss recognized by a United States holder on the sale or other disposition of ordinary shares or ADSs will be taxable for United States federal income tax purposes as capital gain or loss in an amount equal to the difference between such United States holder's basis in the ordinary shares or ADSs and the amount realized on the disposition. The capital gain or loss will be long term if the securities were held for more than 12 months and will be short term if they were held for less than 12 months. Capital losses are generally deductible only against capital gains and not against ordinary income.

Capital gain recognized by a United States holder on the sale or other disposition of ordinary shares or ADSs will be United States source gain. Losses from the sale of ordinary shares or ADSs would generally be sourced in the same manner as gains from the sale of such ordinary shares or ADSs. However, treasury regulations include a dividend recapture rule and other exceptions that may apply. United States holders of ordinary shares or ADSs should consult their tax

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advisors regarding the proper treatment of such losses.

DANISH TAX CONSEQUENCES OF OWNERSHIP OF ORDINARY SHARES OR ADSS

DIVIDENDS. For Danish income tax purposes, the gross amount of all distributions made by us to our shareholders is taxed as a dividend. However, a distribution of liquidation proceeds made by us to our shareholders during the calendar year in which we are finally liquidated and dissolved is taxed as capital gain. In addition, the gross amount paid by us to redeem ordinary shares or ADSSs are generally taxed as a dividend. However, a shareholder may apply to Danish tax authorities for a ruling allowing for capital gains treatment. If the ruling is obtained before the distribution is decided the ruling includes an exemption from the dividend tax. If the exemption request is granted, the consideration will be taxed as capital gain.

The granting of bonus shares to shareholders, and the right of shareholders to subscribe for ordinary shares or ADSSs at a price that is less than the current trading value of such ordinary shares or ADSSs, are not considered taxable distributions to shareholders.

In general, a Danish withholding tax of 28% is levied on all dividends. However, corporate shareholders holding at least 20 % of the share capital for a consecutive period for at least one year may be exempt from Danish withholding tax on dividends. The dividend in question must be covered by the double tax treaty between Denmark and United States. Further, a United States holder (individual or a company) may apply to the Danish tax authorities for a partial refund of the dividends tax that has been withheld under the Treaty. If this refund request is granted, the Danish withholding tax on such dividends is effectively reduced to 15%. The rate is reduced to 5% for corporate shareholders holding at least 10% of the share capital. We do not presently contemplate the payment of any dividends on our

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ordinary shares or ADSSs. However, should we decide to make payment of dividend, we will apply to the Danish tax authorities for a blanket exemption allowing us to withhold only 15% of all gross dividends paid to a United States holder. While we believe that such an exemption will be granted, there can be no assurance that this will occur. Shareholders eligible for further reduction must apply individually for such reduction.

SALE OR OTHER DISPOSITION OF ORDINARY SHARES OR ADSS. Capital gains realized by United States holders upon the sale or other disposition of ordinary shares or ADSSs may be exempt from Danish tax.

DANISH SHARE TRANSFER DUTY.

No Danish share transfer duty is levied on the disposal of ordinary shares or ADSSs.

DANISH ESTATE AND GIFT TAXES.

Generally, if a United States holder acquires or disposes of ordinary shares or ADSSs by inheritance, legacy or gift, such holder will not be subject to Danish gift or inheritance taxes. If a United States holder should make a gift of ordinary shares or ADSSs to any person resident in Denmark the gift can only be subject to Danish gift tax when forming part of the business property of a permanent establishment in Denmark. Other transfers of shares or ADS's shall be taxable only in the state in which the transferor was domiciled at the time of his death or when making the gift according to the United States-Denmark

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Double Taxation Convention with respect to taxes on estates, inheritance and gifts.

F. DIVIDENDS AND PAYING AGENTS

Not required because this Form 20-F is filed as an Annual Report.

G. STATEMENTS BY EXPERTS

Not required because this Form 20-F is filed as an Annual Report.

H. DOCUMENTS ON DISPLAY

We are subject to the information requirements of the Securities Exchange Act of 1934, as amended and, to the extent required, we file periodic reports and other information with the Securities and Exchange Commission. These reports and information are available and may be copied at the public reference facilities listed below. We intend to give our shareholders annual reports containing audited financial statements and a report thereon from our independent auditors and quarterly reports for the first three quarters of each fiscal year containing unaudited interim financial information,

Statements made in this annual report about the contents of contracts or other documents are not necessarily complete and we refer you to the copy of such contracts or other documents filed as exhibits to this annual report.

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You can obtain a copy of the exhibits hereto and other information about us at the public reference facilities of the Securities and Exchange Commission located at:

Public Reference Room 1024
Judiciary Plaza
450 Fifth Street, N.W.,
Washington, D.C., 20549

You may obtain information about the operation of the public reference facility by calling the Securities and Exchange Commission at (800) 732-0330.

We will also provide our shareholders with proxy statements prepared according to Danish law. As a Danish company, we are exempt from the Exchange Act rules about the provision and content of proxy statements and about short-swing profit reporting and liability.

I. SUBSIDIARY INFORMATION

Not applicable

ITEM 11. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

At December 31, 2005, we did not believe that market risk financial instruments would have a material affect on future operations or cash flows nor did we view currency exchange risk or interest rate risk as material. Operational currency exchange risk would arise if we priced products in one currency while material costs and expenses were denominated in a different currency. We do not believe that the operational currency exchange risk is material. However, from time to time we enter into a contract denominated in a currency other than the currency of operating expenses and, in such cases, may enter into currency forward arrangements with respect to and for the period

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covering such contract, Throughout the year 2005 and specifically at December 31, 2005, we had no material foreign exchange contracts outstanding.

ITEM 12. DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES

Not required because this Form 20-F is filed as an Annual Report.

PART II

ITEM 13. DEFAULTS, DIVIDEND ARREARAGES AND DELINQUENCIES

None

ITEM 14. MATERIAL MODIFICATIONS TO THE RIGHTS OF SECURITY HOLDERS AND USE OF PROCEEDS

None.

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ITEM 15. CONTROLS AND PROCEDURES

a) EVALUATION OF DISCLOSURE CONTROLS AND PROCEDURES, EuroTrust's management, with the participation of the chief executive officer and the chief financial officer, carried out an evaluation of the effectiveness of EuroTrust's "disclosure controls and procedures" (as defined in the Securities Exchange Act of 1934 (the "Exchange Act") Rules 13a-15(e) and 15-d-15(e)) as of the end of the fiscal year covered by this Annual Report (the "Evaluation Date"). Based upon that evaluation, the chief executive officer and the chief financial officer concluded that, as of the Evaluation Date, EuroTrust's disclosure controls and procedures are effective, providing them with material information relating to EuroTrust as required to be disclosed in the reports EuroTrust files or submits under the Exchange Act on a timely basis.

b) MANAGEMENT'S ANNUAL REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING, Not applicable for fiscal years ending before July 15, 2006.

c) ATTESTATION REPORT OF THE REGISTERED PUBLIC ACCOUNTING FIRM, Not applicable for fiscal years ending before July 15, 2006.

d) CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING, There were no changes in EuroTrust's internal controls over financial reporting, known to the chief executive officer or the chief financial officer, that occurred during the period covered by this report that has materially affected, or is reasonably likely to materially affect, EuroTrust's internal control over financial reporting.

ITEM 16. RESERVED

ITEM 16 A AUDIT COMMITTEE FINANCIAL EXPERT

The Board has determined that, Mr., John Stuart, is an "audit committee financial expert," as that term is defined in Item 401(h) of Regulation S-K, and "independent" for purposes of current and recently-adopted Nasdaq listing standards and Section 10A(m)(3) of the Securities Exchange Act of 1934.

ITEM 16 B CODE OF ETHICS

We have adopted a code of conduct that applies to our principal executive officer, principal financial officer and other persons performing similar

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functions, as well as all of our other employees and directors, This code of conduct is posted on our website at WWW.EUROTRUST.DK and is filed as Exhibit 11.1 to this report.

ITEM 16 C PRINCIPAL ACCOUNTANT FEES AND SERVICES

AUDIT FEES

For the fiscal years ended 2004 and 2005, our principal accounting firm, Gregory & Eldredge, LLC, billed aggregate fees of approximately \$102,772 and \$102,555 respectively for the audit of our 2004 and 2005 financial statements.

AUDIT-RELATED FEES

None

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TAX FEES

None

ALL OTHER FEES

None

AUDIT COMMITTEE PRE-APPROVAL POLICIES AND PROCEDURES

The Audit Committee charter provides that the Audit Committee will pre-approve audit services and non-audit services to be provided by our independent auditors before the accountant is engaged to render these services other than the minimums non-audit services for which the pre-approval requirements are waived in accordance with the rules and regulations of the SEC. The Audit Committee may consult with management in the decision-making process, but may not delegate this authority to management. The Audit Committee may delegate its authority to pre-approve services to one or more committee members, provided that the designees present the pre-approvals to the full committee at the next committee meeting.

ITEM 16D EXEMPTIONS FROM THE LISTING STANDARDS FOR AUDIT COMMITTEES

Not Applicable

ITEM 16 E PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS

NOT APPLICABLE

PART III

ITEM 17. FINANCIAL STATEMENTS

See Item 18, below.

ITEM 18. FINANCIAL STATEMENTS

See the Company's Consolidated Financial Statements, which are incorporated herein by reference and set forth on pages F-1 through F-43.

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ITEM 19, EXHIBITS

- 1.1 Amended Articles of Association of the Registrant, as of December 6, 2001 (1)
- 1.2 Rules of Procedures of the Registrant, as amended (2)
- 2.1 Employee and Director Subscription Option Plan (4)
- 4.5 Form of Employment Agreement between the Registrant and Aldo Petersen, effective as of January 1, 2005 (4)
- 4.6 Form of Employment Agreement between the Registrant and Soren Degn, effective as of January 1, 2005 (4)
- 8.1 List of the Subsidiaries of the Registrant *
- 11.1 Code of Ethics (3)
- 12.1 Chief Executive Officer Certification pursuant to Rule 13a-14(a) or Rule 15d-14(a),*
- 12.2 Chief Financial Officer Certification pursuant to Rule 13a-14(a) or Rule 15d-14(a),*
- 13.1 Chief Executive Officer Certification pursuant to Rule 13a-14(b) or Rule 15d-14(b) and 18 U.S.C. Section 1350, *
- 13.2 Chief Financial Officer Certification pursuant to Rule 13a-14(b) or Rule 15d-14(b) 2 and 18 U.S.C. Section 1350, *

* Included herewith,

- (1) Filed as an exhibit to the Company's Annual Report on Form 20-F, filed on June 27, 2002, and incorporated by reference herein.
- (2) Filed as an exhibit to the Company's original filing of the Registration Statement on Form F-1 (File No, 333-7092), filed on June 20, 1997, and incorporated by reference herein.
- (3) Filed as an exhibit to the Company's Annual Report on Form 20-F, filed on September 23, 2003, and incorporated by reference herein.
- (4) Filed as an exhibit to the Company's Annual Report on Form 20-F, filed on June 3, 2005, and incorporated by reference herein.

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SIGNATURES

Pursuant to the requirements of Section 15(d) of the Securities Exchange Act of 1934, as amended, the Registrant certifies that it meets all of the requirements for filing on Form 20-F and has duly caused this annual report to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Soborg, Denmark.

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EUROTUST A/S

Dated: June 23, 2006

By: /s/ Bo Kristensen

Bo Kristensen
Chief Executive Officer
(Principal Executive Officer)

Dated: June 23, 2006

By: /s/ Soren Degn

Soren Degn
Chief Financial Officer
(Principal Financial and Accounting
Officer)

EUROTUST A/S AND SUBSIDIARIES
Formerly known as Euro909.com A/S

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[GRAPHIC OMITTED]

4631 SO. SYCAMORE DR. o SALT LAKE CITY, UTAH 84117
(801) 277-2763 PHONE o (801) 277-6509

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Shareholders
EuroTrust A/S AND SUBSIDIARIES

We have audited the accompanying consolidated balance sheets of EuroTrust A/S and Subsidiaries as of December 31, 2004 and 2005 and the related consolidated statements of operations, comprehensive income, shareholders' equity and cash flows for the years ended December 31, 2003, 2004 and 2005. The consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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We conducted our audits in accordance with standards of the Public Company Accounting Oversight Board in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The company was not required to have, nor were we engaged to perform, an audit of its internal controls over financial reporting. Our audit included consideration of internal controls over financial reporting as a basis for designing 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 controls over financial reporting. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of EuroTrust A/S and Subsidiaries at December 31, 2004 and 2005 and the consolidated results of its operations and its cash flows for the year ended December 31, 2003, 2004 and 2005, in conformity with accounting principles generally accepted in the United States.

