DXC Technology Danmark A/S Annual report 2021/22

Company Registration No 15 23 15 99
Retortvej 8, 2500 Valby

(1 April 2021 to 31 March 2022)

The annual report is presented and adopted on the Annual General Meeting on 21st October 2022

Chairman of the Annual General Meeting

Nikolay V Ivanov

Table of contents

Company details

Company

DXC Technology Danmark A/S
Retortvej 8
2500, Valby
Company Registration No: 15 23 15 99
Financial year: 1 April – 31 March
Municipality of domicile: Copenhagen
Phone: +45 3614 4000
Fax: +45 3614 4011
Internet: www.dxc.technology/dk

Board of Directors

Peter Winther-Schmidt, Chairman
Charlotte Grønfeldt Lundblad
Jørgen Jakobsen
Felora Mofidi
Jeroen Gestel
Theis Geran*
Lasse Eldrup*

*Elected by employees

Executive Board

Birgitte Qualmann Svejstrup Eriksen

Company auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
Copenhagen S 2300

Management's statement

The Board of Directors and the Executive Board have today considered and approved the annual report of DXC Technology Danmark A/S for the financial year 1 April 2021 to 31 March 2022.

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

In our opinion, the financial statements give a true and fair view of the company's financial position on 31 March 2022 and of its financial performance for the financial year 1 April 2021 – 31 March 2022.

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

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

Copenhagen, 30 September 2022

Executive Board

Birgitte Qualmann Svejstrup Eriksen
Managing Director

Board of Directors

Peter Winther-Schmidt, Chairman	Charlotte Grønfeldt Lundblad	Jørgen Jakobsen
Jeroen Gestel	Felora Mofidi	
Theis Geran	Lasse Eldrup	

Independent auditor's report

To the shareholder of DXC Technology Danmark A/S

Opinion

We have audited the financial statements of DXC Technology Danmark A/S for the financial year 1 April 2021 – 31 March 2022, which comprise a summary of significant accounting policies, the 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 Entity's financial position on the 31 March 2022 and of the results of its operations for the financial year 1 April 2021 – 31 March 2022 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with the 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 of 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. 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.

Independent auditor's report (continued)

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, 30 September 2022

Deloitte

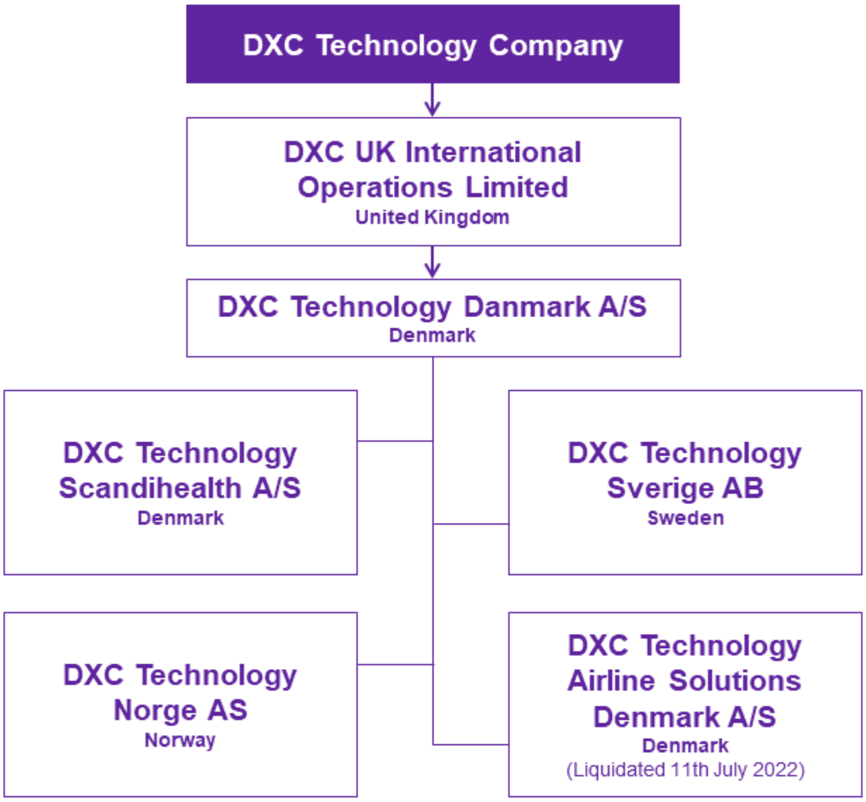
Statsautoriseret Revisionspartnerselskab

Business Registration No 33 96 35 56

Eskild Nørregaard Jakobsen
State-Authorised
Public Accountant
MNE no: 11681

Management report

Group overview/structure



All entities are wholly owned by DXC Technology Danmark A/S unless otherwise stated.

Several companies exist between DXC UK International Operations Ltd. and the ultimate parent company, DXC Technology Company, but have not been depicted in this group overview.

Financial highlights — DXC Technology Danmark A/S

Key figures

	2021/22	2020/21	2019/20	2018/19	2017/18
	DKKm	DKKm	DKKm	DKKm	DKKm
Revenue	1,137	1,003	1,137	808	720
Loss from operating activities	(2)	(129)	(248)	(80)	(65)
Net financials	(6)	(48)	5	(6)	(14)
Profit/(Loss) for the year	3	(177)	(728)	(310)	(523)
Equity	496	493	670	554	230
Balance sheet total	1,506	1,302	2,267	2,456	1,406
Investment in property, plant & equipment, and intangible assets	25	26	88	34	8
Average operating assets	1,371	1,784	2,361	1,764	1,837
Ratios*					
Operating margin (%)	(0.7)	(12.9)	(21.9)	(9.9)	(9.0)
Return on operating assets (%)	(0.6)	(7.4)	(10.5)	(4.5)	(3.5)
Return on equity (%)	(2.7)	(36.4)	(119.1)	(79.1)	(171.3)
Equity share (%)	32.0	37.8	29.5	22.5	16.3

Key ratios are calculated in accordance with the current version of “The Danish Society of Financial Analysts Recommendations & Financial Ratios”

Calculation method is displayed in our accounting policy under “Financial highlights”

Core business activity

The DXC Technology Danmark A/S Group consists of a number of companies that together serve the public sector, and private enterprise in several industries across the Nordic countries (Denmark, Sweden and Norway).

