

# **T-Systems Nordic A/S**

Dampfærgevej 21, st.  
DK-2100 København  
CVR no. 14 81 52 44

## **Annual report for 2022**

Adopted at the annual general  
meeting on 30 June 2023

**chairman**

Casper Malig

## Table of contents

	<b>Page</b>
<b>Statements</b>	
Statement by management on the annual report	1
Independent auditor's report	2
<b>Management's review</b>	
Company details	5
Financial highlights	6
Management's review	7
<b>Financial statements</b>	
Accounting policies	14
Income statement 1 January - 31 December	18
Balance sheet 31 December	19
Statement of changes in equity	21
Notes	22

## **Statement by management on the annual report**

The supervisory board and executive board have today discussed and approved the annual report of T-Systems Nordic A/S for the financial year 1 January - 31 December 2022.

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

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2022 and of the results of the company's operations for the financial year 1 January - 31 December 2022.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Copenhagen, 30 June 2023

### **Executive board**

Klaus Koefoed Eriksen  
CEO

### **Supervisory board**

Casper Malig  
chairman

Klaus Koefoed Eriksen

Thomas Deeg

Christian Lukas Eigenmann

## **Independent auditor's report**

### ***To the shareholder of T-Systems Nordic A/S***

#### **Opinion**

We have audited the financial statements of T-Systems Nordic A/S for the financial year 1 January - 31 December 2022, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. 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 company's financial position at 31 December 2022 and of the results of the company's operations for the financial year 1 January - 31 December 2022 in accordance with the Danish Financial Statements Act.

#### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and 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 the financial statements that are free from material misstatement, whether due to fraud or error.

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

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance 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.

## **Independent auditor's report**

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 company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the 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 management's review**

Management is responsible for management's review.

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

## Independent auditor's report

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

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

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

Copenhagen, 30 June 2023

DELOITTE  
STATSAUTORISERET REVISIONSPARTNERSELSKAB  
CVR no. 33 96 35 56

Christian Sanderhage  
State Authorised Public Accountant  
mne23347

Frederik Juhl Hestbaek  
State Authorised Public Accountant  
mne47807

## Company details

### The company

T-Systems Nordic A/S  
Dampfærgevej 21, st.  
DK-2100 København

Telephone: +45 70 12 26 26

CVR no.: 14 81 52 44

Reporting period: 1 January - 31 December 2022

Domicile: Copenhagen

### Supervisory board

Casper Malig, chairman  
Klaus Koefoed Eriksen  
Thomas Deeg  
Christian Lukas Eigenmann

### Executive board

Klaus Koefoed Eriksen

### Auditors

DELOITTE  
STATSAUTORISERET REVISIONSPARTNERSELSKAB  
Weidekampsgade 6  
2300 København S

## Financial highlights

Seen over a 5-year period, the development of the Company may be described by means of the following financial highlights:

	2022	2021	2020	2019	2018
	TDKK	TDKK	TDKK	TDKK	TDKK
<b>Key figures</b>					
Gross profit/loss	60.027	55.903	54.962	94.122	43.360
Profit/loss before net financials	11.455	6.231	872	17.091	-27.948
Net financials	-4.679	-1.945	-1.552	-3.390	-5.431
Profit/loss for the year	3.060	710	-9.687	7.677	-34.777
Balance sheet total	135.473	145.954	170.779	285.799	287.075
Investment in property, plant and equipment	656	2.100	2.687	5.672	6.270
Equity	8.443	3.186	1.705	16.712	8.032
Number of employees	35	37	43	55	56
<b>Financial ratios</b>					
Return on assets	8,1%	3,9%	0,4%	6,0%	-8,8%
Solvency ratio	6,2%	2,2%	1,0%	5,8%	2,8%

The financial ratios are calculated in accordance with the Danish Finance Society's recommendations and guidelines. For definitions, see the summary of significant accounting policies.