/s/ Gregory & Associates, LLC.

March 10, 2006, except for Note 24
as to which the Date is June 2, 2006
Salt Lake City, Utah

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EUROTRUST A/S AND SUBSIDIARIES CONSOLIDATED BALANCE SHEETS

(IN THOUSANDS, EXCEPT PER SHARE AND SHARE DATA AND WHERE OTHERWISE INDICATED)

	DECEMBER 31,		
	2004	2005	2005
	-----	-----	-----
	DKK	DKK	USD
ASSETS			
Current assets:			
Cash and cash equivalents	6,750	12,315	1,947
Restricted cash	5,352	--	--
Debt securities, available for sale	--	12,155	1,922
Accounts receivable trade, net of allowances for doubtful accounts of DKK 592 in 2004 and DKK 43 in 2005	16,521	15,848	2,506
Notes receivable, current	2,200	2,200	348
Broadcasting programming rights, current	2,928	2,893	458
Prepaid expenses and deposits	2,002	1,865	295
Other receivables	1,423	1,747	276
Current assets of discontinued operations	2,570	--	--
	-----	-----	-----
Total current assets	39,746	49,023	7,752
Marketable securities - available for sale	197	--	--
Notes receivable, net of current portion	8,800	7,150	1,131

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Broadcasting programming rights, net of current portion	2,898	--	--
Rent and other long term deposits	3,250	2,325	368
Other receivables, long term	524	--	--
Equity method investment in Mediehuset Danmark ApS	1,638	2,099	332
Property, plant and equipment, net	92,554	67,122	10,613
Goodwill	24,561	24,561	3,884
Deferred tax assets	3,972	8,611	1,361
Long term assets of discontinued operations	108	64	10
	-----	-----	-----
Total assets	178,248	160,955	25,451
	=====	=====	=====

DKK amounts have been converted into US\$ at an exchange rate of \$1=DKK 6.3241. The accompanying notes are an integral part of these consolidated financial statements.

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	DECEMBER 31,		
	2004	2005	2005
	-----	-----	-----
	DKK	DKK	USD
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities:			
Secure Line of Credit	8,417	11,323	1,790
Bank loan, current	741	802	127
Lease obligations, current	1,244	1,790	283
Accounts payable	22,402	11,293	1,785
Accrued expenses	11,681	9,855	1,558
Equipment purchase obligation, current	12,152	8,802	1,392
Liabilities of discontinued operations	2,556	--	--
	-----	-----	-----
Total current liabilities	59,193	43,865	6,935
Long term liabilities:			
Equipment purchase obligation, net of current portion	9,749	--	--
Bank loan, net of current portion	3,099	2,829	447
Lease obligations, long term	4,585	4,969	786
	-----	-----	-----
Total long term liabilities	17,433	7,798	1,233
	-----	-----	-----
Minority interest in subsidiaries	56	75	12
	-----	-----	-----
Shareholders' equity:			
Common shares - par value DKK 7,50, 7,991,000 and 37,492,898 authorized, 5,108,267 and 5,826,232 issued at December 31, 2004 and 2005	38,312	43,697	6,910
Additional paid-in capital	519,844	531,438	84,034
Accumulated deficit	(457,386)	(465,310)	(73,577)
Cumulative other comprehensive income	796	(608)	(96)
	-----	-----	-----

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Total Shareholders' equity	101,566	109,217	17,271
	-----	-----	-----
Total liabilities and Shareholders' equity	178,248	160,955	25,451
	=====	=====	=====

DKK amounts have been converted into US\$ at an exchange rate of \$1=DKK 6.3241. The accompanying notes are an integral part of these consolidated financial statements.

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EUROTUST A/S CONSOLIDATED STATEMENTS OF OPERATIONS (IN THOUSANDS, EXCEPT PER SHARE DATA AND WHERE OTHERWISE INDICATED)

	YEARS ENDED DECEMBER		
	2003	2004	2005
	-----	-----	-----
	DKK	DKK	DKK
Net revenue	109,822	91,036	94,000
Operating expenses:			
Cost of revenue, exclusive of depreciation shown separately below	65,818	60,349	68,000
Selling and marketing	16,421	17,727	17,000
Selling and marketing - related parties	1,074	--	--
General and administrative	26,463	20,581	20,000
General and administrative - related parties	418	962	--
Depreciation	6,075	10,226	11,000
Goodwill impairment	--	914	--
	-----	-----	-----
Total operating expenses	116,269	110,759	118,000
	-----	-----	-----
Operating (loss)	(6,447)	(19,723)	(23,000)
Other income (expenses)			
Interest income	214	284	1,000
Interest expense	(1,610)	(1,203)	(1,000)
Foreign exchange gain (loss), net	(1,847)	(762)	--
Gains from sales of businesses/divestitures	--	8,102	8,000
Write-down of long term investments & marketable securities	(196)	(14,942)	--
Equity in earnings of Mediehuset Danmark ApS	0	138	--
Other (expenses) income, net	693	(1,442)	(1,000)
	-----	-----	-----
(Loss) before income taxes and minority interest	(9,193)	(29,548)	(14,000)
Income tax benefit	1,491	3,105	4,000
Minority interest in net income (loss) of subsidiaries	(257)	192	--
	-----	-----	-----
(Loss) from continuing operations	(7,959)	(26,251)	(9,000)
Gain (loss) from operations of discontinued internet segment components net of tax 0 in 2003, 2004, 2005	(8,420)	1,090	--

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Gain from disposal of discontinued internet segment components net of tax, 0 in 2003, 2004 and 2005	10,049	83,615	2,
	-----	-----	-----
NET (LOSS) INCOME	(6,330)	58,454	(7,
BASIC INCOME (LOSS) PER WEIGHTED AVERAGE COMMON SHARE			
(Loss) from continuing operations	(1.70)	(5.31)	(1
	=====	=====	=====
(Loss) Gain from operations of discontinued components	(1.80)	0.22	
	=====	=====	=====
Income from discontinued operations	2.15	16.90	0
	=====	=====	=====
Net (loss) income	(1.35)	11.82	(1
	=====	=====	=====

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EUROTUST A/S CONSOLIDATED STATEMENTS OF OPERATIONS (IN THOUSANDS, EXCEPT PER SHARE DATA AND WHERE OTHERWISE INDICATED)

	YEARS ENDED DECEMBER		
	2003	2004	2005
	-----	-----	-----
	DKK	DKK	DKK
Weighted average common shares outstanding (in thousands)	4,671	4,947	5,
	=====	=====	=====
DILUTED INCOME (LOSS) PER WEIGHTED AVERAGE COMMON SHARES			
(Loss) from continuing operations	(1.70)	(4.98)	(1
	=====	=====	=====
(Loss) Gain from operations of discontinued components	(1.80)	0.21	
	=====	=====	=====
Income from discontinued operations	2.15	15.88	0
	=====	=====	=====
Net (loss) income	(1.35)	11.10	(1
	=====	=====	=====
Weighted average common shares outstanding, assuming dilution (in thousands)	4,671	5,266	5,
	=====	=====	=====

DKK amounts have been converted into US\$ at an exchange rate of \$1=DKK 6.3241. The accompanying notes are an integral part of these consolidated financial statements.

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EUROTUST A/S AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF SHAREHOLDER'S EQUITY (IN THOUSANDS, EXCEPT PER SHARE DATA AND WHERE OTHERWISE INDICATED)

	COMMON SHARES AMOUNT	ADDITIONAL PAID-IN CAPITAL	ACCUMULATED DEFICIT	OTHER COM- PREHENSIVE INCOME
	DKK	DKK	DKK	DKK
BALANCE AT DECEMBER 31, 2002	34,006	532,280	(509,510)	(556)
Issuance of 4,550 common shares for cash through exercise of stock options	5,687	605	--	--
Sale of treasury stock	--	(6,845)	--	--
Currency translation adjustments	--	--	--	921
Unrealized loss on marketable securities	--	--	--	147
Net loss	--	--	(6,330)	--
BALANCE AT DECEMBER 31, 2003	39,693	526,040	(515,840)	512
Issuance of 2,072 common shares for cash through exercise of stock options	2,588	473	--	--
Currency translation adjustments	--	--	--	(110)
Other than temporary losses on marketable securities	--	--	--	394
Purchase of 3,648,720 common shares into treasury at cost	--	--	--	--
Sale of 900,000 shares of treasury stock	319	3,829	4,148	--
Compensation for the issuance of 150,000 warrants to purchase common stock at DKK 3,96 per ordinary share	--	85	--	--
Cancellation of common shares held in treasury at cost	(3,969)	(7,073)	--	--
Net income	--	--	58,454	--
BALANCE AT DECEMBER 31, 2004	38,312	519,844	(457,386)	796
Issuance of 717.964 common shares for cash through exercise of stock options	5,385	11,480	--	--
Compensation for the issuance of 25,000 warrants to purchase common stock at DKK 5,50 per ordinary share	--	114	--	--
Currency translation adjustments	--	--	--	(796)
Unrealized loss on marketable securities	--	--	--	(608)
Net loss	--	--	(7,924)	--
BALANCE AT DECEMBER 31, 2005	43,697	531,438	(465,310)	(608)
BALANCE AT DECEMBER 31, 2005	USD\$6,909	USD\$84,034	USD\$ (73,577)	USD\$ (96)

DKK amounts have been converted into US\$ at an exchange rate of
\$1=DKK 6.3241. The accompanying notes are an integral part of

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these consolidated financial statements.

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EUROTRUST A/S AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS) (IN THOUSANDS, EXCEPT PER SHARE DATA AND WHERE OTHERWISE INDICATED)

	YEARS ENDED DECEMBER 31,			
	2003	2004	2005	2005
	-----	-----	-----	-----
	DKK	DKK	DKK	USD
Net income (loss)	(6.330)	58.454	(7.924)	(1.252)
Currency translation adjustment, net of taxes of DKK 0 in 2003, 2004 and 2005	921	(110)	(796)	(126)
Unrealized investment gains (losses), net of taxes of DKK 0 in 2003, 2004 and 2005	147	394	(608)	(96)
	-----	-----	-----	-----
Comprehensive net income (loss)	(5.262)	58.738	(9.328)	(1.474)
	=====	=====	=====	=====

DKK amounts have been converted into US\$ at an exchange rate of \$1=DKK 6.3241. The accompanying notes are an integral part of these consolidated financial statements.

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EUROTRUST A/S AND SUBSIDIARIES RESTATED CONSOLIDATED STATEMENTS OF CASH FLOWS (IN THOUSANDS, EXCEPT PER SHARE DATA AND WHERE OTHERWISE INDICATED)

	YEARS ENDED DECEMBER 31,	
	2003	2004
	-----	-----
	DKK	DKK
Cash flows from operating activities:		
Net (loss) from continuing operations	(7,959)	(26,251)
Adjustments to reconcile net loss to cash used in operating activities:		
Depreciation, amortization and write down	6,075	11,140
Non-cash compensation expense options and warrants	(2,287)	85
(Gain) on sale business	--	(8,102)
(Gain)/loss on sale of fixed assets	(1,703)	169
Provision for doubtful accounts	(699)	(720)
Loss on investments/marketable securities	197	14,943
Deferred taxes	(1,677)	(1,589)
Minority interest	257	(127)
(Gain) on equity method investments	--	(138)
Non-cash issuance of common shares from treasury	1,088	--

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Changes in operating assets and liabilities:		
Accounts receivable	(5,156)	8,697
Broadcasting programming rights	3,804	(3,186)
Inventories and other assets	934	(149)
Prepaid expenses	2,270	(3,427)
Income tax payable	(1,202)	(61)
Other receivables	4,337	574
Accounts payable	7,225	316
Accounts payable, related parties	(12,356)	(477)
Accrued expenses	(3,094)	(6,857)
Deferred revenue	1,018	3,298
	-----	-----
Cash used in operating activities:	(8,928)	(11,862)
Cash used in discontinued operations:	(10,310)	1,206
	-----	-----
	(19,238)	(10,656)
	=====	=====
Cash flows from investing activities:		
(Purchase of investments) proceeds from sales of investments	216	(11,948)
Acquisition of businesses, net of cash acquired	(1,500)	(13,086)
Proceeds from sale of business, net of cash disposed of	1,986	61,730
Proceeds from notes receivables	--	--
Purchase of bonds	--	--
Purchase of fixed assets	(14,773)	(31,220)
Proceeds from sales of fixed assets	1,448	561
	-----	-----
Cash (used in) provided by investing activities:	(12,623)	6,037
	=====	=====
Cash flows from financing activities:		
Net change in short and long-term borrowings	(809)	12,257
Purchase of treasury stock	--	(10,826)
Lease payments	(2,852)	(1,172)
Net change in restricted cash	--	(5,352)
Proceeds from issuance of common shares and treasury shares	6,292	7,209
	-----	-----
Cash provided by financing activities:	2,631	2,116
	=====	=====
Effect of currency exchange rate changes on cash and cash equivalents	921	(110)
	-----	-----
Net increase (decrease) in cash and cash equivalents	(28,309)	(2,613)
Cash and cash equivalents, beginning of period	37,672	9,363
	-----	-----
Cash and cash equivalents, end of period	9,363	6,750
	=====	=====
Cash paid for interest	(1,714)	(1,240)
	=====	=====
Cash paid for taxes	1,373	--
	=====	=====

DKK amounts have been converted into US\$ at an exchange rate of \$1=DKK 6.3241. The accompanying notes are an integral part of these consolidated financial statements.