The DXC Technology Danmark A/S Group repetitive helps companies run their mission-critical systems and operations while modernizing IT, optimizing data architectures, and ensuring security and scalability across public, private and hybrid clouds. Our people help commercial and public sector customers solve their toughest challenges by delivering the IT services our customers need to modernize operations and drive innovation across their entire IT estate.

Development of activities and financial matters

Result for the year

DXC Technology Danmark A/S Group (cf. Group overview/structure) generated revenues of 2,438 mDKK (2020/21: 2,667 mDKK). The change in Group revenue is in line with management's expectations for the year.

DXC Technology Danmark A/S (parent company for Denmark) generated revenues of 1,136.7 mDKK (2020/21: 1,003.3 mDKK), meeting management's expectations. The increase is driven by the merger with BusinessNow A/S and focusing on removing unprofitable contracts, which is also reflected in our operating income results.

The loss from operating activity of 2.3 mDKK is considerably less than the loss of 129.0 mDKK generated in 2020/21. The loss from operating activity in 2021/22 was impacted significantly due to gain from the sale of DXC's healthcare business to Dedalus of 160.2 mDKK.

The profit for the year 2021/22 is 2,8 mDKK in contrast to a loss of 176.9 mDKK in 2020/21.

Evaluation of last year's expectations

In the annual report for the fiscal year 2020/21 for the parent company, DXC Technology Danmark A/S, the expectation for 2021/22 was to improve the result compared to last year.

Fiscal year 2021/22 denotes an increase in revenue to 1,136.7 mDKK from 1,003.3 mDKK which is beyond management's expectations in 2020/21.

Financial resources

DXC Technology Danmark A/S is a subsidiary of DXC Technology Company and is funded by a combination of equity and group bank facilities managed by the ultimate parent company, DXC Technology Company. The capital structure of DXC Technology Danmark A/S has not been optimized for stand-alone purposes. DXC Technology Danmark A/S has received a letter of support from the ultimate parent to ensure that DXC Technology Danmark A/S has sufficient capital and liquidity.

Expectations for the future

In fiscal year 2022/23 management expects DXC Technology Danmark A/S to maintain the level of our revenue compared to fiscal year 2021/22. The main growth drivers for DXC's Nordic business are the launching of custom and standardized IT solutions, cloud services, cybersecurity, data and analytics solutions, and application modernization and transformation.

Management expects break-even results in 2022/23. Future results are subject to uncertainties and risks, of which many are beyond the company's control.

Uncertainty related to recognition and measurement

Investment in subsidiaries

The recoverable amount for investments in subsidiaries is based on the estimated capital value of the cash generating units (CGUs).

A discount rate of 11.83% has been used when discounting the future cash flows, which is part of the valuation. The discount rate is based on management's estimate of the weighted average cost of capital. The terminal period assumes and includes an increase in inflation of 2.0%.

When calculating the present value, it is necessary to make use of a series of assumptions in order to estimate future cash flows. The primary assumptions regard future cost structure of the subsidiaries' services and developments in specific contracts with customers. This relates to the securing of new contracts and the renegotiation of contracts with existing customers. Another important assumption is the realization of cost reductions in conjunction with the ongoing restructuring of the Nordic Group.

The calculations are furthermore complicated by the uncertainty surrounding the economic situation in the markets in which the companies operate as well as developments in interest and exchange rates.

Even a small future change in estimates or budget assumptions can cause considerable changes in valuations of the recognized investments.

Special risks

Risk management policy

As a result of its operations and financing, DXC Technology Danmark A/S is exposed to a number of financial risks, including changes in currency and interest rates, liquidity risks and credit risks. Management of financial risks in the Nordic Group is centralized and handled by DXC Technology Danmark A/S. The general framework for financial risk management is determined according to DXC Technology Company finance policy, which is applicable to all DXC Technology Company entities worldwide.

Management report (continued)

Operational risks

DXC Technology Danmark A/S's most significant operational risk is related to its ability to be price competitive as well as deliver solutions to customers who demand a highly qualified workforce at a competitive price. It is thus essential that the workforce is continuously molded to fit the actual demands of customers. Furthermore, it is important that DXC Technology Danmark A/S continuously innovates in order to be on the forefront of IT in general.

Market risks

The most significant market risk for DXC Technology Danmark A/S is tied to its ability to be strongly positioned within the important Nordic markets in which it operates.

Currency risks

DXC Technology Danmark A/S primarily invoices and incurs cost in DKK. However, the company has some exposure to currency exchange fluctuations in SEK, NOK and INR. In general, DXC Technology Danmark A/S is hedged against the risks by using currency forward contracts. However, no speculative positions are held.

Interest risks

DXC Technology Danmark A/S is exposed to the changes in interest rates. The interest-bearing debt is held partially in variable and fixed intercompany loans as well as external variable loans. Further changes in interest rates will also have a moderate and indirect effect on the earnings of DXC Technology Danmark A/S due to the company's involvement in the Group's cash pool schemes.

Liquidity risks

DXC Technology Danmark A/S is dependent on having access to long-term financing. This is why the company adheres to the policy of having unused credit facilities that are sufficient to cover the planned operations.

DXC Technology Danmark A/S's financial resources comprise cash and cash equivalents and unutilized credit facilities. Cash pools have been established in the relevant currencies (DKK, SEK, NOK and EUR). The company also participates in a cash pool with DXC UK and its subsidiaries through Bank of America.

The ultimate parent has issued a letter of support to ensure that DXC Technology Danmark A/S has sufficient liquidity.

Credit risks

Credit risks tied to financial assets relate to those values that are recognized in the balance sheet of DXC Technology Danmark A/S. The company has no significant business risks related to or dependence on one customer or business partner. However, DXC Technology Danmark A/S has significant transactions and receivables with a few public customers.

Managing COVID-19 risks

DXC Technology Company, along with our global health advisors, continues to monitor the COVID-19 situation and uses a data-driven approach to keep our colleagues throughout the world safe as we deliver excellence for our customers and our colleagues.