## **Management's review**

### **Introducing T-Systems: We enable your digital transformation**

Headquartered in Germany, present in more than 20 countries, and around 28,000 employees, T-Systems is one of the European-leading IT service providers and suppliers of digital services.

For more than two decades we have digitized corporations and societies. We are proud to have been a pioneer in digitizing the world-leading German automotive and manufacturing industries with focus on Industry 4.0, enabling well-known brands like Mercedes Benz, Audi, and Volkswagen to deliver innovative solutions and products to customers around the world. Our origin shines through in our uncompromised approach to support our customers, a thoroughness which is mirrored in our vision to be the most reliable IT solutions provider with the best technology and industry expertise.

Today, T-Systems supports more than 900 clients, including all DAX 30 companies in Germany and 100 of the Fortune 500 companies globally.

As a subsidiary of Deutsche Telekom, T-Systems provides all important building blocks to lead and deliver innovative information technology and digitalization for your organization, including consultancy services, customer experience enhancement and digital services to support your cloud & infrastructure transformation and application modernization – all done with the highest standard of security. Learn more about our company here:

<https://www.t-systems.com/dk/en/about-t-systems>

### **Your digital partner in Northern Europe**

With a strong presence in the Nordic countries, the United Kingdom and Ireland, we enable companies to successfully digitize their business.

Combining the strength of T-Systems' global portfolio with leading Cloud, SAP and Security capabilities together with state-of-the-art advisory and digital services from Detecon, a subsidiary of T-Systems, we are a trusted partner to deliver holistic solutions that accelerates the digital journey for companies across Northern Europe.

### **Delivering tangible business value**

Digitalization has been on top of the agenda for corporations in the past years. Companies can't thrive without a modern and future-ready IT landscape. The business is becoming digital.

At T-Systems we understand the challenges companies are facing. The need for agility, adapting to stakeholder demands, sustainability, resilience, cyber security threats, and ability to deliver innovative products and services to end-users. To us, it is not about the technology, but how we can help our customers to leverage technology to create real business outcomes.

Therefore, we have clustered our services into four key areas to help our clients thrive in a digital world.

## Management's review

### **1. Digital Services: Accelerating Business Growth**

The journey into a digital future is continuous and ever evolving.

To stay competitive, enterprises must accelerate their digital footprint by leveraging new business models and deliver unique customer experiences using precise data analytics.

Together with the capabilities of our sister company T-Systems Multimedia Solutions, we can support you towards a seamless digital transformation of your SAP landscape, leveraging advanced analytics, implementation of Industry 4.0, enhancing your customer experience, optimizing your supply chain, or using the power of Artificial Intelligence.

### **2. Cloud & infrastructure: Enabling business agility**

Cloud has become the preferred IT infrastructure of the future. Although the cloud brings demonstrable benefits to IT operations, migrating to and operating hybrid and multi-cloud infrastructures with private and public cloud components is complex. Especially when they also must work seamlessly with on-premises solutions. T-Systems supports customers on this path. With more than 20 years of experience in infrastructure management and transformation, our 3,000 cloud architects and experts deploy hybrid cloud solutions to enable business agility.

### **3. Security: Protecting your assets**

Cyberattacks present ever greater challenges to companies with growing digitalization. Daily, hackers try to steal business-critical data or digital identities and manipulate connected production facilities. The rising, all-encompassing connectivity and the cloud transformation require up-to-date security measures.

Based on our German roots we have developed a robust security setup with operation centers across the world that has made T-Systems a trusted partner to protect your organization's most valuable assets.

### **4. Advisory: Rethinking value creation**

The technology and industry experts at T-Systems and our consulting subsidiary Detecon advise companies on their digital transformation journeys – from concept to implementation. With the integrated consulting provision from our Detecon consultants, T-Systems offers industry specific management consultancy with distinctive technology expertise.