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EUROTUST A/S AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (DKK AND US\$ AMOUNTS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS AND WHERE OTHERWISE INDICATED)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

DESCRIPTION OF BUSINESS

EuroTrust A/S and its subsidiaries (the "Company") engaged in providing production and broadcasting services and operated the Danish cable channel DK4, through June 2, 2006. The Company previously provided Internet security products and services in Scandinavia; these operations were sold during 2003 and 2004.

On June 2, 2006, the Company effectively discontinued its' production and broadcasting operations through the sale of all the issued and outstanding shares of Euro-Vision A/S (See Note 24).

On April 17, 2006, the Company was acquired by Aktiv Gruppen Holdings A/S and subsidiaries which owns, acquires, and develops real estate in Denmark and Norway. Aktiv Gruppen Holdings A/S further owns and operates wind energy turbines primarily located in Germany. The acquisition was accounted for as a reverse merger or recapitalization of Aktiv Gruppen Holdings A/S, wherein Aktiv Gruppen Holdings A/S became a 100% owned subsidiary of EuroTrust A/S. Therefore, the pre-acquisition financial statements of Aktiv Gruppen Holding A/S will be treated as the historical financial statements of the combined companies. The historical accumulated deficit through the date of acquisition of EuroTrust A/S will be reclassified against additional paid in capital. The results of operations of EuroTrust will only be included in subsequent financial results from the date of acquisition. In addition, EuroTrust's changed its fiscal year end from December 31, to June 30, which is the fiscal year end of Aktiv Gruppen Holdings A/S (See Note 24).

The Company operated in two reportable service-based segments from 2002 through 2004: The Production and Broadcasting Segment and the Internet Security Product and Services Segment.

Production and Broadcasting Segment

The Company's Production and Broadcasting Segment consisted of the Danish Cable Channel DK4, and one of the largest media production companies in Scandinavia with a special focus on sports programming. The Company's media division also offered educational courses in television production.

Internet Security Product and Service Segment

At December 31, 2005, the Internet services segment monitors the continuing royalty payments received in connection with the sale of our secure hosting and remote back-up components in 2004.

The Company's Internet Security Product and Services Segment previously offered trusted Internet security products and services including virus detection products and services, email security products, vulnerability testing, secure remote backup services, digital video surveillance, secure hosting and Public Key Infrastructure (PKI) Services until the sale of these businesses during 2003 and 2004.

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EUROTUST A/S AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (DKK AND US\$ AMOUNTS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS AND WHERE OTHERWISE INDICATED)

BASIS OF PRESENTATION AND PRINCIPLES OF CONSOLIDATION

The consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States ("US GAAP") and include the accounts of EuroTrust A/S and its majority-owned subsidiaries. All inter-company balances and transactions have been eliminated in consolidation.

The following is a list of our significant operating subsidiaries and their jurisdiction of incorporation and our ownership interest in those subsidiaries at December 31, 2005:

SUBSIDIARY -----	COUNTRY OF INCORPORATION -----	INTEREST OWNERSHIP -----
Europe-Visions A/S	Denmark	100.0% (Sold June 2, 2006)

On December 31, 2003, the Company purchased the remaining 15% interest in Europe-Visions A/S. The minority interests' proportionate share of income or loss of Europe-Visions A/S is included in the consolidated statement of operations through December 31, 2003.

The accompanying financial statements included the operating results of Public Key Infrastructure (PKI) Services through April 1, 2004, internet security products and services including virus detection services, email security products, vulnerability testing through September 30, 2004 the secure remote backup services through November 2003, digital video surveillance through December 2003, and secure hosting through January 1, 2004.

Other significant operating subsidiaries consolidated under Europe-Visions A/S and its jurisdiction of incorporation and the related Company ownership interest in those subsidiaries at December 31, 2005 are as follows:

SUBSIDIARY -----	COUNTRY OF INCORPORATION -----	INTEREST OWNERSHIP -----
Ciac A/S	Denmark	100.0%
Prime Vision A/S	Denmark	100.0%
Arhustudiet A/S	Denmark	100.0%
Publishing & Management ApS	Denmark	51.0%
TV Akademiet A/S	Denmark	100.0%
Formedia A/S	Denmark	100.0%
Mobile Broadcasting A/S	Denmark	100.0%

On April 1, 2004, the Company purchased the remaining 25% interest of Mobile Broadcasting A/S. The minority interests' proportionate share of income or loss of Mobile Broadcasting is included in the consolidated statement of operations through March 31, 2004.

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EUROTUST A/S AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (DKK AND US\$ AMOUNTS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS AND WHERE OTHERWISE INDICATED)

On July 1, 2004, the Company distributed a 49% interest of Publishing & Management ApS to current management. The minority interests' proportionate share of income or loss of Publishing & Management ApS is included in the consolidated statement of operations from July 1, 2004.

On April 1, 2004 the Company merged TV Facilities A/S into Prime Vision A/S. The merger had no effect on the accompanying financial statements.

On June 25, 2004 the Company formed Formedia A/S as a wholly owned subsidiary of Europe-Visions A/S.

At December 31, 2005 and 2004, the Company holds a 25% interest in Mediehuset Danmark ApS; the investment is accounted for under the equity method of accounting.

REPORTING CURRENCY

The consolidated financial statements are stated in Danish Kroner ("DKK"), the currency of the country in which the Company and its major subsidiaries are incorporated and operate. Balance sheet accounts of foreign subsidiaries are translated into DKK at the year-end exchange rate and items in the statement of operations are translated at the average exchange rate. Resulting translation adjustments are recorded to other accumulated comprehensive income, a separate component of shareholders' equity.

Translation adjustments arising from inter-company financing of a long-term investment nature are accounted for similarly. Some transactions of the Company and its subsidiaries are made in currencies other than the reporting currency. Gains and losses from these transactions are included in the statement of operations as foreign currency transaction gains and losses.

INFORMATION EXPRESSED IN US DOLLARS

Translation of DKK amounts into US Dollar amounts is included solely for the convenience of the reader and has been made at the rate of 6.3241 DKK to one US Dollar, the approximate exchange rate at December 31, 2005. Such translation should not be construed as a representation that the DKK amounts could be converted into US Dollars at that or any other rate.

USE OF ESTIMATES

The preparation of consolidated financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Estimates are used when accounting for items and matters such as the allowance for uncollectible accounts, inventory obsolescence, amortization, asset valuations, impairment assessments, taxes, guarantees and contingencies. Management bases its estimates on historical experience and on other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities. Actual results may differ from these estimates under different assumptions or conditions.

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EUROTUST A/S AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(DKK AND US\$ AMOUNTS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS
AND WHERE OTHERWISE INDICATED)

CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash and short-term deposits with maturities of less than three months at the time of purchase.

RESTRICTED CASH

Restricted cash as of December 31, 2004, included an escrow account with respect to the secure communications, on-site solutions, and payment platforms to website owners, commercial enterprises and electronic commerce service providers business (PKI) that was sold in April 2004. As of December 2005 the total balance of restricted cash was fully received.

MARKETABLE SECURITIES - AVAILABLE FOR SALE

The Company accounts for investments in marketable securities in accordance with Statement of Financial Accounting Standard (SFAS) 115, "Accounting for Certain Investments in Debt and Equity Securities". Under SFAS 115 the Company's investments in public companies are classified as "available-for-sale". These investments are carried at fair value based on quoted market prices. We review the marketable equity holdings in publicly traded companies on a regular basis to determine if any of the marketable securities have experienced an other-than-temporary decline in its fair value. We consider the investee company's cash position, earnings and revenue outlook, stock price performance over the past six months, liquidity and management, among other factors, when reviewing the marketable equity securities. If it is determined that an other-than-temporary decline in fair value exists in a marketable equity security, we record an investment loss in the consolidated statement of operations. Marketable securities are classified as current if the Company has the ability or intention of selling the security within 12 months.

LONG-TERM INVESTMENTS

Investments in non-public companies are included in long-term investments in the consolidated balance sheet and are accounted for under the cost or equity method. For these non-quoted investments, we regularly review the assumptions underlying the operating performance and cash flow forecasts based on information requested from these privately held companies. Generally, this information may be more limited, may not be as timely as and may be less accurate than information available from publicly traded companies. Assessing each investment's carrying value requires significant judgment by management. If it is determined that there is an other-than-temporary decline in the fair value of a non-public equity security, we write-down the investment to its fair value and record the related write-down as an investment loss in the consolidated statement of operations.

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EUROTUST A/S AND SUBSIDIARIES

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (DKK AND US\$ AMOUNTS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS AND WHERE OTHERWISE INDICATED)

TRADE ACCOUNTS RECEIVABLE

Trade accounts receivable are recorded at the amount invoiced to customers and they do not bear interest. The allowance for doubtful accounts is the Company's best estimate of the amount of probable losses resulting from the inability of our customers to make required payments. We regularly review the adequacy of our accounts receivable allowance after considering the size of the accounts receivable balance, each customer's expected ability to pay and our collection history with each customer. We review significant invoices that are past due to determine if an allowance is appropriate based on the risk category using the factors described above.

The following includes the changes in the allowance for doubtful accounts for the years ended December 31, 2003 to December 31, 2005:

	Balance at January 1	Amounts charged credited) to Operating Expenses	Write-offs	Balance at December 31
	-----			-----
Year ended December 31, 2003	4,629	(699)	(1,691)	2,239
Year ended December 31, 2004	2,239	(720)	(927)	592
Year ended December 31, 2005	592	(107)	(442)	43

NOTES RECEIVABLE

Notes receivable were recorded as a result of the sale of Virus 112 and totaled DKK 11,000 and 9,350 at December 31, 2004 and 2005, respectively. Interest of 6% per annum is recorded and receivable on a quarterly basis beginning December 31, 2004. Principal payments of DKK 550 are payable quarterly beginning March 31, 2005 through December 31, 2009. No allowance for doubtful accounts has been recorded on the notes as they are deemed collectable. The Company's policy for putting the loan on non-accrual status and to record an allowance for doubtful accounts is based upon management's best estimate of amount of probable losses resulting from the purchaser inability to make required payments.

BROADCASTING PROGRAMMING RIGHTS

The Company acquires rights to broadcasting programming and produces programming for exhibit on its cable television station. The costs incurred in acquiring and producing programs are capitalized and amortized over the greater of when the program is aired or the license period or the projected useful life of the programming, currently 12 to 28 months. Program rights and the related liabilities are recorded at the gross amount of the liabilities when the license period has begun, the cost of the program is determinable, and the program is accepted and available for airing.

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EUROTRUST A/S AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (DKK AND US\$ AMOUNTS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS

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AND WHERE OTHERWISE INDICATED)

PROPERTY, PLANT AND EQUIPMENT

Buildings, production and technical equipment, furniture and fixtures, automobiles and leasehold improvements are carried at cost less accumulated depreciation. Assets held under capital leases are recorded at the present value of minimum lease payments less accumulated depreciation. Land was carried at cost and is not depreciated.

Buildings were depreciated on a straight-line basis over 50 years. Production and technical equipment, furniture and fixtures and automobiles are depreciated on a straight-line basis over the expected useful lives of between three and ten years. Leasehold improvements are amortized over the shorter of their expected lives, which is ten years or the non-cancelable term of the leases.