DXC Technology Company takes proactive measures recommended by the World Health Organization (WHO) and relevant local public health authorities to minimize the exposure and transmission of COVID-19. We also take a science-based approach with a focus on our employees' well-being and business resilience.

At the beginning of the outbreak we established a global command center, which still runs 24/7, to monitor the evolving situation and help us respond with a focus on our people's safety and the resilience of our business. We enabled 99% of our people worldwide to work virtually, and we intend to continue our current posture of limited critical onsite support globally.

Beyond COVID-19, we are continuing with our transition to DXC Technology Company's new normal as a modern distributed workplace, with a move to largely Virtual First and enabling our colleagues to work remotely.

Intellectual property

DXC Technology Danmark A/S's business model seeks to create value for customers by delivering IT solutions that are adaptable to future needs. This makes large demands on knowledge-based resources and business processes.

In order to be able to deliver these solutions, it is paramount that the company is able to recruit and retain individuals who are highly educated within IT.

In order to ensure competitive and high quality of services delivered, a high competency level is required. Therefore, the company offers internal and external training. Further education gives the employee the opportunity to develop competencies and gain qualifications that strengthen individual professional development.

Corporate environmental, social and governance efforts

Corporate environmental, social and governance efforts are an integral part of how we do business in Denmark. Our business model is described above in the "Core business activity" section.

DXC Technology Danmark A/S relies on our parent company in the United States to provide policies and guidance on key issues — including human rights, employee matters, environment and climate, and anticorruption — that we subsequently implement and follow.

Human rights

Human rights issues related to the exploitation of vulnerable groups (e.g., child labor, forced labor) are unlikely to directly impact our workforce. Our main human rights‒related focus areas are promoting good practices through our large and diverse global supply chain and supporting a diverse and inclusive corporate culture. There have been no breaches of human rights in the financial year. We set out our human rights commitments in our Code of Business Conduct and we will continue to pay attention to this area in the future. We have incorporated specific questions on human rights, modern slavery and human trafficking into our initial screening survey for suppliers and our screening survey for our largest direct suppliers by spend. When hiring new DXC Technology Company employees and individual contractors, we check that they are legally eligible to work, undertake background checks and external referencing, and pass our security clearance. All DXC Technology Company employees are required to complete annual Ethics and Code of Conduct training, which confirms DXC Technology Company's commitment to ethical behavior in the conduct of all DXC Technology Company activities.

Management report (continued)

Employee matters

Typically, there are no high-risk activities performed or occupational illnesses relevant to DXC Technology Company workers, as the nature of our industry is to provide IT services and solutions. Stress is considered a contributing factor for some cases of occupational injury; therefore, DXC Technology Company has implemented a program to support employees for stress-related issues and provides free counseling assistance. We have also provided managers with mechanisms to identify and address stress-related conditions. Beyond COVID-19, we are continuing with our transition to DXC's new normal as a modern distributed workplace, with a move to largely Virtual First, enabling our colleagues to work remotely. This means that most of our workforce will be working from home and only work from the office for collaboration and meeting purposes. Virtual First enables our employees to work virtually and flexibly. Furthermore, DXC Technology Company offers global programs to assist with COVID-19 issues related to mental health, which are supported by local, specialized teams. We will continue to focus on a safe and healthy work environment.

Environment and climate

DXC Technology Company is committed to being a responsible corporate citizen, with a focus on environmental, social and governance (ESG) performance. We set and exceed ambitious targets that align closely with United Nations Sustainable Development Goals (SDGs). We continuously try to mitigate our environmental footprint by reducing our energy and material consumption. During this year we have reduced our environmental footprint, which we will continue to focus on in the future.

Anticorruption

The main risks related to corruption include employees' and suppliers' violation and potential legal and financial consequences thereof. We work against corruption in all its forms, including extortion and bribery. DXC Technology Company works to mitigate risks in line with our DXC values and in line with various national and international laws, regulations and legislations. In the financial year there have been no cases of corruption or bribery. Going forward, we will continue to minimize the risks of corruption.

Gender equality

DXC Technology Danmark A/S has set a target of at least 40% female board members in 2021/22. The current status is two female (40%) and three male (60%) board members elected at the general meeting. The current distribution in our leadership management level consists of 3 women and 8 men.

There have been changes in senior management positions in the current year for DXC Technology Danmark A/S.

DXC Technology Company is committed to equality of opportunity for all. DXC Technology Company's Global Diversity and Non-discrimination Policy requires that decisions concerning all aspects of employment, recruitment, reward mechanisms, career progression and training are made exclusively on the basis of merit and the requirements of the role, and that no person is to be treated less favorably because of race, ethnicity, color, religion, sex (including pregnancy, childbirth and related medical conditions), national origin, disability (physical or mental), age, protected veteran status or military service or affiliation, marital status, sexual orientation, gender identity and expression, protected genetic information or political affiliation.

It is important to DXC Technology Company that female employees find that they have the same opportunities for career development and access to management positions as their male colleagues. DXC Technology Company has flexible working conditions to ensure work-life balance.

DXC Technology Company globally has implemented employee performance appraisal reviews and personal development plans for all employees to ensure that all employees are measured against individual goals and get immediate feedback to these. Development plans are set to reach the best possible use of the employee qualifications. The plans are consolidated in a system to ensure that DXC Technology Company has a cross-organizational overview of qualifications. This has enabled the company to leverage employee qualifications in the best way.

Data ethics

DXC is committed to the lawful treatment and confidential handling of sensitive information, including personally identifiable information / personal data, and has adopted a set of global information management policies including privacy and data protection, security, system access, information classification, and other relevant policies governing the collection, use, disclosure, transfer, retention, and deletion of information. As a service provider and data processor, DXC confirms that it will process personal data which it has access to in connection with its performance under any service agreement: (1) only on behalf of and for the benefit of the contractor; (2) in accordance with the service agreement and contractor's lawful prior written instructions, if any; (3) as otherwise required by the privacy and data protection laws, applicable to the performance under the service agreements. DXC confirms that it will not process personal data under controller instructions that have been determined to be unlawful under applicable privacy and data protection laws. DXC confirms that it will not process any personal data for any other purpose absent specific written approval from the contractor.