### **A Brief Overview of Our 2022 Financials**

We strive to not only meet but exceed our customers' expectations by delivering top-notch services and solutions tailored to their unique needs and requirements. As a trusted partner, we are committed to supporting our customers with cutting-edge technologies and innovative solutions that enable them to stay competitive and relevant in their respective markets.

## Management's review

Our business performance in 2022 was primarily driven by our focus on maintaining and developing our existing customer base, which is reflected in our strong financial results. T-Systems Nordic A/S played a vital role in the success of T-Systems International and Deutsche Telekom AG by delivering on key performance indicators (KPIs). During this period, we were able to both retain and expand our client base in Denmark, Sweden, and Finland while also enhancing our operational efficiency.

The income statement for the fiscal year ending on December 31st, 2022 reflects a net profit of DKK 3.060 k. Similarly, the balance sheet as of December 31st, 2022 demonstrates shareholders' equity of DKK 8.443 k.

The performance of our Branches / Countries and be summarized as follow:

Denmark:

Our Danish entity's performance and financial results have met our expectations. We successfully expanded our existing client base and have also improved the potential for future up- and cross-selling opportunities.

Sweden:

Our Swedish branch's success can be attributed to the implementation of more efficient technical solutions for some of our customers, which will yield positive effects in the future. Additionally, we prioritized the development of our existing customer base to enhance the potential for future up- and cross-selling opportunities.

Finland:

Our Finish branch has been a success, meeting our expectations and achieving our goals. Our entity has strengthened and expanded its relationships with existing clients while successfully pursuing growth opportunities in the Finnish market. Additionally, we initiated the transition of some customers to a new, innovative IT platform, which has already yielded positive results. As a result of our strategic efforts, we were able to renew contracts with two key clients, further solidifying our position in the market.

Norway:

Our business operations in Norway remained stable and maintained the same level as in previous years. Moving forward, we plan to pursue opportunistic projects in the market to further enhance our presence and drive growth.

Baltic Countries

Estonia/Latvia/Lithuania:

We keep our presence in the Baltic area. Although the business operations in the Baltic countries were fully transferred to Deutsche Telekom Nordic A/S as of July 2020, we still view these countries as a promising opportunity for expanding our regional presence and growing our business

## **Management's review**

### **Deutsche Telekom AG**

Access to the 2022 annual report for Deutsche Telekom can be obtained by clicking on the following link:

<https://report.telekom.com/annual-report-2022/>

### **Significant events occurring after the end of the financial year**

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

### **Market, Outlook and Strategy**

The economic and political situation in the Nordic and Baltic markets overall remain stable and gives trust to increase business within the region, however, pressure and intense competition are expected to persist.

The war in Ukraine and the following energy crisis and inflation increase have made significant impact on the European market and affected the Nordic region. The significant energy price increase during 2022 led to a change in enterprise agendas from focusing on continued investments and innovation to focus on achieving cost savings. As a result of altered business focus, we have to some degree observed Nordic companies have halted digitalization projects to review their purpose and business case, as IT departments have been enforced to support enterprise cost saving programs.

However, the underlying need for digitalization in the market remain strong. The feared recession in the aftermath of the energy-crisis never emerged in the region and there is no outlook of its arrival. Hence, the need for remaining competitive and fulfilling end-consumers demands remain and calls for further digitalization. In addition, the global pandemic caused significant disruptions in value chains, for an example illustrated with Swedish furniture giant IKEA's struggles to equip their warehouses with goods. The disruption in global value chains has created a need for companies to build in resilience in their production, supplier, and transportation links, which can be fortified with digital solutions.

## Management's review

According to external research the overall IT-service consumption in the Nordics slowed down in 2022 caused by increased energy prices and the overall inflation scenario. However, the outlook for the coming five years remains positive with strong market growth at the same level as before the energy crises. It depicts the underlying needs for enterprises to further accelerate their digital business. Digital business is about driving revenue from digital sales (digital transformation) and about optimizing processes (core and support) through digital means (digital optimization). In this aspect, the Nordic market is slightly ahead of many regions worldwide in maturity of their digital initiatives.