GOODWILL AND OTHER DEFINITE LIFE INTANGIBLE ASSETS

Goodwill represents the excess of costs over the fair value of the identifiable net assets of businesses or remaining minority interest of businesses acquired. Other definite life intangibles assets consisted in 2003 of license rights to virus scanning software and other intangible assets. The Company accounts for Goodwill and Other Intangible Assets in accordance with SFAS No. 142, GOODWILL AND OTHER INTANGIBLE ASSETS, and accordingly Goodwill and indefinite intangible assets are tested for impairment at least annually or when circumstances change that could result in impairment; definite-life intangible assets with estimable useful lives are amortized over their respective estimated useful lives, and reviewed for impairment in accordance with SFAS No. 144, Accounting for Impairment or Disposal of Long-Lived Assets.

IMPAIRMENT OF LONG-LIVED ASSETS

In accordance with SFAS No. 144, long-lived assets, such as property, plant, and equipment, and purchased intangibles subject to amortization, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Circumstances which could trigger a review include, but are not limited to: significant decreases in the market price of the asset; significant adverse changes in the business climate or legal factors; current period cash flow or operating losses combined with a history of losses or a forecast of continuing losses associated with the use of the asset; and current expectation that the asset will more likely than not be sold or disposed of significantly before the end of its estimated useful life.

Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated undiscounted future cash flows, an impairment charge is recognized by the amount by which the carrying amount of the asset exceeds the fair value of the asset. Assets to be disposed of would be separately presented in the balance sheet and reported at the lower of the carrying amount or fair value less costs to sell, and would no longer be depreciated. The depreciable basis of assets that are impaired and continue in use is their respective fair values

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EUROTUST A/S AND SUBSIDIARIES

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (DKK AND US\$ AMOUNTS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS AND WHERE OTHERWISE INDICATED)

REVENUE RECOGNITION

The Company derived revenues from two primary categories: (i) Broadcasting, which includes cable and digital television subscriber income and program production income; and (ii) Internet services, which include managed public key infrastructure ("PKI") services and digital certificate services (through April 1, 2004), virus surveillance and detection services (through September 30, 2004), and royalty relating to remote data backup services. The Company's revenue recognition policies are in accordance with SEC Staff Accounting Bulletin ("SAB") No. 104, "REVENUE RECOGNITION, unless otherwise noted below. The revenue recognition policy for each of these categories is as follows:

BROADCASTING

The Company recognizes cable and digital television revenue in accordance with the terms of the contracts entered into with cable and digital television providers, which are based on the number of subscribers for the Company's television channel and as programming, is made available to viewers. Revenue and costs associated with program production are recognized when persuasive evidence of an arrangement exists, programs are completed and delivered to our customers, and fees are fixed and collectable with no further future obligation to the customer.

INTERNET SERVICES

The Company previously recognized revenues from issuances of digital certificates and managed PKI services, virus surveillance and detection services, and remote data backup, previous to the divestitures of these businesses in 2003 and 2004, when all of the following criteria were met: (1) persuasive evidence of an arrangement exists, (2) delivery of products and services has occurred, (3) the fee is fixed or determinable and (4) collectibility is reasonably assured. We determine each of the criteria in our revenue recognition as follows:

PERSUASIVE EVIDENCE OF AN ARRANGEMENT EXISTS. We enter into written agreements with our customers, that are signed by both the customer and the Company, or other related documentation from those customers who have previously negotiated an arrangement.

DELIVERY OF PRODUCTS AND SERVICES HAS OCCURRED. Certificate and security technologies may be delivered physically or downloaded by the customer. Undelivered components of these technologies that are essential to the functionality of the products, if any are not recognized until delivery in full is complete.

THE FEE IS FIXED OR DETERMINABLE. Agreements with customers do not include a right to return. The majority of the initial fees are due within one year or less. Should there be arrangements with payment terms that extend beyond customary payment terms, the fees then are considered not to be fixed or determinable, and revenues from such arrangements are recognized as payments become due and realizable.

COLLECTIBILITY IS PROBABLE. Collectibility is assessed for each customer class of which there is a history of successful collection based upon a credit review. Initial determination that collectibility is not probable results in the revenues being recognized as cash is collected.

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EUROTRUST A/S AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (DKK AND US\$ AMOUNTS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS AND WHERE OTHERWISE INDICATED)

In software arrangements involving multiple elements, as required by the EITF Issue 00-21, "Revenue Arrangements with Multiple Deliverables" and American Institute of Certified Public Accountants Statement of Position ("SOP") 97-2, as amended by SOP 98-9, the Company allocates and defers revenue for the undelivered elements based on vendor-specific objective evidence, or VSOE, of the fair value of the undelivered elements, and recognizes the difference between the total arrangement fee and the amount deferred for the undelivered elements as revenue. VSOE of each element is based on the price for which the undelivered element is sold separately. If VSOE does not exist for undelivered elements such as maintenance services, then the entire arrangement fee is recognized over the performance period.

Fees from the sales of digital certificates and managed PKI services, which include bundled maintenance services that are not sold separately, were deferred and recognized ratably over the period that such contracted services were provided, usually 12 to 24 months.

Revenues from virus surveillance and detection services, which include bundled maintenance services that were not sold separately, were deferred and recognized ratably over the period that the service was provided, usually 3 to 36 months.

Up-front fees from hosting and remote data backup services were deferred and recognized ratably over the period that the services are provided, usually 3 to 12 months.

The Company's consulting and installation services relating to secure communication, virus protection and network security were not essential to the functionality of the software. These software products were fully functional upon delivery and did not require any significant modification or alteration. Revenues from consulting and installation services, which were provided on a time and materials basis, were recognized as the services were performed and accepted by the customer.

Currently, the Company receives royalties on the sales of Internet products and services of divested subsidiaries. These royalties are recognized as revenues in the periods in which they are earned and deemed collectable.

ADVERTISING COSTS

Advertising costs are expensed as incurred. Advertising expenses totaled DKK 3.9 million, DKK 5.0 million and DKK 3.2 million in 2003, 2004 and 2005, respectively.

INCOME TAXES

The Company utilizes the asset and liability method to account for income taxes. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and to operating loss carry forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the

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years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. The Company records a valuation allowance to reduce deferred tax assets to an amount which realization is more likely than not.

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EUROTRUST A/S AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (DKK AND US\$ AMOUNTS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS AND WHERE OTHERWISE INDICATED)

STOCK OPTIONS

At December 31, 2005, the Company has a number of stock options outstanding. We apply the intrinsic value-based method of accounting prescribed by Accounting Principles Board ("APB") Opinion No. 25, "ACCOUNTING FOR STOCK ISSUED TO EMPLOYEES", and related interpretations including FASB Interpretation No. 44, "ACCOUNTING FOR CERTAIN TRANSACTIONS INVOLVING STOCK COMPENSATION AN INTERPRETATION OF APB NO. 25" issued in March 2000, to account for our fixed plan stock options.

Under this method, compensation expense is recorded on the date of grant only if the current market price of the underlying stock exceeded the exercise price. SFAS No. 123 "ACCOUNTING FOR STOCK-BASED COMPENSATION," established accounting and disclosure requirements using a fair value-based method of accounting for stock-based employee compensation plans. As allowed by SFAS No. 123, we have elected to continue to apply the intrinsic value-based method of accounting described above, and have adopted the disclosure requirements of SFAS No. 123. The following table (in DKK) illustrates the effect on net loss and net loss per share if we had applied the fair value recognition provisions of SFAS No. 123, "ACCOUNTING FOR STOCK-BASED COMPENSATION," to stock-based employee compensation under which the estimated fair value of the options would have been over the options' vesting periods:

	2003 -----	2004 -----	2005 -----
Reported net income (loss)	(6,330)	58,454	(7,924)
Reported stock-based compensation expense	--	--	--
Pro forma stock-based compensation expense	(8,027)	(6,982)	(18,395)
	-----	-----	-----
Pro forma net income (loss)	(14,357)	51,472	(26,319)
Reported basic income (loss) per share	(1.35)	11.82	(1.45)
Reported diluted income (loss) per share	(1.35)	11.10	(1.45)
Pro forma basic income (loss) per share	(3.07)	10.40	(4.80)
Pro forma diluted income (loss) per share	(3.07)	9.77	(4.80)

The fair value of these stock options was estimated at the date of grant using a Black-Scholes option pricing model with the following weighted average assumptions

	2003 -----	2004 -----	2005 -----
Risk free interest rate	3.62%	3.47%	3.00%

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Dividend yield	0%	0%	0%
ADR's Annual volatility of the expected market price	1.58	1.60	1.10
Expected life of the options	4.90	4.47	9.32

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EUROTUST A/S AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (DKK AND US\$ AMOUNTS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS AND WHERE OTHERWISE INDICATED)

CONCENTRATION OF CREDIT RISK

Cash and cash equivalents are, for the most part, maintained with several major financial institutions in Scandinavia. These balances are insured up to DKK 300 (in thousands) per account.

The company has one large customer in the broadcasting segment which alone accounts for 25% of the company's consolidated revenue for 2003, respectively. The company has two large customers in the broadcasting segment which accounts for 32% and 16%, respectively of the company's consolidated revenue for 2004 and accounts for 32% and 30%, respectively of the company's consolidated revenue for 2005. These two customers account for approximately 21% and 20% of our outstanding receivables at December 31, 2005.

PENSIONS AND OTHER POST-RETIREMENT AND POST-EMPLOYMENT BENEFITS

The Company contributes to insurance companies for defined contribution pension benefits agreements between employees and insurance companies. The Company's contributions are expensed as incurred. The Company has no future liabilities related to pensions beyond the contribution.

Other than the pension benefits described above, the Company does not provide its employees with post-retirement and post-employment benefits.

STOCK SPLIT

On May 19, 2005, and reflected in the accompanying consolidated financial statements, the Company effected a 1 for 6 reverse stock split of its common shares wherein in lieu of issuing a fraction of a new share, to pay to each holder the value thereof based upon the closing price of an ADR on the NASDAQ Small Cap Market on the day on which the change shall have occurred. The Company further effected a change in the par value of each common share of the Company from DKK 1.25 to DKK 7.50.

RECLASSIFICATIONS

Certain balances in the financial statements for December 31, 2003 and 2004 have been reclassified to conform to the headings and classifications used in the December 31, 2005 consolidated financial statements.

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EUROTUST A/S AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (DKK AND US\$ AMOUNTS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS

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AND WHERE OTHERWISE INDICATED)

RECENTLY ISSUED ACCOUNTING STANDARDS

In December 2004, the FASB issued SFAS No. 123(R), "Share-Based Payment". This Statement revises SFAS No. 123, "Accounting for Stock-Based Compensation" and supersedes APB Opinion No. 25, "Accounting for Stock Issued to Employees."

SFAS No. 123(R) requires that the compensation cost relating to share-based payment transactions be recognized in financial statements. The cost will be measured based on the fair value of the instruments issued. The Company will be required to apply SFAS No. 123(R) as of the first fiscal year that begins after June 30, 2005. Accordingly, The Company will adopt SFAS No. 123(R) during the first quarter of fiscal 2006. Management is currently evaluating the impact SFAS No. 123(R) will have on the Company's results of operations as a result of adopting this new Standard. Upon adopting SFAS 123(R) the Company's income will decrease as a result of the additional compensation expense if additional options are granted.

In December 2004, the FASB issued Statement of Financial Accounting Standard ("SFAS") No. 153, "Exchanges of Non-monetary Assets." This Statement amends Opinion 29 to eliminate the exception for non-monetary exchanges of similar productive assets and replaces it with a general exception for exchanges of non-monetary assets that do not have commercial substance. A non-monetary exchange has commercial substance if the future cash flows of the entity are expected to change significantly as a result of the exchange. The provisions of this Statement are effective for non-monetary asset exchanges occurring in fiscal periods beginning after June 15, 2005. Earlier application is permitted for non-monetary asset exchanges occurring in fiscal periods beginning after December 16, 2004. The provisions of this Statement should be applied prospectively. The adoption of this pronouncement did not have a material effect on the Company's financial statements.

The Emerging Issues Task Force ("EITF") Issue 04-8, "The Effect of Contingently Convertible Instruments on Diluted Earnings per Share." The EITF reached a consensus that contingently convertible instruments, such as contingently convertible debt, contingently convertible preferred stock, and other such securities should be included in diluted earnings per share (if dilutive) regardless of whether the market price trigger has been met. The consensus is effective for reporting periods ending after December 15, 2004. The adoption of this pronouncement did not have a material effect on the Company's financial statements.

