



DKT Connect A/S

Fanøvej 6
4060 Kirke Såby
CVR No. 14047395

Annual report 2023

The Annual General Meeting adopted the annual report on 11.07.2024

Anthony William Joseph Basham
Chairman of the General Meeting

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Entity details

Entity

DKT Connect A/S

Fanøvej 6

4060 Kirke Såby

Business Registration No.: 14047395

Registered office: Lejre

Financial year: 01.01.2023 - 31.12.2023

Board of Directors

Ludwig Michael Modra, chairman

Anthony William Joseph Basham

Tim Strube

Executive Board

Anthony William Joseph Basham

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of DKT Connect A/S for the financial year 01.01.2023 - 31.12.2023.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2023 and of the results of its operations for the financial year 01.01.2023 - 31.12.2023.

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

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

Kirke Såby, 11.07.2024

Executive Board

Anthony William Joseph Basham

Board of Directors

Ludwig Michael Modra
chairman

Anthony William Joseph Basham

Tim Strube

Independent auditor's report

To the shareholders of DKT Connect A/S

Opinion

We have audited the financial statements of DKT Connect A/S for the financial year 01.01.2023 - 31.12.2023, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2023 and of the results of its operations for the financial year 01.01.2023 - 31.12.2023 in accordance with the Danish Financial Statements Act.

Basis for opinion

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

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

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

Copenhagen, 11.07.2024

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Henrik Wolff Mikkelsen

State Authorised Public Accountant
Identification No (MNE) mne33747

Management commentary

Primary activities

As in the past, the Company's most important activities have been sales and consulting in low power systems, including alarm, cable TV and common antenna systems.

Development in activities and finances

The income statement for 2023 shows a loss of DKK 606,266 against a profit of DKK 7,042,784 last year, and the balance sheet at 31 December 2023 shows equity of DKK 9,934,426.

Management considers the Company's financial performance in the year unsatisfactory.

Events after the balance sheet date

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

Income statement for 2023

	Notes	2023 DKK	2022 DKK
Gross profit/loss		957,021	12,198,027
Staff costs	1	(1,953,382)	(1,801,366)
Depreciation, amortisation and impairment losses	2	(20,199)	(28,130)
Operating profit/loss		(1,016,560)	10,368,531
Other financial income	3	71,507	16,578
Other financial expenses	4	(56,042)	(1,349,447)
Profit/loss before tax		(1,001,095)	9,035,662
Tax on profit/loss for the year	5	394,829	(1,992,878)
Profit/loss for the year		(606,266)	7,042,784
Proposed distribution of profit and loss			
Ordinary dividend for the financial year		0	3,000,000
Retained earnings		(606,266)	4,042,784
Proposed distribution of profit and loss		(606,266)	7,042,784

Balance sheet at 31.12.2023

Assets

	Notes	2023 DKK	2022 DKK
Acquired intangible assets		0	9,773
Intangible assets	6	0	9,773
Other fixtures and fittings, tools and equipment		0	10,426
Property, plant and equipment	7	0	10,426
Deposits		5,450	4,939
Financial assets	8	5,450	4,939
Fixed assets		5,450	25,138
Manufactured goods and goods for resale		3,158,045	4,157,312
Inventories		3,158,045	4,157,312
Trade receivables	9	14,889,302	23,382,934
Receivables from group enterprises		1,192,740	0
Deferred tax		366,872	0
Prepayments		0	976,080
Receivables		16,448,914	24,359,014
Cash		475,292	7,951,478
Current assets		20,082,251	36,467,804
Assets		20,087,701	36,492,942

Equity and liabilities

	Notes	2023 DKK	2022 DKK
Contributed capital		500,000	500,000
Retained earnings		9,434,426	10,040,692
Proposed dividend		0	3,000,000
Equity		9,934,426	13,540,692
Deferred tax		0	27,957
Other provisions		555,518	693,626
Provisions		555,518	721,583
Trade payables		133,224	801,211
Payables to group enterprises		4,232,760	8,170,129
Income tax payable		0	1,798,018
Other payables		2,450,749	9,116,057
Deferred income		2,781,024	2,345,252
Current liabilities other than provisions		9,597,757	22,230,667
Liabilities other than provisions		9,597,757	22,230,667
Equity and liabilities		20,087,701	36,492,942
Unrecognised rental and lease commitments	10		
Contingent liabilities	11		