DXC has implemented a comprehensive suite of technical and organizational controls that enables DXC to comply with any requirements of any applicable data protection law regarding the collection, storage, use, transfer, security, or processing of personal data. This may include the requirement for DXC to enter into a written agreement, such as data processing or data transfer agreements, to provide an adequate level of privacy protection. DXC agrees that it will not disclose personal data to law enforcement unless required to do so by law. Where possible DXC will attempt to redirect the law enforcement agency directly to the contractor or promptly notify the contractor and provide a copy of the access request unless legally prohibited from doing so. For a general overview of DXC's privacy policies, principles, and practices, please refer to DXC's Enterprise Online Privacy Statement that is available at DXC's public website: www.dxc.technology/privacy"

Appropriate administrative, technical, and physical safeguards are developed, implemented, maintained, and used by DXC worldwide to preserve the security, integrity and confidentiality of the personal data created for or received from or on behalf of the contractor in connection with the services. This includes prevention of intentional or unintentional non-permitted or violating use or disclosure of, and protection against unauthorized access to or accidental or unlawful destruction, loss, or alteration of, personal data. DXC's safeguards are intended to provide reasonable technical and organizational data protection measures adequate to the nature of the data being protected and to meet all applicable legal standards (including any encryption requirements imposed by law). DXC has established a formal Information Security

Management System (ISMS as defined in ISO/IES 27001) as well as Privacy Information Management Systems (PIMS as defined in ISO/IES 27701) which follows a continual cycle of improvement to ensure that best practices are documented, reinforced, and improved continually.

Employees and contractors of DXC are vetted in respect to their ability to process personal data through appropriate vetting processes including background checks to the extent legally permitted under applicable laws. DXC employees and contractors are required to complete annual training and supplemental awareness campaigns and comply with the DXC Code of Business Conduct. Furthermore, they are bound to appropriate non-disclosure agreements, which remain binding beyond their employment with DXC.

Research and development

DXC Technology Danmark A/S's development activities relate primarily to the development of IT solutions for customers in the Eclipse business.

This year, the focus has been on specific development plans for new IT solutions. These plans are to ensure that there is strategic fit between the company's activities and the demands from the market so that the company's new and innovative IT products and solutions can be brought to the market and our customers faster than those of competitors.

Subsequent events

Details of significant events since the balance sheet date are contained in Note 20 to the financial statements.

Accounting policies

This annual report for DXC Technology Danmark A/S for the financial year 2021/22 has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class C (large).

The Entity has changed its accounting policies with regard to investments in subsidiaries to the cost method from the equity method to align the Entity's practice with the group practice.

The total effect of the change in accounting policies is an increase in this year's pre-tax result of DKKm 15.0 (2020/21 DKKm 84.4). The balance sheet 1. April 2021 has increased by DKKm 80.4 while equity 1. April 2021 has increased by DKK 80.4.

The comparative figures have been restated following the change in accounting policies.

Apart from the areas mentioned above, the annual report has been presented applying the accounting policies consistent with last year.

In accordance with Section 112, 2 of the Danish Financial Statement Act, DXC Technology Danmark A/S has not prepared consolidated financial statements.

In accordance with Provision 86, 4 of the Danish Financial Statements Act, the company has not prepared a cash flow statement, as the cash flow is part of the cash flow statement for the Group annual report for DXC Technology Company, Tysons, Virginia, USA.

Recognition and measurement

Assets are recognized in the balance sheet when it is probable that — as a result of a prior event — future economic benefits will flow to the company and the value of the assets can be measured reliably.

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

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

Financial assets and liabilities are measured on the basis of amortized cost — within which a fixed interest rate is used. Amortized cost is calculated as the purchase price inclusive of any accumulated amortized additions/deductions of the difference between the cost price and the nominal value.

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 under valuation adjustments of financial assets and liabilities measured at fair value or amortized cost is recognized in the income statement when earned. Costs that have been incurred in order to generate earnings are recognized in the income statement under depreciation, write-downs and provisions.

Accounting policies (continued)

Business combinations

Newly acquired or internally merged enterprises are recognised in the financial statements from the time of acquiring or establishing such enterprises. Divested or wound-up enterprises are recognised in the income statement up to the time of their divestment or winding-up.

The purchase method is applied at the acquisition of new and internally merged enterprises, under which identifiable assets and liabilities of these enterprises are measured at fair value at the acquisition date. Provisions for costs of restructuring of the enterprise acquired are only made in so far as such restructuring was decided by the enterprise acquired prior to acquisition. Allowance is made for the tax effect of restatements.

Positive differences in amount (goodwill) between cost of the acquired share and fair value of the assets and liabilities taken over are recognised in intangible assets, and they are amortised systematically over the income statement based on an individual assessment of their useful lives. If the useful life cannot be estimated reliably, it is fixed at 10 years. Useful life is reassessed annually.

Foreign currency translation

On initial recognition, foreign currency transactions are converted by applying the exchange rate as of the transaction date. Exchange differences that arise between the rate on the transaction date and the one in effect on the payment date or the rate on the balance sheet date are recognized in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies that have not been settled on the balance sheet date are converted using the exchange rate on the balance sheet date. The difference between the spot exchange rate and the date when the receivable or liability is realized is recognized in the income statement under financial income and costs.

When recognizing foreign subsidiaries that are independent entities, the income statements are translated at average exchange rates for the months that do not significantly deviate from the rates on the transaction date. Balance sheet items are translated using the exchange rates on the balance sheet date. Goodwill is considered as belonging to the independent foreign entity and is translated using the exchange rate on the balance sheet date.

Exchange differences arising out of the translation of foreign subsidiaries' equity at the beginning of the year on the balance sheet date exchange rates, as well as differences arising out of the translation of income statements from average rates to the exchange rates on the balance sheet date, are recognized directly in equity.

Property, plant and equipment, intangible assets and other nonmonetary assets that have been purchased in foreign currencies are translated using historical rates.

Derivative financial instruments

On initial recognition in the balance sheet, derivative financial instruments are measured at cost and subsequently at fair value. Derivative financial instruments are recognized under other receivables or other payables.