In May 2005, the FASB issued FASB 154, "Accounting Changes and Error Corrections," a replacement of APB Opinion No. 20 and FASB statement No. 3, "Reporting Accounting Changes in Interim Financial Statements." This statement changes the requirements for the accounting for and reporting of a change in accounting principle. This Statement applies to all voluntary changes in accounting principle. It also applies to changes required by an accounting pronouncement in the unusual instance that the pronouncement does not include specific transition provisions. When a pronouncement includes specific transition provisions, those provisions should be followed. This statement is effective for accounting changes and corrections of errors made in fiscal years beginning after December 15, 2005.

On September 28, 2005, the FASB ratified the following consensus reached in EITF Issue 05-8 ("Income Tax Consequences of Issuing Convertible Debt with a Beneficial Conversion Feature"): a) The issuance of convertible debt with a beneficial conversion feature results in a basis difference in applying FASB Statement of Financial Accounting Standards SFAS No. 109, Accounting for Income Taxes. Recognition of such a feature effectively creates a debt instrument and a

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separate equity instrument for

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EUROTRUST A/S AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (DKK AND US\$ AMOUNTS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS AND WHERE OTHERWISE INDICATED)

book purposes, whereas the convertible debt is treated entirely as a debt instrument for income tax purposes. b) The resulting basis difference should be deemed a temporary difference because it will result in a taxable amount when the recorded amount of the liability is recovered or settled. c) Recognition of deferred taxes for the temporary difference should be reported as an adjustment to additional paid-in capital. This consensus is effective in the first interim or annual reporting period commencing after December 15, 2005, with early application permitted. The effect of applying the consensus should be accounted for retroactively to all debt instruments containing a beneficial conversion feature that are subject to EITF Issue 00-27, "Application of Issue No. 98-5 to Certain Convertible Debt Instruments" (and thus is applicable to debt instruments converted or extinguished in prior periods but which are still presented in the financial statements). The adoption of this pronouncement is not expected to have a material impact on the Company's financial statements.

The Emerging Issues Task Force ("EITF") reached a tentative conclusion on EITF Issue No. 05-1, "Accounting for the Conversion of an Instrument That Becomes Convertible upon the Issuer's Exercise of a Call Option" that no gain or loss should be recognized upon the conversion of an instrument that becomes convertible as a result of an issuer's exercise of a call option pursuant to the original terms of the instrument. The application of this pronouncement is not expected to have an impact on the Company's consolidated financial statements.

In June 2005, the FASB ratified EITF Issue No. 05-2, "The Meaning of 'Conventional Convertible Debt Instrument' in EITF Issue No. 00-19, 'Accounting for Derivative Financial Instruments Indexed to, and Potentially Settled in, a Company's Own Stock'" ("EITF No. 05-2"), which addresses when a convertible debt instrument should be considered 'conventional' for the purpose of applying the guidance in EITF No. 00-19. EITF No. 05-2 also retained the exemption under EITF No. 00-19. EITF No. 05-2 is effective for new instruments entered into and instruments modified in periods beginning after June 29, 2005. The Company has applied the requirements of EITF No. 05-2 since the required implementation date. The adoption of this pronouncement did not have an impact on the Company's consolidated financial statements.

EITF Issue No. 05-4 "The Effect of a Liquidated Damages Clause on a Freestanding Financial Instrument Subject to EITF Issue No. 00-19, 'Accounting for Derivative Financial Instruments Indexed to, and Potentially Settled in, a Company's Own Stock'" ("EITF No. 05-4") addresses financial instruments, such as stock purchase warrants, which are accounted for under EITF 00-19 that may be issued at the same time and in contemplation of a registration rights agreement that includes a liquidated damages clause. The consensus of EITF No. 05-4 has not been finalized. The Company does not believe the adoption of this pronouncement will have an impact on the Company's consolidated financial statements.

In September 2005, the FASB ratified EITF Issue No. 05-7, "Accounting for Modifications to Conversion Options Embedded in Debt Instruments and Related Issues" ("EITF No. 05-7"), which addresses whether a modification to a conversion option that changes its fair value affects the recognition of

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interest expense for the associated debt instrument after the modification and whether a borrower should recognize a beneficial conversion feature, not a debt extinguishment, if a debt modification increases the intrinsic value of the debt. EITF No. 05-7 is effective for the first interim or annual reporting period beginning after December 15, 2005. The Company does not believe the adoption of this pronouncement will have an impact on the Company's consolidated financial statements.

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EUROTUST A/S AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (DKK AND US\$ AMOUNTS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS AND WHERE OTHERWISE INDICATED)

2. INVESTMENT SECURITIES

The following is a summary of available-for-sale investments held as long-term assets (in DKK):

	COST ----	GROSS UNREALIZED LOSSES -----	FAIR VALUE -----
December 31, 2004:			
Shares in Land and Leisure A/S	698	(501)	197
	-----	-----	-----
Total	698	(501)	197
	-----	-----	-----

In 2004, the Company recognized a DKK 501 other than temporary loss on available-for-sale marketable securities. During 2005, the Company sold all the remaining shares in Land and Leisure A/S and recorded a gain of DKK 41.

3. EQUITY METHOD INVESTMENTS IN UNCONSOLIDATED COMPANIES

The following is a summary of equity method investments (in DKK)

	DECEMBER 31, 2004	2005
	-----	-----
Mediehuset Danmark ApS	1,638	2,099
	-----	-----

MEDIEHUSET DANMARK ApS

In 2003, as part of a severance agreement with our former COO, Brain Mertz Pedersen, the Company invested 1.5 million DKK for a 25% ownership of Mediehuset Danmark ApS. At the date of purchase the purchase price exceeded 25% of the net equity of Mediehuset Danmark ApS by DKK 998. The Company's Equity in earnings of Mediehuset Danmark ApS for the year ended September 30, 2005 and 2004 was DKK 461 and DKK138, respectively.

EXCELSA SA s.r.l.

During the second half of 2004, the Company acquired an additional 139,322 (not in thousands) ordinary shares of Excelsa S.P.A. for a total cash

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amount of DKK 11,948 or Euro 1,659. Subsequent to year ended December 31, 2004, Eurotrust discovered that Excelsa SA had overstated their 2004 and 2003 results. EuroTrust, MSGI and one other significant shareholder entered into negotiations with Excelsa to attempt to remediate the damages. As a result of overstatement and uncertainty of Excelsa's ability to continue as a going concern, management recorded an impairment charge of DKK 14,442 during 2004.

TRUST ITALIA S.p.A.

On September 1, 2004, the Company sold its approximately 16% interest in Trust Italia S.p.A. to Excelsa SA for a total consideration of DKK 7,436 or Euros 1,000. The investment had previously been written down to zero at December 31, 2002 based on an impairment test.

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EUROTUST A/S AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (DKK AND US\$ AMOUNTS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS AND WHERE OTHERWISE INDICATED)

4. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment include the following (in DKK):

		DECEMBER 31, -----	
	Estimated Life	2004 -----	2005 -----
Land	N/A	1,929	--
Building	50 years	27,321	--
Production & Technical equipment	3 to 10 years	83,324	88,723
Furniture and fixtures	3 to 5 years	1,920	2,701
Automobiles	5 years	4,617	4,398
Leasehold improvements	3 to 10 years	3,748	3,820
		-----	-----
		122,859	99,642
Less accumulated depreciation and amortization		(30,305)	(32,520)
		-----	-----
Net property, plant and equipment		92,554	67,122
		=====	=====
Depreciation expense		10,604	11,695

The net book value of assets on capital lease arrangements included in property, plant and equipment total DKK 5,829 and DKK 6,801 at December 31, 2004 and 2005, respectively.

On April 1, 2005, the Company sold its building located at Poppelgardvej 11-13 in Soborg, Copenhagen to Lion Ejendomme ApS for DKK 20,000 in cash less broker expenses.

At December 31, 2005, certain of the Company's equipment was held as collateral on current and long term financing (See Note 9 & 10).

5. GOODWILL

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Goodwill relating to the purchase of the Company's Broadcast Media segment consisted of the following (in DKK):

	DECEMBER 31,	
	2004	2005
	-----	-----
BALANCE AT THE BEGINNING OF THE YEAR	23,941	24,561
CHANGES:		
Additions	1,585	--
Disposals	--	--
Impairment	(965)	--
	-----	-----
BALANCE AT THE END OF THE YEAR	24,561	24,561
	-----	-----

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EUROTUST A/S AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (DKK AND US\$ AMOUNTS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS AND WHERE OTHERWISE INDICATED)

On April 1, 2004, Prime Vision A/S purchased the remaining 25% of Mobile Broadcast A/S, from Euro Broadcast Hire A/S thereby becoming the 100% owner of Mobile Broadcast A/S. The purchase price exceeded the fair market value of net assets acquired by approximately DKK 620, which was recorded as goodwill.

On April 23, 2004, the Company's subsidiary InAphone (formerly known as 909.909 A/S) acquired the assets of Ideation House ApS. The purchase price exceeded the fair value of the net assets acquired by approximately DKK 965, which was recorded as Goodwill. At December 31, 2004, the Company recorded an impairment charge of DKK 965 related to the purchase as the projected future cash flows from the subsequent sale of InAphone were insufficient to realize the related goodwill.

During the fourth quarter of 2004 and 2005, the Company performed the annual impairment test and recorded an impairment charge of DKK 965 and DKK 0, respectively.

Fair value was estimated for each reporting unit, within EuroTrust, using the expected present value of discounted future cash flows the unit is expected to generate over its remaining life. When making these estimates, we were required to make estimates of future operating trends and judgments on discount rates and other variables. Actual future results and other assumed variables could differ from these estimates. The discount rates used ranged from 11 to 14 percent and the terminal values were estimated based on terminal growth rates of two percent. The assumptions supporting the estimated future cash flows, including the discount rate and estimated terminal values, reflect management's best estimates.

7. BUSINESS ACQUISITIONS, DIVESTITURES AND DISCONTINUED OPERATIONS

ACQUISITIONS DURING 2004

On April 1, 2004, Prime Vision A/S purchased the remaining 25% of Mobile

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Broadcast A/S, from Euro Broadcast Hire A/S thereby becoming the 100% owner of Mobile Broadcast A/S. The purchase price exceeded the fair market value of net assets acquired by approximately DKK 620, which was recorded as goodwill.

On April 23, 2004, the Company's subsidiary formerly known as 909.909 A/S changed its name to InAphone A/S and acquired, in a transaction accounted for as a purchase, the assets and operations of Ideation House ApS which engages in the development and marketing of mobile phone software technologies. The terms of the purchase required the Company to surrender 40% of the outstanding equity of InAphone A/S to the current management and to loan DKK 3,000 of working capital to InAphone A/S. The purchase price exceeded the fair value of the net assets acquired by approximately DKK 965, which was recorded as Goodwill. The consolidated financial statements include the results of operations of InAphone A/S from April 23, 2004 through December 31, 2004. Further, the net loss for InAphone A/S for the period from April 23, 2004 through December 31, 2004 applicable to the 40% minority interest were not allocated to the holders of the non-controlling interest as there is an inability of the minority shareholders to share in such losses.

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EUROTUST A/S AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (DKK AND US\$ AMOUNTS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS AND WHERE OTHERWISE INDICATED)

ACQUISITIONS DURING 2003

On December 31, 2003, EuroTrust A/S purchased the remaining 15% of Europe-Visions A/S (formerly Euro909Media A/S), from Parken Sport & Entertainment thereby becoming the 100% owner of Europe-Visions A/S. The purchase price exceeded the fair market value of net assets of Europe-Visions acquired by approximately DKK 2.9 million, which was recorded as goodwill.

DISCONTINUED OPERATIONS

During 2005, 2004 and 2003, the company elected to divest the operations of the internet services segment. The divestitures were completed during 2005, 2004 and 2003 with the operations of InAphone A/S, EuroTrust Virus 112 A/S, EuroTrust PKI Services A/S, EuroTrust Sweden, Telefax Scandinavia AB, EuroTrust E-Security SARL, and EuroTrust France SAS being reclassified in the accompanying statement of operations to discontinued operations as the Company will not have any continuing involvements in the components or cash flows from their operations. Revenues of the discontinued components for the years ended December 31, 2003, 2004 and 2005 were DKK 56,589, DKK 21,075, and DKK 0. The pretax income or (loss) from the operations of the discontinued components was DKK (18,420), DKK 1,090, and DKK 0 for, 2003, 2004, and 2005 respectively. The gain on disposal of the discontinued components was DKK 10,049 and DKK 83,615 and DKK 2,058 for, 2003, 2004, and 2005 respectively.