Hence, digital business development is a top priority in the Nordic and Baltic markets. Companies are now changing their business models in response to market forces, and they see information technology and communication (ICT) as key to enabling their transformation. In this transformation, time to market and agility become key objectives and thus many companies continue to shift the IT spend from on-premises legacy to new technologies that are based on consumption-based pricing models and delivered as a service (XaaS).

Traditional IT business is expected to decline due to price competition and transformation to new technologies, resulting in market growth in cloud services, cyber security, data and analytics and modern applications. In view of this, T-Systems continue planning to invest in our growth portfolios – especially in digitalization, cloud services, smart network solutions, and cyber security.

From a regional perspective, T-Systems are in the middle of a growth strategy phase and will continue the path chosen for the years to come. Hence, T-Systems Nordic A/S (as part of the new T-Systems Northern Europe entity) shall continue to bring to market innovative and compelling digital, cloud and infrastructure, and security solutions and services to help streamline and improve performance across companies, thereby strengthening agility and security, while simplifying new technology within their existing infrastructure. Competencies are bonded together in our four focus areas of Digital Solutions, Cloud and Infrastructure, Advisory , and Security to create value for clients in the region. All forward looking activities across the region will support the overall T-Systems Group strategy to be become a world-leading digital transformation partner.

## **Management's review**

### **Business Continuity in practice**

Ensuring the health of employees, clients, and partners is our top priority while maintaining business continuity for critical infrastructure. "Business Continuity plans" have been established for all critical business areas.

For example, our team in the Security Operations Center continues to work on site around the clock, 24/7, but in separate groups and rooms. We have made the tasks of the Emergency Response Team and the Group Situation Center remote-capable, so that employees can perform these tasks almost entirely whilst working from home. We take a similar approach in our data centers and call centers.

The health of employees, clients and partners is our top priority. As a provider of critical infrastructure for Deutsche Telekom's corporate customers, we must at the same time do everything in our power to ensure business continuity at T-Systems and for our clients. After all, public life depends on it. That is why we have drawn up "Business Continuity plans" for all business areas that are critical.

Now that the whole world uses more and more digital services, we need to get even closer to our clients. In this stressful situation, we need to show our clients that we're here for them, even if personal social contact is to a large extent missing. Many clients are now asking for more bandwidth or want to quickly upgrade collaboration tools. This is where we need to be particularly flexible.

In this extraordinary situation, the T-Mindset is our special strength: we help each other, take care of each other, find pragmatic solutions, and support each other.

### **Effect on external environment active climate protection**

Our commitment to sustainability and environmental responsibility is a top priority as a member of the Deutsche Telekom Group. Our climate protection policy is centered on the reduction of our carbon footprint through the implementation of energy-efficient technologies and practices. In addition, we prioritize the responsible use of resources and actively engage in dialogue with our clients and communities to promote sustainable practices.

Read more about our sustainability strategy:

<https://www.cr-bericht.telekom.com/2022/>

### **Statutory Corporate Social Responsibility (CSR) Report**

Given that the parent company has already prepared a CSR report for the Group, our company has not developed a separate report on this matter. However, the 2022 sustainability report for the Group is available for download at the following link:

<https://www.cr-report.telekom.com/2022/>

## Management's review

### Embracing diversity

Deutsche Telekom has been committed to promoting diversity and inclusivity across the Group for more than a decade. The company recognizes the importance of integrating all aspects of diversity and has implemented various flagship projects to reinforce this commitment.

In today's rapidly changing society, it is crucial to avoid excluding certain groups from the labor market due to demographic developments, differing perceptions of roles, or social trends such as globalization. Therefore, Deutsche Telekom places a strong emphasis on equal opportunities for all individuals, as this is vital for both social stability and business success.

In line with this commitment, the company respects individuality and values the unique strengths of each employee to achieve joint success. To further support this mission, a dedicated Culture & Diversity team was established within the HR Development unit.