Changes in the fair value of derivative financial instruments classified as, and complying with, the requirements for hedging the fair value of a recognized asset or a recognized liability are recorded in the income statement together with changes in the value of the hedged asset or the hedged liability.

Changes in the fair value of derivative financial instruments not complying with the requirements for hedging are recognized directly in the income statement.

Income statement

Revenue

Revenue from the sale of services is recognized in the income statement when delivery is made, risk has transferred to the buyer, revenue can be calculated reliably and it is expected that payment is received. Revenue is recognized net of VAT, duties and sales discounts, and is measured at fair value of the fixed consideration net of VAT and duties charged on behalf of a third party.

Contract work in progress is included in revenue based on the stage of completion so that revenue corresponds to the selling price of the work performed in the financial year (the percentage-of-completion method).

Results of investments in subsidiaries

Dividends from investments in subsidiaries are recognised in the parent Company's financial statements when the right to the dividend finally vests, typically at the date of the Company's approval in general meeting of the dividend of the company in question less any write-downs at the investments

Other operating income

Other operating income includes income of a secondary nature compared to DXC Technology Danmark A/S's core business activities.

Other external expenses

Other external expenses include expenses for distribution, sale, marketing, administration, premises, loss on bad debts, etc.

Other external expenses also include research costs and costs of development projects that do not meet the criteria for recognition in the balance sheet. In addition, provisions for loss on contract work in progress are recognized.

Personnel expenses

Personnel expenses include salaries and wages as well as social insurance contributions and pension contributions for DXC Technology Danmark A/S's employees.

Financial income and expenses

These items include interest income and expenses, realized and unrealized capital gains and losses on payables and transactions in foreign currencies, as well as tax surcharges and tax relief under the Danish Tax Prepayment scheme.

Income tax

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognized in the income statement by the portion

Accounting policies (continued)

attributable to the profit for the year and recognized directly in equity by the portion attributable to entries directly in equity.

Balance sheet

Goodwill

Goodwill is measured as the difference between cost of the investments and the pro rata share of the fair value of the assets and liabilities acquired and measured at fair value on the date of acquisition.

Goodwill is amortized straight-line over its estimated useful life, which is fixed based on the experience gained by management for each business area. The amortization period is usually 5 years; however, in certain cases it may be up to 20 years for strategically acquired enterprises with a strong market position and a long-term earnings profile if the longer amortization period is considered to give a better reflection of the benefit from the relevant resources.

Acquired licenses

Acquired intellectual property rights in the form of licenses are measured at cost less accumulated amortization and impairment losses. Licenses are amortized over the term of the agreement, usually 3 to 10 years.

Gain or loss on the delivery of licenses is calculated as the difference between the sales price inclusive of deductions, such as sales costs, and the accounting value at the time of sale. Gain or loss is recognized in the income statement as a correction of write-ups or write-downs, or under income from other operations if the sales price should exceed the cost price.

Customer relationship

Customer relationship is amortized straight-line over its estimated useful life, which is fixed based on the experience gained by management for each business area. The amortization period is usually 10 years.

Development projects

Development projects on clearly defined and identifiable products and processes for which the technical rate of utilization, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognized as intangible assets if the cost price can be reliably measured and there is sufficient security that the future earnings are greater than other external expenses as well as development costs. Other development costs are recognized as costs in the income statement as incurred.

Property, plant and equipment

Land and buildings, plant and machinery, other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost includes 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.

For assets held under finance leases, cost is the lower of the asset's fair value and present value of future lease payments.

Accounting policies (continued)

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:

Buildings	40 years
Technical installations	15 years
Plant and machinery	3 – 10 years
Tools	10 years
Automobiles	5 years
Other equipment	5 – 7 years
Leasehold	3 – 5 years

Profits and losses from the sale of property, plant and equipment are calculated as the difference between selling price minus selling costs and carrying amount at the time of sale. Profits or losses are recognized in the income statement as adjustment to depreciation and impairment losses, or under other operating income if the selling price exceeds original cost.

Investments in subsidiaries

Investments in subsidiaries are measured at cost. Where the recoverable amount of the investments is lower than cost, the investments are written down to this lower value. In addition, cost is written down to the extent that dividends distributed exceed the accumulated earnings in the Company since the acquisition date. In the event of indications of impairment, an impairment test is performed of investments in subsidiaries.

Impairment of fixed assets

The accounting value of intangible and fixed assets is evaluated yearly for indications of a decrease in value over and above that caused by depreciation and amortization.

If it becomes apparent that assets devalue, an impairment test is made of each asset or asset class.

Assets are written down to the recoverable amount if this is lower than the carrying amount.

Receivables

Receivables are measured at amortized cost, usually equaling nominal value.

A write-down of receivables will be performed if there are objective indications that the receivable or portfolio of receivables has devalued. If a single receivable is deemed to have devalued, then the write-down will be undertaken on an individual receivable.

Write-downs are calculated as the difference between the accounting value of receivables and the present value of the expected cash flows.

Inventory

Inventory stock consists primarily of purchased goods and spare parts and is calculated according to the first in, first out (FIFO) principle. The cost price for commodities is calculated as the acquisition price.

Assets are written down to the recoverable amount if this is lower than the carrying amount.

Contract work in progress

Contract work in progress is measured at the selling price of the work carried based on the stage of completion.

The stage of completion is determined as the ratio between actual and total budgeted costs on each project.

When it is probable that total costs incurred on each project will exceed total income on the project, the expected loss is recognized in the income statement.

When the sales value cannot be reliably measured, the sales value is measured at costs incurred or at a lower net realizable value.

When we invoice our customer, our receivable is deducted from the sales value. Each contract in progress is recognized as a receivable when the net value is positive and as a liability when prepayments exceed the sales value.

Sales promotion costs and costs related to obtaining the contracts are recognized in the income statement concurrently with the incurred costs.

Prepayments

Prepayments represent expenses not yet incurred but already paid in cash. Prepayments are initially recorded as assets and measured at the amount of cash paid. Subsequently, these are charged to profit or loss as they are consumed in operations or expire with the passage of time.

Tax receivable/payable and deferred tax

The current tax payable or receivable is recognized in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

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

Deferred tax assets, including the value of the carried forward taxable losses, are recognized in the balance sheet at their estimated realizable value, either to offset future taxable income or deferred tax liabilities within the same legal entity or jurisdiction.