DIVESTITURES DURING 2005

On January 1, 2005, the Company sold InAphone A/S as InAphone A/S had depleted the capital management was willing to allocate, without showing any significant increase in sales from the use of media in mobile phones and hand-held personal organizers. The minority shareholders paid DKK 1 for the Company's 60% interest and assumed the net liabilities of InAphone A/S as of December 31, 2004. At the time of sale, the sale resulted in no gain or loss. The operating results of InAphone A/S have been classified as discontinued

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operations in the accompanying financial statements. However, during December of 2005, the Company recorded a gain on disposal of discontinued operations of DKK 2,058 resulting from the collection of inter-company loans the Company had made to InAphone A/S, while a 60% owned subsidiary, which had previously been eliminated in consolidation.

DIVESTITURES DURING 2004

VIRUS 112

On September 30, 2004 the Company sold the assets of Virus112, to Comendo A/S. Virus112 A/S, a wholly-owned subsidiary of the Company, through which the Company offered virus detection products and services. The purchase price was approximately U.S. \$2.5 million, of which U.S. \$700,000 was paid in cash and the balance was paid by a five-year note receivable in the principal amount of U.S. \$1.8 million, bearing interest of 6% per annum, and payable in quarterly installments. Comendo will also hire the Virus112 employees and assume the employee and the ongoing contractual obligations of Virus112.

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EUROTUST A/S AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (DKK AND US\$ AMOUNTS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS AND WHERE OTHERWISE INDICATED)

In connection with the sale Comendo agreed to lease certain office space and equipment from the Company. The company collected DKK 237 in lease payments during 2005, prior to selling the building in April 2005.

The following table summarizes the proceeds received, the assets and liabilities divested and the gain recorded by the Company on the closing date of the sale to Comendo:

	SEPTEMBER 30, 2004

	(IN THOUSANDS DKK)
Proceeds from sale of Virus112 A/S assets:	
Cash received (October 1, 2004)	4,000
Notes receivable	11,000

	15,000
	=====
Assets and liabilities divested in sale of EuroTrust PKI assets:	
Current assets	3,190

Total assets divested	3,190

Current deferred revenue	(10,868)

Total liabilities divested	(10,868)

Net liabilities divested	(7,678)
	=====
Write-down of related property and equipment	1,741

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Related cost of divestiture	1,200
Gain on sale of business	19,737

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EUROTRUST A/S AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (DKK AND US\$ AMOUNTS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS AND WHERE OTHERWISE INDICATED)

PKI

On April 1, 2004, the Company sold the Secure Socket Layer certificate assets of EuroTrust PKI to VeriSign. EuroTrust PKI, a wholly-owned subsidiary of the Company, is the operation through which the Company sells Public Key Infrastructure (PKI) Services, including VeriSign's SSL certificates and related services in Austria, Switzerland, Finland, Norway, Sweden and Denmark. Under the terms of the agreement, VeriSign paid the Company U.S. \$8.5 million in cash and assume the ongoing obligations of EuroTrust PKI SSL contracts.

In connection with the sale VeriSign agreed to lease certain office space and equipment from the Company. The Company collected DKK 179 during 2005 in lease payments prior to selling the building in April 2005. The following table summarizes the proceeds received, the assets and liabilities divested and the gain recorded by the Company on the closing date of the sale to VeriSign:

	APRIL 1, 2004
	(IN THOUSANDS DKK)
Proceeds from sale of EuroTrust PKI assets:	
Cash received	46,312
Cash held in escrow	5,959
	52,271

Assets and liabilities divested in sale of EuroTrust PKI assets:

Current assets	8,888
Total assets divested	8,888
Current deferred revenue	(29,620)
Total liabilities divested	(29,620)
Net liabilities divested	(20,732)
Write-down of related property and equipment	9,367
Legal and related cost of divestiture	574
Gain on sale of business	63,062

EUROTRUST A/S AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(DKK AND US\$ AMOUNTS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS
AND WHERE OTHERWISE INDICATED)

Secure Hosting A/S

In January 2004, the Company sold its hosting subsidiary, EuroTrust Secure Hosting A/S, to Mondo A/S. The consideration we received includes a three-year royalty agreement on future sales generated from our transferred customer base and thus has not been classified as a discontinued operation. The agreement includes a minimum royalty of DKK 7,100 over a three-year period. During 2004 and 2005, the Company received royalty payments of DKK 1,435 and 2,459, respectively, which have been included in the gain from sales of divestitures line item on the consolidated statements of operations.

DIVESTITURES DURING 2003

NetVaulting A/S

On November 30, 2003, the Company sold the assets in its secure remote back-up business, EuroTrust NetVaulting A/S, to Munk IT. The consideration includes a 10-year royalty agreement on future sales generated from our transferred customer base and thus has not been classified as discontinued operations.

EuroTrust Sweden AB

On December 31, 2003, the Company sold its 70% interest in EuroTrust Sweden AB to CEO/shareholder (30% of EuroTrust Sweden - Klas Carlin) and our previous CTO Tobias Wahlgren for DKK 1. The operations have been reclassified as discontinued operations in the accompanying financial statements. All employment liabilities for Tobias Wahlgren is in connection with the agreement transferred from EuroTrust PKI Services A/S to EuroTrust Sweden AB. EuroTrust Sweden AB had a negative equity of approx. DKK 1,400 as of December 31, 2003. Due to the negative equity EuroTrust has given EuroTrust Sweden AB the possibility for a loan of a maximum of DKK 1,600 forward for the period ending December 31, 2005. The loan can at anytime be transferred into equity of a maximum of 25% in EuroTrust Sweden AB.

On December 31, 2003 we sold our interest in Alphasys for DKK 1 and recognized a gain of approximately DKK 6,400 gain on sale of subsidiary. The operations have been reclassified to discontinued operations in the accompanying financial statements. Alphasys had previously been forced into liquidation in October 2003. Management believes in consultation with its French attorney that no liability will be raised against EuroTrust A/S.

On November 30, 2003 the Company disposed of the operations and assets of Realtime Security A/S for DKK 400 resulting in the Company recognizing a loss of DKK 520 on the sale. The operations have been reclassified as discontinued operations in the accompanying financial statements.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (DKK AND US\$ AMOUNTS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS AND WHERE OTHERWISE INDICATED)

8. FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of the Company's cash equivalents and restricted cash, receivables, marketable securities, long-term investments, line of credit and long-term debt, payables and lease obligations approximates the carrying amount, which is the amount for which the instrument could be exchanged in a current transaction between willing parties. Information about each instrument follows:

CASH, CASH EQUIVALENTS AND RESTRICTED CASH

The carrying amount of cash, cash equivalents and restricted cash approximates their fair value as of December 31, 2004 and 2005, because of the short term maturities of those instruments.

ACCOUNTS RECEIVABLE, RECEIVABLES FROM RELATED PARTIES, VAT RECEIVABLE AND OTHER RECEIVABLES

The carrying amounts of accounts receivable, receivables from related parties, VAT receivable and other receivables approximate their fair value as of December 31, 2004 and 2005 because of the expected short term collection of those instruments.

NOTES RECEIVABLE

The carrying amount of notes receivable approximates their fair value as of December 31, 2004 and 2005 because the interest rates approximate the rate of similar instruments as of December 31, 2005.

Marketable securities

The fair values of investment securities are estimated based on quoted market prices as of December 31, 2004 and 2005 and are stated at fair value.

LONG TERM INVESTMENTS

For long-term other investments for which there are no quoted market prices, a reasonable estimate of fair value as of December 31, 2004 and 2005 is based on a review of the assumptions underlying the operating performance of the privately held companies.

LINE OF CREDIT AND LONG- TERM DEBT

The fair values of the Company's line of credit and long-term debt as of December 31, 2004 and 2005 approximate recorded values as of December 31, 2004, based on similar current rates offered to the Company for debt of the same remaining maturities.

ACCOUNT PAYABLE AND ACCOUNTS PAYABLE, RELATED PARTIES

The carrying amount of accounts payable and accounts payable -related party approximates fair value as of December 31, 2004 and 2005, because of the short term maturity of those instruments.

LEASE OBLIGATIONS

The fair value of the Company's lease obligations is estimated by discounting the future cash flows at rates currently offered to the Company for

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debt of comparable maturities by the Company's bankers and is similar to recorded amounts as of December 31, 2005.

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EUROTRUST A/S AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (DKK AND US\$ AMOUNTS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS AND WHERE OTHERWISE INDICATED)

9. SHORT-TERM BORROWING AND LINE-OF-CREDIT

Short-term borrowing from a Danish bank is due on demand and consists of the following (in DKK):

	DECEMBER 31,	
	2004	2005
Forstaedernes Bank	8,417	11,323
	=====	=====

At December 31, 2004 the Company also has secured lines-of-credit with Danish banks up to DKK 11.3 million. Interest rates fluctuate with the market rates of the major banks. The weighted average interest rates as of December 31, 2004 and 2005 were 5.5% and 6.0%, respectively. The Company has pledged bonds held in Dexia Dannervirke of nominal value of 13.0 million, with a current market value of 12.2 million, as collateral for the borrowings.

10. BANK LOANS

Bank loans consist of the following (in DKK):

	DECEMBER 31,	
	2004	2005
Forstaedernes Bank 5.5% note payable, due September 2009, payable in monthly installments of DKK 77, with vehicles and broadcasting equipment valued at DKK 4,150 pledged as collateral	--	3,111
Variable rate note payable, interest at CIBOR 3.75 at December 31, 2005, payable in monthly installments of DKK 7 through January 2013, with a vehicle valued at DKK 564 pledged as collateral	--	520
	-----	-----
		3,631
Less current portion	--	802
	-----	-----
	--	2,829
	=====	=====

The estimated aggregate maturities required on long-term debt for each of the individual years at December 31, 2005 are as follows:

2005

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Year ending December 31:	
2006	802
2007	878
2008	928
2009	779
2010	77
Thereafter	167

	3,631
	=====

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EUROTUST A/S AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (DKK AND US\$ AMOUNTS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS AND WHERE OTHERWISE INDICATED)

11. CAPITAL LEASES

The Company is obligated under capital leases for production vans and equipment that expire at November 1, 2008. At December 31, 2004 and 2005, the gross amount of production vans and equipment and related accumulated depreciation recorded under capital leases and the amount of inventories subject to sale-and-leaseback arrangements were as follows:

	DECEMBER 31,	
	2004	2005
OB van and equipment	7,095	9,738
	-----	-----
Less accumulated depreciation	1,266	2,937
	-----	-----
	5,829	6,801
	=====	=====

For the year ended December 31, 2005 the Company recorded depreciation expense on assets held under capital leases of DKK 1,671 which was included in depreciation expense on the statements of operations.

The Company also has several non-cancelable operating leases, primarily for office space, that expire over the next two years. These leases generally contain renewal options for one year and require the Company to pay all executory costs such as maintenance and insurance. Expenses under operating leases, amounted to DKK 1.8 million, DKK 1.3 million and DKK 1.3 million in the years ended December 31, 2003, 2004 and 2005, respectively.

Future minimum lease payments under non-cancelable operating leases (with initial or remaining lease terms in excess of one year) and future minimum capital lease payments, as of December 31, 2005 are:

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EUROTRUST A/S AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (DKK AND US\$ AMOUNTS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS AND WHERE OTHERWISE INDICATED)

	CAPITAL LEASES	OPERATING LEASES
	-----	-----
Year ending December 31:		
2006	2,191	3,926
2007	2,191	534
2008	2,561	467
2009	461	74
2010	--	77
2011 and thereafter	--	171
	-----	-----
Total minimum lease payments	7,404	5,249
		=====
Less amount representing interest	(645)	

Present value of net minimum capital lease payments	6,759	

Less current installments of obligations under capital leases	1,790	

Obligations under capital leases, excluding current installments	4,969	
	=====	

12. RELATED PARTY TRANSACTIONS

In the ordinary course of business, EuroTrust engages in transactions with certain entities and individuals that are considered to be related parties as follows:

VERISIGN INC

VeriSign was a minority shareholder in EuroTrust A/S (approx. 18%) until April 1, 2004. The transactions entered into during the year and the accounts payable at the year end shown below are a result of commercial trade with VeriSign.

	DECEMBER 31,	
	2004	2005
	-----	-----
VeriSign Inc. (Annual fees and royalties)	2,082	--
	=====	=====
VeriSign Inc. (Accounts payable)	--	--
	=====	=====

On April 1, 2004, the Company sold the Secure Socket Layer certificate assets of EuroTrust PKI to VeriSign. EuroTrust PKI, a wholly-owned subsidiary of the Company, is the operation through which the Company sold Public Key Infrastructure (PKI) Services, including VeriSign's SSL certificates and related services in Austria, Switzerland, Finland, Norway, Sweden and Denmark. Under the terms of the agreement, VeriSign paid the Company \$8.5 million U.S. in cash and

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assumed the ongoing obligations of EuroTrust PKI SSL contracts.