Women and men, young and old, as well as people with different abilities and cultural backgrounds from roughly 150 countries work together very effectively at our company. This diversity helps us remain competitive around the world with good ideas and outstanding products and consolidate our position as an attractive employer.

Developments in the proportion of women in leadership positions and serving on the supervisory boards are reported to and discussed in-depth by the Board of Management every six months, while the age structure and internationality of the workforce is recorded on an annual basis in our Personnel Structure Report. For us, diversity also means offering our employees numerous opportunities to develop personally and grow professionally, regardless of their gender, age, sexual preference, health situation, ethnic background, religion, or culture.

Our Group-wide Diversity Policy, five Guiding Principles, the Employee Relations Policy, and Code of Human Rights & Social Principles form the foundation of our commitment to diversity. Deutsche Telekom is also a founding member of the corporate Diversity Charter initiative and strive to promote diversity within and outside of our company. We in the Group of Deutsche Telekom meet the requirements set out in the Act to Promote Transparency of Pay Structures by publishing a remuneration report every five years.

## **Accounting policies**

The annual report of T-Systems Nordic A/S for 2022 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized class C entities.

The accounting policies applied are consistent with those of last year.

The annual report for 2022 is presented in TDKK.

### **Cash flow statement**

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

### **Basis of recognition and measurement**

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

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

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

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

### **Leases**

All leases are operating leases. Payments relating to operating leases and any other leases are recognised in the income statement over the term of the lease. The company's total liabilities relating to operating leases and other rent agreements are disclosed under 'Contingencies, etc.'.

## **Accounting policies**

### **Foreign currency translation**

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency instruments are considered cash flow hedges, any unrealised value adjustments are taken directly to a fair value reserve under 'Equity'.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

### **Income statement**

#### **Gross profit**

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue less costs of raw materials and consumables and other external expenses.

#### **Revenue**

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

Revenue is measured at the fair value of the agreed consideration, excluding VAT and other indirect taxes. Revenue is net of all types of discounts granted.

#### **Expenses for service purchases**

Expenses for service purchases used in generating the year's revenue.

#### **Other external expenses**

Other external expenses comprise expenses for premises, sales and distribution as well as office expenses, etc.

#### **Staff costs**

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

## Accounting policies

### Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise the year's amortisation, depreciation and impairment of property, plant and equipment.

### Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

### Tax on profit/loss for the year

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

## Balance sheet

### Tangible assets

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

The depreciable amount is cost less the expected residual value at the end of the useful life.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

	<b>Useful life</b>
Other fixtures and fittings, tools and equipment	3-8 years

Assets costing less than DKK 31.000 are expensed in the year of acquisition.

The useful life and residual value are re-assessed annually. A change is accounted for as an accounting estimate, and the impact on amortisation/depreciation is recognised going forward.

### Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments in subsidiaries and associates is tested for impairment, other than what is reflected through normal amortisation and depreciation, on an annual basis.

### Receivables

Receivables are recognised in the balance sheet at amortised cost, which substantially corresponds to nominal value. Provisions for estimated bad debts are made.

## Accounting policies

### Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

### Equity

#### Dividends

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability at the date of declaration by the Annual General Meeting.

#### Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax adjustments resulting from changes in tax rates are recognised in the income statement, with the exception of items taken directly to equity.

Deferred tax assets, including the tax base of tax losses allowed for carry forward, are measured at the value to which the asset is expected to be realised, either as a set-off against tax on future income or as a set-off against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

### Liabilities

Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

### Financial Highlights

Definitions of financial ratios.