The company has entered into a joint taxation agreement. The actual Danish corporate tax is divided between the jointly taxed companies in proportion to their taxable income (distribution with reimbursement on losses).

Provisions

Provisions are recognized when DXC Technology Danmark A/S has a present obligation, either legal or constructive, as a result of a past event; it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized is the best estimate of the consideration required to settle the present obligation at the end of each reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

Accounting policies (continued)

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate.

If it is no longer probable that a transfer of economic benefits will be required to settle the obligation, the provision should be reversed.

Other provisions are recognized and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date. Provisions that are estimated to mature more than one year after the balance sheet date are measured at their discounted value.

Once it is likely that total costs will exceed total income from a contract in progress, a provision is made for the total loss estimated to result from the relevant contract.

Fair value of defined benefit plans in subsidiaries is calculated by actuary, and gains/losses are recognized to equity in the period in which they arise.

Other liabilities

Financial liabilities that include trade payables and liabilities to other group entities are measured at amortized cost, which usually corresponds to nominal value.

Segment reporting

Information is given regarding the business segments and geographical markets. Segment information follows accounting principles, risk and internal financial controlling.

Financial highlights

The definition of key ratios is in accordance with the current version of “The Danish Society of Financial Analysts Recommendations & Financial Ratios.”

Operating margin (%)	=	Earnings from operating act. x 100 Revenue
Return on operating assets (%)	=	Earnings from operating act. x 100 Average operating assets
Return on equity (%)	=	Profit/loss for the year x 100 Average equity
Equity share (%)	=	Equity x 100 Total assets

Operating assets = Operating assets are total assets less cash

Income statement for the financial year 1 April 2021 – 31 March 2022

	Note	2021/22 DKKm	2020/21 DKKm
Revenue	2	1,136.7	1,003.3
Other operating income	3	168.6	0.8
Other external expenses		(561.9)	(387.8)
Gross profit		**743.4**	**616.3**
Personnel expenses	5	(670.3)	(664.4)
Depreciation and amortization	9,10	(75.3)	(80.9)
Loss from operating activity		**(2.2)**	**(129.0)**
Financial income		6.1	31.5
Financial expenses	6	(11.6)	(79.2)
Loss before income tax		**(7.7)**	**(176.7)**
Income tax	7	10.5	(0.2)
Result for the year		**2.8**	**(176.9)**
Proposed distribution of loss	8		

Balance sheet as of 31 March 2022

	Note	2021/22 DKKm	2020/21 DKKm
Goodwill		137.2	99.7
Acquired licenses		3.4	0.5
Customer relationship		77.0	60.3
Completed development projects		1.7	10.4
Intangible assets	9	**219.3**	**170.9**
Land and buildings		130.0	137.4
Plant and machinery		57.4	65.4
Other fixtures and fittings, tools and equipment		3.0	0.8
Leasehold improvements		0.4	0.6
Property, plant and equipment	10	**190.8**	**204.2**
Investment in subsidiaries	11	566.6	653.1
Other receivables	12	5.1	5.7
Deferred tax	13	-	-
Financial assets		**571.7**	**658.8**
Noncurrent assets		**981.8**	**1,033.9**
Trade receivables		155.7	162.1
Inventory		0.2	0.2
Intercompany receivables		223.3	67.2
Tax Receivable, group contribution		10.4	0.0
Other receivables		4.3	9.4
Prepayments	15	65.7	28.6
Receivables		**459.6**	**267.9**
Cash and cash equivalents		64.9	-
Current assets		**524.5**	**267.9**
Assets		**1,506.3**	**1,301.8**

Balance sheet as of 31 March 2022 (continued)

	Note	2021/22 DKKm	2020/21 DKKm
Share capital	16	650.0	650.0
Revaluation surplus		11.0	11.0
Reserve for development projects		1.7	10.4
Retained earnings		(167.2)	(178.7)
Equity		**495.5**	**492.7**
Other payables		60.4	60.5
Other debt		23.9	39.2
Noncurrent liabilities		**84.3**	**99.7**
Current portion of noncurrent liabilities		15.6	15.4
Trade payables		117.6	81.8
Bank debt		-	79.1
Group entity payables		568.1	317.4
Other payables		152.5	183.5
Prepayment from customer	14	32.5	32.2
Deferred income		40.2	-
Current liabilities		**926.5**	**709.3**
Total liabilities		**1,010.8**	**809.1**
Equity provisions and liabilities		**1,506.3**	**1,301.8**

Uncertainty related to recognition and measurement	1
Not recognized tax asset	13
Contingencies and commitments	17
Related parties	18
Financial resources	19
Subsequent events	20

Statement of changes in equity for 1 April 2021 – 31 March 2022

	Share capital	Revaluation surplus	Reserve for development projects	Retained earnings	Total
	DKKm	DKKm	DKKm	DKKm	DKKm
Equity as of 1 April 2021	650.0	11.0	10.4	(259.1)	412.3
Changes in accounting policies	-	-	-	80.4	80.4
Adjusted Equity as of 1 April 2021	650.0	11.0	10.4	(178.7)	492.7
Result for the year	-	-	-	2.8	2.8
Development projects reserve, Disposal	-	-	(8.7)	8.7	-
Equity as of 31 March 2022	**650.0**	**11.0**	**1.7**	**(167.2)**	**495.5**

1. Uncertainty related to recognition and measurement

Investment in subsidiaries

The recoverable amount for investments in subsidiaries is based upon the estimated capital value of the CGUs.

A discount rate of 11.83% has been used when discounting the future cash flows, which is part of the valuation. The discount rate is based upon management's estimate of the weighted average cost of capital. The terminal period assumes and includes an increase in inflation of 2%.

When calculating the capital value, it is necessary to make use of a series of assumptions in order to estimate future cash flows. The primary assumptions regard future cost structure of the companies' services and developments in specific contracts with customers. This relates to the acquisition of new contracts and the renegotiation of contracts with existing customers. Another important assumption is the realization of cost reductions in conjunction with the ongoing restructuring of the Nordic Group.