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EUROTRUST A/S AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (DKK AND US\$ AMOUNTS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS AND WHERE OTHERWISE INDICATED)

Simultaneously with the closing of the transaction to sell the assets of EuroTrust PKI to VeriSign, the Company repurchased 458,120 (Not in thousands) of its ordinary shares which is equivalent to 458,120 (Not in thousands) American Depositary Receipts or "ADRs" from VeriSign for \$1,136 U.S. The repurchase was authorized by the Company's shareholders on May 28, 2003.

NEMETH & SIGETTY A/S

Mr. Karoly Laszlo Nemeth is the Chairman of the board of directors of EuroTrust A/S and is also the joint owner of Nemeth & Sigetty A/S. Nemeth & Sigetty A/S provided legal services to the Company during each of the three years ended December 31, 2003, 2004 and 2005. For the years ended December 31, 2003, 2004 and 2005 Nemeth & Sigetty A/S has been paid, DKK 418, DKK 962 and DKK 142 respectively. The total outstanding payables due to Nemeth & Sigetty A/S at December 31, 2004 and December 31, 2005 were DKK 0 and DKK10, respectively.

13. INCOME TAXES

The Company and each of its subsidiaries file separate tax returns in each country of incorporation. Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the Company's deferred tax assets and (liabilities) as of December 31, 2004 and 2005 are as follows (in DKK):

	DECEMBER 31,	
	2004	2005
	-----	-----
LONG-TERM:		
Net operating loss carry forwards	98,393	98,807
Tax value of fixed assets in excess of book value of fixed assets	1,709	5,920
Other temporary differences	--	(145)
Unrealized loss on marketable securities	--	237
Deductible goodwill and intangible assets	2,624	--
Provisions	10,262	9,122
	-----	-----
Total deferred tax assets	112,988	113,941
Less: Valuation allowance	(109,016)	(105,330)
	-----	-----
NET DEFERRED TAX ASSETS LONG-TERM	3,972	8,611
	=====	=====

The recognized tax assets as of December 2004 and 2005 are related to temporary differences between the book and fiscal values of fixed assets in the profitable broadcasting segment and for the company EuroTrust Secure Hosting A/S.

EUROTUST A/S AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 (DKK AND US\$ AMOUNTS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS
 AND WHERE OTHERWISE INDICATED)

The Company assessed the realization of the deferred tax assets based on available evidence, both positive and negative, to determine whether it is more likely than not that all or a portion of the deferred tax assets will be realized. The conclusion as to whether it is more likely than not that some portion of these assets will not be realized takes into consideration the following factors, among others:

- o Future earnings potential determined through the use of internal forecasts
- o The carry forward period associated with the deferred tax assets and
- o The nature of the income that can be used to realize the deferred tax assets

To the extent that the Company determines it is more likely than not that all or a portion of the deferred tax assets will not be realized, a valuation allowance is recorded.

The tax loss carry-forwards available at December 31, 2005 and their expiration years are as follows (in DKK):

EXPIRATION YEAR	DENMARK	TOTAL
-----	-----	-----
2006	52,597	52,597
Indefinitely	294,903	294,903
	-----	-----

The accumulated tax loss carry forwards cannot be used by all group companies as not all companies have been jointly taxed.

For financial reporting purposes, income before income taxes is as follows (in DKK):

	DECEMBER 31,		
	2003	2004	2005
	-----	-----	-----
Pretax income (loss):			
Denmark	(995)	28,026	(12,218)
Switzerland	(9,169)	--	--
	-----	-----	-----
	(10,164)	28,026	(12,218)
	=====	=====	=====

Significant components of the provision
for income taxes are:

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Current:	Denmark	(186)	0	145
	Others	0	0	--
		-----	-----	-----
		(186)	0	145
		-----	-----	-----
Deferred:	Denmark	1,677	(3,105)	(4,546)
	Others	0	0	0
		-----	-----	-----
		1,677	(3,105)	(4,546)
		-----	-----	-----
Total:		1,491	(3,105)	(4,401)
		=====	=====	=====

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EUROTUST A/S AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (DKK AND US\$ AMOUNTS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS AND WHERE OTHERWISE INDICATED)

The reconciliation of income tax computed at the Danish statutory tax rate to income tax expense is:

	2003	2004	2005
	----	----	----
Danish income tax rate	30%	30%	28%
Non taxable gain on sold business	0%	0%	0%
Change in valuation allowance on deferred tax assets ...	(45)%	(45)%	(64)%
Other items, net	0%	0%	0%
Reported income tax expense	(15)%	(15)%	(36)%

14. SHAREHOLDERS' EQUITY

TREASURY SHARES

During 2004, a total of 150,000 (not in thousands) shares were purchased from a shareholder into treasury and were later sold for DKK 4,148. Both transactions were at market price and resulted in a gain of DKK 319, which were booked under additional paid in capital. The Company repurchased 458,120 (not in thousands) of its ordinary shares from VeriSign for \$1,136 U.S. simultaneously with the closing of the transaction to sell the assets of EuroTrust PKI to VeriSign. The shares were purchased into treasury.

During the fourth quarter of 2004, the Company cancelled the 458,120 (not in thousands) in treasury with a cost of DKK 11,042.

In 2003 the Company issued from treasury 139,423 (not in thousands) treasury shares valued at DKK 1,088 (the market price of the common share on the date issued from treasury) in connection with a guarantee for equity financing in EuroTrust in the event of needed funding. The guarantee expired May 9, 2004. The DKK 1,088 has been recorded as interest expense in the accompanying financial statements.

COMMON STOCK

During 2005, the Company issued 717,965 shares (not in thousands) upon the exercise of options at pricing ranging from \$1.37 to \$5.34 per share.

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During 2004, the Company issued 345,254 shares (not in thousands) upon the exercise of options at pricing ranging from \$1.32 to \$2.46 per share.

During 2003, the Company issued 758,079 shares (not in thousands) upon the exercise of options at pricing ranging from \$1.26 to \$1.50 per share.

1 FOR 6 REVERSE STOCK SPLIT OF ORDINARY SHARES

On May 19, 2005, and reflected in the accompanying consolidated financial statements the Company effected a 1 for 6 reverse stock split of its ordinary shares wherein in lieu of issuing a fraction of a New Share, to pay to each holder the value thereof based upon the closing price of an ADR on the NASDAQ Small Cap Market on the day on which the change shall have occurred. The Company further effected a change in the par value of each ordinary common share of the Company from DKK1.25 to DKK 7.50.

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EUROTUST A/S AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (DKK AND US\$ AMOUNTS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS AND WHERE OTHERWISE INDICATED)

15. EARNINGS PER SHARE

Basic net (loss) income per share is computed by dividing net (loss) income (numerator) by the weighted-average number of shares of common stock outstanding during the period (denominator). Diluted net (loss) income per share gives effect to stock options considered to be potential common shares, if dilutive. Potential common shares consist of shares issuable upon the exercise of stock options computed using the treasury stock method.

The following table presents the computation of basic and diluted average common shares outstanding:

	YEAR ENDED DECEMBER 31,		
(In Thousands)	2003	2004	2005
Determination of basic and diluted shares:			
Weighted-average shares outstanding	4,671	4,947	5,478
Potential common shares--dilutive stock options	--	319	--
Basic and diluted average common shares outstanding	4,671	5,266	5,478

In 2005, the Company excluded 2 (in thousands) common share equivalents with a weighted-average share price of \$6.35, in 2004, the Company excluded 267 (in thousands) weighted-average common share equivalents with a weighted-average share price of \$5.52 and in 2003, the Company excluded 136 (in thousands) weighted-average common share equivalents with a weighted-average share price of \$1.38 from the potential common shares because their effect would have been anti-dilutive. Weighted-average common share equivalents do not include stock options with an exercise price that exceeded the average fair market value of the Company's common stock for the period.

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Subsequent to the year ended December 31, 2005 the Company issued 716,527 (not in thousands) common ADR shares upon the exercise of stock options.

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EUROTUST A/S AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (DKK AND US\$ AMOUNTS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS AND WHERE OTHERWISE INDICATED)

16. STOCK OPTIONS

2001 INCENTIVE OPTION PLAN

During 2001, the Board authorized the grant and issue of 354,167 (not in thousands) options each to purchase one common share at various share prices ranging from \$6.30 to \$10.26 per share to employees and directors of the Company. The exercise price of the stock options was equal to the market price on the date of grant. The stock options are exercisable during the year of grant through their expiration dates ranging from August 31, 2003 to January 1, 2006. At December 31, 2005, 833 (not in thousands) options were outstanding.

In addition during 2001, the Board authorized the grant and issue of 7,500 (not in thousands) options each to purchase one common share at a price of \$6.54. A total of 2,500 (not in thousands) of these options became exercisable during 2002, another 2,500 (not in thousands) vest in 2003 and the remainder vest in 2004. These options all expired on January 1, 2005.

2002 INCENTIVE STOCK OPTION PLAN

During 2002, the Board authorized the grant and issue of 413,924 (not in thousands) stock options each to purchase one common share at various share prices ranging from \$2.34 to \$7.86 to employees and directors of the Company. The exercise price of the options was equal to the market price on the date of grant. At December 31, 2005 none of the options were outstanding.

2003 INCENTIVE STOCK OPTION PLAN

During 2003, the Board authorized the grant and issue of 1,318,750 (not in thousands) stock options each to purchase one common share at various share prices ranging from \$1.20 to \$2.88 to employees and directors of the Company. The exercise price of the options was equal to the market price on the date of grant. Of these options 82,500 (not in thousands) were outstanding at December 31, 2005. The stock options are exercisable during the year of grant through their expiration dates ranging from May 30, 2005 to February 3, 2008.

2004 INCENTIVE STOCK OPTION PLAN

During 2004, the Board authorized the grant and issue of 434,621 (not in thousands) stock options each to purchase one common share at various share prices ranging from \$3.24 to \$3.76 to employees and directors of the Company. The exercise price of the options was equal to the market price on the date of grant. Of these options 291,527 (not in thousands) were outstanding at December 31, 2005. The stock options are exercisable during the year of grant and all stock options have expiration dates ranging from May 12, 2007 to May 12, 2009.

2005 INCENTIVE STOCK OPTION PLAN

During 2005, the Board authorized the grant and issue of 738,500 (not in

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thousands) stock options each to purchase one common share at various share prices ranging from \$4.75 to \$6.00 to employees and directors of the Company. The exercise price of the options was equal to the market price on the date of grant. Of these options 538,000 (not in thousands) were outstanding at December 31, 2005. The stock options are exercisable during the year of grant and all stock options have expiration dates ranging from December 31, 2005 to April 30, 2015.

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EUROTUST A/S AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (DKK AND US\$ AMOUNTS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS AND WHERE OTHERWISE INDICATED)

A summary of the Company's stock option activity, and related information for the three years ended December 31, 2005 is as follows:

	2003		2004		
	OPTIONS	WEIGHTED AVERAGE EXERCISE PRICE	OPTIONS	WEIGHTED AVERAGE EXERCISE PRICE	OPTION
Outstanding, beginning of year	1,021	\$7.92	947	\$3.12	973
Granted	1,319	1.38	435	3.48	739
Exercised	(758)	1.26	(345)	1.32	(669)
Forfeited	(250)	5.94	--	--	--
Expired	(385)	7.50	(64)	7.74	(130)
Outstanding, end of year	947	\$3.12	973	\$3.48	913
Exercisable, end of year	944	\$3.12	903	\$3.48	913
Weighted average fair value of options granted during the year		\$6.42		\$3.18	

The following table summarizes information about stock options outstanding as of December 31, 2005:

RANGE OF EXERCISE PRICES	SHARES OUTSTANDING	WEIGHTED AVERAGE REMAINING CONTRACTUAL LIFE	WEIGHTED- AVERAGE EXERCISE PRICE	SHARES EXERCISABLE	WEIGHTED-AVERAGE EXERCISE PRICE
\$1.50 - \$1.50	63	2.1 years	\$1.50	63	\$1.50
\$2.85 - \$2.85	20	2.1 years	\$2.85	20	\$2.85
\$3.25 - \$3.76	291	2.7 years	\$3.49	291	\$3.49
\$4.75 - \$4.75	537	9.3 years	\$4.75	537	\$4.75
\$6.00 - \$6.78	2	2.7 years	\$6.35	2	\$6.35
Total	913	6.5 years	\$4.09	913	\$4.09

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No compensation cost is recognized in income for any of the years presented above as the options can be exercised at a price equal to or greater than the price on the date of grant.