Return on assets	$\frac{\text{Profit/loss before financials} \times 100}{\text{Total assets}}$
Solvency ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total assets}}$

## Income statement 1 January - 31 December

	<u>Note</u>	<u>2022</u> TDKK	<u>2021</u> TDKK
<b>Gross profit</b>		<b>60.027</b>	<b>55.903</b>
Staff costs	1	<u>-46.558</u>	<u>-47.687</u>
<b>Profit/loss before amortisation/depreciation and impairment losses</b>		<b>13.469</b>	<b>8.216</b>
Depreciation of property, plant and equipment		<u>-2.014</u>	<u>-1.985</u>
<b>Profit/loss before net financials</b>		<b>11.455</b>	<b>6.231</b>
Financial income		0	-29
Financial costs	2	<u>-4.679</u>	<u>-1.916</u>
<b>Profit/loss before tax</b>		<b>6.776</b>	<b>4.286</b>
Tax on profit/loss for the year	3	<u>-3.716</u>	<u>-3.576</u>
<b>Profit/loss for the year</b>		<u><b>3.060</b></u>	<u><b>710</b></u>
Distribution of profit	4		

## Balance sheet 31 December

	<u>Note</u>	<u>2022</u> TDKK	<u>2021</u> TDKK
<b>Assets</b>			
Other fixtures and fittings, tools and equipment		2.835	4.322
<b>Tangible assets</b>	5	<b>2.835</b>	<b>4.322</b>
Deposits		529	686
<b>Fixed asset investments</b>		<b>529</b>	<b>686</b>
<b>Total non-current assets</b>		<b>3.364</b>	<b>5.008</b>
Trade receivables		86.779	99.472
Receivables from group enterprises		4.719	5.505
Other receivables		560	166
Corporation tax		3.976	7.236
Prepayments		6.320	224
<b>Receivables</b>		<b>102.354</b>	<b>112.603</b>
<b>Cash at bank and in hand</b>		<b>29.755</b>	<b>28.343</b>
<b>Total current assets</b>		<b>132.109</b>	<b>140.946</b>
<b>Total assets</b>		<b>135.473</b>	<b>145.954</b>

## Balance sheet 31 December

	<u>Note</u>	<u>2022</u> TDKK	<u>2021</u> TDKK
<b>Equity and liabilities</b>			
Share capital		5.500	5.500
Retained earnings		2.943	-2.314
<b>Equity</b>	6	<u><b>8.443</b></u>	<u><b>3.186</b></u>
Payables to group enterprises		0	50.000
<b>Total non-current liabilities</b>	8	<u><b>0</b></u>	<u><b>50.000</b></u>
Bank loans		3.177	0
Trade payables		2.467	1.003
Payables to group enterprises		97.025	70.349
Other payables		24.361	21.416
<b>Total current liabilities</b>		<u><b>127.030</b></u>	<u><b>92.768</b></u>
<b>Total liabilities</b>		<u><b>127.030</b></u>	<u><b>142.768</b></u>
<b>Total equity and liabilities</b>		<u><b>135.473</b></u>	<u><b>145.954</b></u>
Significant events occurring after the end of the financial year	9		
Rent and lease liabilities	10		
Contingent liabilities	11		
Related parties and ownership structure	12		

## Statement of changes in equity

	Share capital	Retained earnings	Total
	TDKK	TDKK	TDKK
Equity at 1 January 2022	5.500	-2.314	3.186
Currency adjustments	0	2.197	2.197
Net profit/loss for the year	0	3.060	3.060
<b>Equity at 31 December 2022</b>	<b>5.500</b>	<b>2.943</b>	<b>8.443</b>

## Notes

	<u>2022</u> TDKK	<u>2021</u> TDKK
<b>1 Staff costs</b>		
Wages and salaries	42.077	42.396
Pensions	3.614	3.902
Other social security costs	867	1.389
	<u><b>46.558</b></u>	<u><b>47.687</b></u>
Average number of employees	<u>35</u>	<u>37</u>
In accordance with section 98 B (3) of the Danish Financial Statements Act, remuneration to the Executive Board and the Board of Directors is disclosed on an aggregate level for both categories.		
Total remuneration to the Executive Board and Board of Directors for 2022 amounted to DKK 4.736 thousand (2021: DKK 5.084 thousand).		
<b>2 Financial costs</b>		
Financial expenses, group entities	2.480	328
Other financial costs	282	412
Exchange loss	1.917	1.176
	<u><b>4.679</b></u>	<u><b>1.916</b></u>
<b>3 Tax on profit/loss for the year</b>		
Current tax for the year	2.144	3.569
Adjustment of tax concerning previous years	1.572	7
	<u><b>3.716</b></u>	<u><b>3.576</b></u>