Statement of changes in equity for 2023

	Contributed capital DKK	Retained earnings DKK	Proposed dividend DKK	Total DKK
Equity beginning of year	500,000	9,856,833	3,000,000	13,356,833
Corrections of material errors	0	183,859	0	183,859
Adjusted equity beginning of year	500,000	10,040,692	3,000,000	13,540,692
Ordinary dividend paid	0	0	(3,000,000)	(3,000,000)
Profit/loss for the year	0	(606,266)	0	(606,266)
Equity end of year	500,000	9,434,426	0	9,934,426

Notes

1 Staff costs

	2023	2022
	DKK	DKK
Wages and salaries	1,768,412	1,607,245
Pension costs	157,402	150,424
Other social security costs	22,555	25,836
Other staff costs	5,013	17,861
	1,953,382	1,801,366
Average number of full-time employees	3	3

2 Depreciation, amortisation and impairment losses

	2023	2022
	DKK	DKK
Amortisation of intangible assets	9,773	16,755
Depreciation of property, plant and equipment	10,426	11,375
	20,199	28,130

3 Other financial income

	2023	2022
	DKK	DKK
Financial income from group enterprises	40,568	0
Other interest income	14,795	0
Exchange rate adjustments	16,144	16,578
	71,507	16,578

4 Other financial expenses

	2023	2022
	DKK	DKK
Financial expenses from group enterprises	11,773	98,409
Other interest expenses	0	5,726
Exchange rate adjustments	44,269	1,245,312
	56,042	1,349,447

5 Tax on profit/loss for the year

	2023 DKK	2022 DKK
Current tax	0	1,798,018
Change in deferred tax	(394,829)	194,860
	(394,829)	1,992,878

6 Intangible assets

	Acquired intangible assets DKK
Cost beginning of year	50,264
Cost end of year	50,264
Amortisation and impairment losses beginning of year	(40,491)
Amortisation for the year	(9,773)
Amortisation and impairment losses end of year	(50,264)
Carrying amount end of year	0

7 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK
Cost beginning of year	34,124
Cost end of year	34,124
Depreciation and impairment losses beginning of year	(23,698)
Depreciation for the year	(10,426)
Depreciation and impairment losses end of year	(34,124)
Carrying amount end of year	0

8 Financial assets

	Deposits DKK
Cost beginning of year	4,939
Additions	511
Cost end of year	5,450
Carrying amount end of year	5,450

9 Trade receivables

Out of the Company's total receivables, trade receivables totalling DKK 1.536.000 fall due for payment after more than one year after the balance sheet date.

10 Unrecognised rental and lease commitments

	2023	2022
	DKK	DKK
Liabilities under rental or lease agreements until maturity in total	5,450	4,839

11 Contingent liabilities

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

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

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

Material errors in previous years

Revenue are in financial year 2022 subject to a material misstatement.

The misstatement has the following effect on 2022-numbers (DKK'000)

Revenue (increase); 236

Change in deferred tax (decrease): 52

Trade receivables (increase); 1,414

Deferred tax (decrease): 52

Deferred income (increase); 1,178

Equity (increase); 184

Recognition and measurement

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

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

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

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

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

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, changes in inventories of finished goods and work in progress, cost of raw materials and consumables and external expenses.

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for normal inventory writedowns.

Other external expenses

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

Staff costs

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

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of intangible assets and property, plant and equipment.

Other financial income

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

Other financial expenses

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

Tax on profit/loss for the year

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

The Entity is jointly taxed with all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Intellectual property rights etc.

Intellectual property rights etc. comprise acquired intellectual property rights.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised on a straight-line basis over their remaining duration, and licences are amortised over the term of the agreement.

Intellectual property rights etc. are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

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

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

	Useful life
Other fixtures and fittings, tools and equipment	3

Estimated useful lives and residual values are reassessed annually.

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

Inventories

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

Cost consists of purchase price plus delivery costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Receivables

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

Deferred tax

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

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

Prepayments

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

Cash

Cash comprises bank deposits.

Dividend

Proposed dividend for the financial year is disclosed as a separate item in equity.

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Provisions

Provisions comprise anticipated expenses relating to warranty commitments, onerous contracts, restructurings, etc. Provisions are recognised when the Company has a legal or constructive obligation at the balance sheet date as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Provisions are measured at net realisable value or at fair value if the obligation is expected to be settled far into the future.

Other financial liabilities

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

Tax receivable or payable

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

Deferred income

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