WARRANTS

During 2005, the Company recorded DKK 114 in consulting expense for the issuance of warrants to purchase 25,000 (not in thousands) common shares at DKK 34.78 expiring August 31, 2005. The warrants were valued using the Black Scholes method and with the following variables Yield of 0%, Volatility of 36.82%, Risk free interest rate of 3%, and estimated life of 0.46 years.

During 2004, the Company recorded DKK 85 in consulting expense for the issuance of warrants to purchase 25,000 (not in thousands) common shares at DKK 23.76 expiring February 28, 2005. The warrants were valued using the Black Scholes method and with the following variables Yield of 0%, Volatility of 42.79%, Risk free interest rate of 3%, and estimated life of 0.5 years.

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EUROTRUST A/S AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (DKK AND US\$ AMOUNTS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS AND WHERE OTHERWISE INDICATED)

17. PENSIONS

During 2003, 2004 and 2005, the company has recognized expenses for defined contribution pension agreements paid to pension and insurance companies on behalf of employees totaling DKK 1.8 million, DKK 0.8 million and DKK 0.5 million, respectively. The Company has no liability beyond their contributions related to the pensions.

18. NON-CASH FINANCING AND INVESTING ACTIVITIES

Capital lease obligations of DKK 1,176, DKK 5,829 and DKK 2,733 were incurred in 2003, 2004 and 2005 respectively. The Company entered into the leases for machinery, equipment and automobiles.

In 2003 the Company issued from treasury, 139,422 (not in thousands) shares of its common stock in connection with a guarantee for committing a private placement in EuroTrust valid for 12 months.

19. COMMITMENTS

The Company issues product guarantees in accordance with Danish law, normally covering the subscription period of services provided to customers. The Company has not incurred any costs in fulfilling these guarantees and the Company estimated a liability of DKK 0 for the cost of such guarantees as of December 31, 2004 and 2005.

20. LITIGATION

During 2003, the Company recorded a provision of DKK 1,000 for expenses relating to an arbitration court regarding the construction of our building located in Soeborg. The constructor claimed bills for extra work performed and EuroTrust claim compensation due to insufficient work performed by the

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constructor. During 2004, as a result of the arbitration the Company paid a net payment to the constructor of approx. DKK 1,000 in settlement of the case.

During 2004, the Company paid Cyberguard DKK 994 in settlement of claims arising out of a disagreement regarding a reseller agreement signed in October 2002.

The Company is from time to time involved in routine legal and administrative proceedings and claims of various types. While any proceedings or claim contains an element of uncertainty, Management does not expect them to have an affect on our results of operations or financial position.

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EUROTRUST A/S AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (DKK AND US\$ AMOUNTS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS AND WHERE OTHERWISE INDICATED)

21. SEGMENT REPORTING

The Company's Chief Operating Decision-maker, as defined in SFAS No. 131, is considered to be EuroTrust's CEO. The Chief Operating Decision-maker reviews separate consolidated financial information for the Internet services business segment, the broadcast media business segment and prior to 2002 other segments. Each of the Company's business segments are managed separately because they offer and distribute distinct services to different customer segments. The Company therefore considers that it has two reportable segments under SFAS 131 from 2002 to 2004 as follows: (i) Internet services, and (ii) broadcast media. The print and online media segment was disposed of in December 2001 and is, therefore, treated as a discontinued operation thereafter. The internet services segment was disposed of during 2004 and 2003 with the operations being classified as discontinued operations with the exception of the operations of the EuroTrust Secure Hosting and Netvaulting components as the Company continued to receive royalties from the existing customers at the time of their sale.

The Chief Operating Decision-maker evaluates performance and allocates resources based on profit or loss from operations before interest, gains and losses on the Company's investment portfolio, and income taxes. The accounting policies of the reportable segments are the same as those described in the summary of significant accounting policies. It is the Company's policy that trade between the segments is entered into on an arms-length basis.

Net sales by geographical location and reportable segment information for each and business segment for each of the years ended December 31, 2003, 2004 and 2005 is presented in the following tables:

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EUROTRUST A/S AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (DKK AND US\$ AMOUNTS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS AND WHERE OTHERWISE INDICATED)

2003		2004		2005		2005
DKK	%	DKK	%	DKK	%	USD

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Denmark	109,000	99.2%	84,510	93%	86,785	92%	13,723
Norway	417	0.4%	--	-%	--	-%	--
Sweden	405	0.4%	6,526	7%	7,868	8%	1,244
	109,822	100%	91,036	100%	94,653	100%	14,967

The segmented data are as follows:

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EUROTUST A/S AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (DKK AND US\$ AMOUNTS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS AND WHERE OTHERWISE INDICATED)

	2003	YEARS ENDED DECEMBER 31, 2004	2005
	DKK	DKK	DKK
INTERNET SERVICES:			
Net revenue	21,203	23	0
Operating expenses:			
Cost of sales	7,773	0	0
Selling and marketing expenses	5,410	3,502	2,847
General and administrative expenses	14,344	8,905	6,839
Depreciation, amortization and write down	1,311	2,071	594
Total operating expenses	28,838	14,478	10,280
Operating income (loss)	(7,635)	(14,455)	(10,280)
Capital expenditure	1,762	2,541	0
Total assets	65,655	55,581	36,658
BROADCAST MEDIA			
Net revenue	88,619	91,013	94,653
Operating expenses:			
Cost of sales	58,045	60,349	68,805
Selling and marketing expenses	12,085	14,225	14,302
General and administrative expenses	12,537	12,638	13,916
Depreciation, amortization and write down	4,764	9,069	11,101
Total operating expenses	87,431	96,281	108,124
Operating income (loss)	1,188	(5,268)	(13,471)
Capital expenditure	13,743	29,261	(30,014)

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Total assets	75,190	122,667	124,297
	-----	-----	-----
CONSOLIDATED			
Net revenue	109,822	91,036	94,653
Operating expenses:			
Cost of sales	65,818	60,349	68,805
Selling and marketing expenses	17,495	17,727	17,149
General and administrative expenses	26,881	21,543	20,755
Depreciation, amortization and write down	6,075	11,140	11,695
	-----	-----	-----
Total operating expenses	116,269	110,759	118,404
	-----	-----	-----
Operating income (loss)	(6,447)	(19,723)	(23,751)
	-----	-----	-----
Capital expenditure	15,505	31,802	(30,014)
	-----	-----	-----
Total assets	140,845	178,248	160,955
	-----	-----	-----

DKK amounts have been converted into US\$ at an exchange rate of \$1=DKK 6.3241.

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EUROTRUST A/S AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (DKK AND US\$ AMOUNTS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS AND WHERE OTHERWISE INDICATED)

24. SUBSEQUENT EVENTS

During January through May of 2006, the Company issued 816,527 (not in thousands) common ADR shares upon the exercise of stock options at DKK 9.49 to DKK 30.04 per share.

On May 4, 2006, the Company sold three of its seven mobile television production vans, its Prime Vision brand name and the external customer base of Prime Vision.

On June 2, 2006, the Company effectively discontinued its' production and broadcasting operations through the sale of all the issued and outstanding shares of Euro-Vision A/S for 31,250,000 shares of Tritel Media AB (or approximate 23% of the shares outstanding of Tritel Media AB).

On November 29, 2005, the Company entered into an agreement to acquire, Aktiv Gruppen Holdings A/S and subsidiaries through the issuance of 21,700,000 shares of the Company for all 10,000 issued and outstanding shares of Aktiv Gruppen Holdings A/S to be closed upon the approval of the Danish Authority that the transaction will be considered a tax free exchange and Company will remain listed on the NASDAQ market. On April 17, 2006, the Company closed the merger. The merger was accounted for as a reverse merger or recapitalization of Aktiv Gruppen Holdings A/S, wherein Aktiv Gruppen Holdings A/S became a 100% owned subsidiary of EuroTrust A/S. Therefore, the pre-acquisition financial statements of Aktiv Gruppen Holding A/S will be treated as the historical financial statements of the combined companies. The historical accumulated deficit through the date of acquisition of EuroTrust A/S will be reclassified against additional paid in capital. The results of operations of EuroTrust will only be included in the financial results from the date of the acquisition. In addition, EuroTrust

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changed its fiscal year end from December 31, to June 30, which is the fiscal year end of Aktiv Gruppen Holdings A/S. In connection with the reverse merger the Company's President resigned and the Company has agreed to buyout his employment agreement for DKK 3,200.

Unaudited proforma condensed combined balance sheet aggregating the balance sheet of EuroTrust A/S and Subsidiaries as of June 30, 2005 and the balance sheet of Aktiv Gruppen Holdings A/S and Subsidiaries as of June 30, 2005 accounting for the transaction as a recapitalization of the Aktiv Gruppen Holdings A/S with the issuance of shares for the net assets of EuroTrust A/S (a reverse acquisition), giving effect to the transaction, as if the transaction had occurred as of June 30, 2005, and unaudited proforma condensed combined statement of operations which reflect the results of operations of EuroTrust A/S and Subsidiaries for the twelve month periods ended June 30, 2005 and 2004 and the results of operations of Aktiv Gruppen Holdings A/S and Subsidiaries for the years ended June 30, 2005 and 2004 as if the transaction had occurred as of the July 1, 2003 were filed with the SEC on form 6-K dated April 12, 2006.

On May 17, 2006, The Company entered into agreements to purchase a controlling interest in European Wind Farms A/S, for a purchase price of DKK 120 million (approximately \$20 million) and 915,500 ordinary shares of the Company. The cash purchase price will be paid to European Wind Farms in exchange for newly issued shares and the 915,500 shares of the Company will be issued to the existing shareholders of European Wind Farms in exchange for certain of the shares owned by them. The closing of the merger is subject to the Company's due diligence and a ruling approving the transaction as a tax free merger and is expected to occur during July 2006. Upon completion of the transactions the Company will own 50.25% of the outstanding shares of European Wind Farms.

During May 2006, The Company issued 2,650,000 common shares to purchased the remaining 50% interest in AGH Nordan Invest A/S that it does not already own.

On June 2, 2006, the Company acquired two Danish property development companies -- Drejens Strandskovpark A/S and 2 S Ejendomsinvest ApS -- for an aggregate purchase price of DKK140 million payable in cash. These entities are in the process of building a 200 unit residential development, wellness centre and golf course at Romo, Denmark, and a 60 unit residential development in Kolding, Denmark. In addition they have projects rights to construct residences and a holiday centre near Mommark at Als and residences in Esbjerg, Denmark.

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INDEX TO EXHIBITS

EXHIBITS

- | | |
|-----|--|
| 1.1 | Amended Articles of Association of the Registrant, as of December 6, 2001 (1) |
| 1.2 | Rules of Procedures of the Registrant, as amended (2) |
| 2.1 | Employee and Director Subscription Option Plan (4) |
| 4.5 | Form of Employment Agreement between the Registrant and Aldo Petersen, effective as of January 1, 2005 (4) |
| 4.6 | Form of Employment Agreement between the Registrant and Soren Degn, effective as of January 1, 2005 (4) |

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- 8.1 List of the Subsidiaries of the Registrant *
- 11.1 Code of Ethics (3)
- 12.1 Chief Executive Officer Certification pursuant to Rule 13a-14(a) or Rule 15d-14(a),*
- 12.2 Chief Financial Officer Certification pursuant to Rule 13a-14(a) or Rule 15d-14(a),*
- 13.1 Chief Executive Officer Certification pursuant to Rule 13a-14(b) or Rule 15d-14(b) and 18 U.S.C. Section 1350, *
- 13.2 Chief Financial Officer Certification pursuant to Rule 13a-14(b) or Rule 15d-14(b) and 18 U.S.C. Section 1350, *

* Included herewith,

- (1) Filed as an exhibit to the Company's Annual Report on Form 20-F, filed on June 27, 2002, and incorporated by reference herein,.
- (2) Filed as an exhibit to the Company's original filing of the Registration Statement on Form F-1 (File No, 333-7092), filed on June 20, 1997, and incorporated by reference herein.
- (3) Filed as an exhibit to the Company's Annual Report on Form 20-F, filed on September 23, 2003, and incorporated by reference herein.
- (4) Filed as an exhibit to the Company's Annual Report on Form 20-F, filed on June 3, 2005, and incorporated by reference herein.