## Notes

	<u>2022</u> TDKK	<u>2021</u> TDKK
<b>4 Distribution of profit</b>		
Retained earnings	3.060	710
	<u>3.060</u>	<u>710</u>
<b>5 Tangible assets</b>		Other fixtures and fittings, tools and equipment <u>TDKK</u>
Cost at 1 January 2022		16.995
Currency correction of beginning in local currencies		-709
Additions for the year		656
Disposals for the year		<u>-10.975</u>
Cost at 31 December 2022		<u>5.967</u>
Impairment losses and depreciation at 1 January 2022		12.673
Currency correction of beginning in local currencies		-578
Depreciation for the year		2.015
Reversal of depreciation of disposed assets		<u>-10.978</u>
Impairment losses and depreciation at 31 December 2022		<u>3.132</u>
<b>Carrying amount at 31 December 2022</b>		<u><b>2.835</b></u>
Depreciated over		<u>3-8 years</u>

## Notes

### 6 Equity

The share capital consists of 55.000 shares of a nominal value of TDKK 100. No shares carry any special rights.

There have been no changes in the share capital during the last 5 years.

### 7 Deferred tax asset

Total deferred tax asset is estimated at approximately DKK 58.2 million of which DKK 54.9 million relates to tax loss carried forward (2021: DKK 55.1 million of which DKK 51.0 million relates to tax loss carried forward) (calculated at a tax rate of 22 pct.). Of the total deferred tax asset, DKK 0 (2021: DKK 0) has been recognised as of 31 December 2022.

### 8 Long term debt

	<u>2022</u> TDKK	<u>2021</u> TDKK
<b>Payables to group enterprises</b>		
Between 1 and 5 years	<u>0</u>	<u>50.000</u>
Non-current portion	0	50.000
Other short-term debt to subsidiaries	<u>97.025</u>	<u>70.349</u>
Current portion	<u>97.025</u>	<u>70.349</u>
	<b><u>97.025</u></b>	<b><u>120.349</u></b>

## Notes

### 9 Significant events occurring after the end of the financial year

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

	<u>2022</u> TDKK	<u>2021</u> TDKK
<b>10 Rent and lease liabilities</b>		
Obligations according to operational leasing contracts relating to cars and other equipment	350	733
Rent obligations	1.821	3.651
Operating lease liabilities.		
Total future lease payments:		
Within 1 year	1.856	2.579
Between 1 and 5 years	<u>315</u>	<u>1.805</u>
	<u><b>2.171</b></u>	<u><b>4.384</b></u>

### 11 Contingent liabilities

The company is jointly taxed with Deutsche Telekom Nordic A/S, and jointly and severally liable with other jointly taxed entities for payment of income taxes as well as for payment of withholding taxes on dividends, interest and royalties.

The Company has a non recognized tax asset on DKK 58.2 million mainly relating to tax losses carried forward.

## Notes

### 12 Related parties and ownership structure

#### Controlling interest

T-Systems International GmbH, Parent Company, owns 100%

#### Transactions

Transactions with related parties has been carried out at arm's length terms, and therefore the nature and the amounts of the transactions are not disclosed in accordance with section 98 C(7) of the Danish Financial Statements Act.

#### Consolidated financial statements

The company is reflected in the group report as the parent company Deutsche Telekom AG.

The group report of Deutsche Telekom AG. can be obtained at the following address:

Deutsche Telekom AG  
Friedrich-Ebert-Alle 140  
D-53113 Bonn  
Germany