The calculations are furthermore complicated by the uncertainty surrounding the economic situation in the markets in which the companies operate as well as developments in interest and exchange rates.

Even a small future change in estimates or budget assumptions can cause considerable adjustments in valuations of the recognized investment.

2. Segment reporting

	2021/22 DKKm	2020/21 DKKm
Revenue divided between main segments		
Public sector sales	641.0	522.9
Financial sector sales	110.1	8.7
Small and medium sized customer services	385.6	471.7
	1,136.7	**1,003.3**

98% (2020/21: 98%) of the company's revenue is derived from the Danish market, and 2% (2020/21: 2%) is derived from foreign markets.

3. Other operating income

	2021/22 DKKm	2020/21 DKKm
Profit from sale of business	160.2	-
Other operating income	8.4	0.8
	168.6	**0.8**

4. Fees to auditors appointed at the general meeting

	2021/22 DKKm	2020/21 DKKm
Statutory audit services	2.4	2.6
IT audit	-	1.3
	2.4	**3.9**

5. Personnel expenses

	2021/22 DKKm	2020/21 DKKm
Salaries and services	608.0	608.7
Pension costs	56.7	52.6
Other social insurance contributions	5.6	3.1
	670.3	**664.4**
Total compensation and remuneration to the Managing Director and Board of Directors	**3.5**	**2.6**
Average number of employees	**757**	**770**

In accordance with Provision 98 b, 3 of the Danish Financial Statements Act, the remuneration of the Managing Director and Board of Directors is disclosed as a combined amount.

6. Financial expenses

	2021/22 DKKm	2020/21 DKKm
Financial expenses, group entities	-	46.1
Interest on bank borrowings (net)	9.6	31.0
Interest on lease	0.6	1.4
Interest and others	1.4	0.7
	11.6	**79.2**

7. Income taxes

	2021/22 DKKm	2020/21 DKKm
Current tax - joined taxation	10.4	0.2
Net change in not recognized tax asset	22.5	35.6
Current year deferred tax	(22.5)	(37.1)
Change in deferred tax previous years	0.2	1.5
	10,6	**0.2**

8. Proposed distribution of loss

	2021/22 DKKm	2020/21 DKKm
Profit/(Loss) for the year	3.0	(176.9)
	3.0	**(176.9)**

9. Intangible assets

	Goodwill DKKm	Customer relationships DKKm	Completed development projects DKKm	Acquired licenses DKKm
Cost as of 01 April 2021	142.7	76.1	32.2	82.8
Additions	-	-	-	5.2
Additions through business combinations	57.6	28.4	-	-
Disposal	-	-	-	-
Cost as of 31 March 2022	**200.3**	**104.5**	**32.2**	**88.0**
Amortization as of 01 April 2021	42.8	15.8	21.8	82.3
Amortization for the year	20.2	11.7	8.7	2.3
Amortization as of 31 March 2022	**63.0**	27.5	**30.5**	**84.6**
Carrying amount as of 31 March 2022	**137.2**	**77.0**	**1.7**	**3.4**

The company develops software to be sold to customers. The cost comprises primarily man hours and is supported by estimates for future revenue and earnings.

The projects are evaluated on a yearly basis.

10. Property, plant and equipment

	Land & buildings DKKm	Plant and machinery DKKm	Other fixtures DKKm	Leasehold improvements DKKm
Cost as of 1 April 2021	747.5	503.0	28.3	17.1
Additions	2.8	11.4	3.3	0.2
Additions through business combinations	-	2.4		
Disposals/retirement	-	(6.7)	-	-
Cost as of 31 March 2022	**750.3**	**510.1**	**31.6**	**17.3**
Revaluation as of 1 April 2021	12.3	-	-	-
Revaluation as of 31 March 2022	**12.3**	-	-	-
Depreciation as of 1 April 2021	622.4	437.6	27.5	16.7
Depreciation for the year	10.2	21.4	1.1	0.2
Depreciation reversals		(6.3)	-	-
Depreciation as of 31 March 2022	**632.6**	**452.7**	**28.6**	**16.9**
Book value as of 31 March 2022	**130.0**	**57.4**	**3.0**	**0.4**

11. Investment in subsidiaries

	Total 2021/22 DKKm	Total 2020/21 DKKm
Cost beginning of the year	2,951.7	2,951.7
Disposals through business combinations etc	(86.4)	-
Cost as of 31 March 2022	**2,865.3**	**2,951.7**
Impairment losses beginning of the year	2,298.6	2,088.6
Impairment losses for the year	150.0	210.0
Reversal of impairment losses	(150.0)	
Impairment losses as of 31 March 2022	**2,298.6**	**2,298.6**
Carrying amount end of the year	**566.7**	**653.1**
Dividend from Group companies		210.0
Impairment losses for the year	(150.0)	(210.0)
Reversal of impairment losses	150.0	
Result from investment in subsidiaries	**0.0**	**0.0**

During the year 2021/22, BusinessNow companies merged with DXC Technology Danmark A/S.

The Entity has changed its accounting policies with regard to investments in subsidiaries to the cost method from the equity method to align the Entity's practice with the group practice.

Effects and further information regarding the change the change in accounting practice is presented page 15.

Equity holdings in group entities are:	Equity share	Result	Equity
• DXC Technology Scandihealth A/S, Aarhus	100%	2.4	71.0
• DXC Technology Airline Solutions Denmark A/S under frivillig likvidation, Copenhagen	100%	(0.5)	18,0
• DXC Technology Sverige AB, Stockholm	100%	37.7	128.4
• DXC Technology Norge AS, Oslo	100%	(54.6)	228.3

12. Financial assets

	Other Receivables DKKm
Cost as of 1 April 2021	5.7
Disposal	(0.6)
Cost as of 31 March 2022	**5.1**

13. Not recognized tax assets

Non recognized tax assets amounts to DKKm 337 (DKKm 260)

14. Prepayment from customer

	2021/22 DKKm	2020/21 DKKm
Sales value of work performed	-	-
Invoiced on account	(32.5)	(32.2)
	(32.5)	(32.2)
The net value is recorded as follows:		
(Prepayment from customers) /contract work in progress	(32.5)	(32.2)
	(32.5)	**(32.2)**

15. Prepayments/other payables

Prepayments consist of prepaid administration, personnel expenses, support and maintained licenses as well as transitional costs.

The company entered the monthly currency hedging to eliminate the currency risk on assets and liabilities in foreign currency. The hedges are settled monthly.

Included in prepayments is the unrealized gain on a currency hedge of 0 (2020/21: 0 DKK).

Included in other payables is the unrealized gain on a currency hedge of 0 (2020/21: 0 DKK).

16. Share capital

Share capital is made up of 13 shares of 50 DKKm each, totaling DKK 650,000,000.

During the year ended 31st March 2022, the DXC UK International Operations Limited acquired the remaining share in the company and becomes the sole holder of all equity interests in the company. Details of the revised share capital structure are given below:

Nominally (DKK)	Ownership %	Shares	Shareholder
650,000,000	100%	13 shares of DKK 50,000,000	DXC UK International Operations Limited
650,000,000		**Total**	

17. Contingencies and commitments etc.

Guarantee for work in progress

DXC Technology Danmark A/S has put forth a guarantee for a total of 0m DKK for work in progress service deliverables (2020/21: 10m DKK) and 3.9m DKK on behalf of other European DXC Technology entities covered by CSC Computer Sciences Corp. (2020/21: 3.9 mDKK).

Operating lease commitments

Future lease payment according to the contracts are expected to become payable:

	2021/22 DKKm	2020/21 DKKm
Payable within 0 – 1 year	7.4	13.4
Payable within 1 – 5 years	-	14.9
	7.4	**28.3**

Other commitments

The facilities on Retortvej 8, Valby are subject to a conditional term, whereafter Copenhagen Municipality can re-purchase the land in 2040. The facilities carrying amount is 130.1 mDKK (2020/21: 137.4 mDKK).

The grounds are polluted with tar compounds from the earlier Valby Gas Works. The assessment made is that an eventual clean-up of the grounds at the request of the authorities will not lead to significant costs for the company.

A customer has filed a lawsuit for compensation of a significant amount against the company. The company disputes the claim and has similarly filed a lawsuit against the customer for reimbursement of a significant amount. It is the company's assessment that the dispute will not trigger obligations in addition to the obligations recognized in the company's annual report.

VAT exempted services

The Danish authorities have issued a guideline regarding the VATable treatment of services related to payment services, etc., to special investment funds. The conclusion in the guideline is that the mentioned services are not VATable but instead subject to payroll tax. DXC Technology Danmark A/S has, therefore, raised a claim to the Danish authorities to cover output VAT for the part of the total sale that DXC Technology Danmark A/S considers to be included in the guideline. However, the claim will be reduced by deduction of input VAT, energy tax and payroll tax that all would be triggered if the services are subject to payroll tax instead of VAT. The deductions could potentially cause the net position to turn negative, resulting in a net liability for DXC Technology Danmark A/S. The outcome is very uncertain, as the Danish authorities will potentially not consider all customers included in the claim as investments funds. Consequently, it is not possible with reasonableness to determine a possible range of net position exposure for DXC Technology Danmark A/S in this matter.

Cash pool

DXC Technology Danmark A/S's financial resources are comprised of cash and cash equivalents and unutilized credit facilities. Cash pools have been established in the relevant currencies (DKK, SEK, NOK and EUR). The company also participates in a cash pool with DXC UK and its subsidiaries through Bank of America. The participants are jointly holding the cash pool, which totals to a balance of 64.9 DKKm as of 31 March 2022 (2021: debt of 79.1 DKKm).

Joint taxation

DXC Technology Danmark A/S serves as an administration company in a Danish joint taxation arrangement. According to the joint taxation provisions of the Danish Corporation Tax Act, DXC Technology Danmark A/S is therefore liable from the financial year 2013 for income taxes, etc., for the jointly taxed companies and from 1 July 2012 also for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for these companies.

18. Related parties

The following related parties have a controlling interest in DXC Technology Danmark A/S:

Name	Municipality of domicile	Basis of influence
DXC UK International Operations Ltd	England	Parent
DXC UK International Ltd	England	Parent
DXC UK International Services Ltd	England	Parent
DXC UK International Holdings Ltd	England	Parent
DXC Lux 6 S.a.r.l.	Luxembourg	Parent
DXC Luxembourg Holding S.a.r.l.	Luxembourg	Parent
DXC Lux 5 S.a.r.l.	Luxembourg	Parent
DXC Luxembourg International S.a.r.l.	Luxembourg	Parent
Lux 1 Holding Company, Inc.	Delaware, USA	Parent
DXC US International Inc.	Nevada, USA	Parent
Computer Sciences Corporation	Nevada, USA	Parent
DXC Technology Company	Ashburn, Virginia, USA	Ultimate parent

Transactions with related parties

	2021/22 DKKm	2020/21 DKKm
Revenue regarding labor and services with related parties	216.1	239.6
Received dividend	-	210.0
Costs regarding labor and services from related parties	(219.6)	(309.2)
Receivable/Payable partially relates to a cash pool and partially receivables and payables from ordinary transactions with related parties	(359.0)	(250.2)

Details on remuneration of the key management personnel are included in note no. 4.

Group ownership

DXC Technology Danmark A/S is included in the consolidated financial statements of DXC Technology Company, Tysons, Virginia, USA. The consolidated financial statements for DXC Technology Company are available in the DXC Technology Annual Report at https://investors.dxc.com/financials/annual-reports/default.aspx.

19. Financial resources

The ultimate parent company has issued a letter of support to ensure that DXC Technology Danmark A/S will have sufficient capital resources.

20. Subsequent events

There were no material or significant events that occurred in the period from 31st March 2022 to the date of reporting that would require adjustment to or disclosure in the financial statements.

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About DXC Technology

DXC Technology (NYSE: DXC) helps global companies run their mission critical systems and operations while modernizing IT, optimizing data architectures, and ensuring security and scalability across public, private and hybrid clouds. The world's largest companies and public sector organizations trust DXC to deploy services across the Enterprise Technology Stack to drive new levels of performance, competitiveness, and customer experience. Learn more about how we deliver excellence for our customers and colleagues at **DXC.com**.