

Diebold Nixdorf A/S

Fabriksparken 20, 2600 Glostrup

CVR no. 25 51 67 29

Annual report 2023

Approved at the Company's annual general meeting on 12 July 2024

Chair of the meeting:



.....
Ewa Porebska

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Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Diebold Nixdorf A/S for the financial year 1 January - 31 December 2023.

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

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Glostrup, 12 July 2024
Executive Board:



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Kenneth Sverker Nilsson
Managing director

Board of Directors:



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Ben Major Gale
Chairman



.....
Helena Birgitta Müller



.....
Ewa Porebska

Independent auditor's report

To the shareholder of Diebold Nixdorf A/S

Opinion

We have audited the financial statements of Diebold Nixdorf A/S for the financial year 1 January - 31 December 2023, which comprise an income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2023, and of the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Management's responsibilities for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and 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 the financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional skepticism 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.

Independent auditor's report

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

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

Statement on the Management's review

Management is responsible for the Management's review.

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

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

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

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

Copenhagen, 12 July 2024

KPMG

Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98



Kenn Wolff Hansen
State Authorised Public Accountant
mne30154

Management's review

Company details

Name	Diebold Nixdorf A/S
Address, Postal code, City	Fabriksparken 20, 2600 Glostrup
CVR no.	25 51 67 29
Established	21 July 2000
Registered office	Albertslund
Financial year	1 January - 31 December
Website	www.dieboldnixdorf.com
Board of Directors	Ben Major Gale, Chairman Helena Birgitta Müller Ewa Porebska
Executive Board	Kenneth Sverker Nilsson, Managing director
Auditors	KPMG Statsautoriseret Revisionspartnerselskab Dampfærgevej 28, 2100 København Ø

Management's review

Business review

Diebold Nixdorf Group is one of the world's leading providers of IT solutions to banks and retailers aimed at optimizing of customers' business processes, essentially reducing complexity and cost, and improving service to the end customer.

The Group's approximately 25.000 employees globally design and deliver convenient, "always on" and highly secure solutions that bridge the physical and the digital worlds of transactions. Customers of the DN Group include nearly all of the world's top 100 financial institutions and a majority of the top 25 global retailers.

The Banking segment's proposition includes hardware, software, IT services, and consulting services. ATMs, cash recycling systems, automated teller safes and transaction terminals are key elements of the hardware portfolio. With specially developed software banks may manage processes throughout all distribution channels in more effective way, propose new services and at the same time increase availability and reliability of services provided to end-customers.

Through the Retail segment, Diebold Nixdorf also provides hardware, software, IT services, and consulting services. Key elements are programmable ePOS systems, self-checkout systems, electronic shelf-labeling and other related products. The software portfolio allows the entire control of all processes and systems within the branch.

For both retail banks and retailers our IT services ensure the maximum availability of installed IT systems.

Diebold Nixdorf in Nordics is developing its market positions mainly proposing advanced solutions and services and exploiting synergies between the existing business units and to utilizing the skills in different countries.

In the Nordic countries the financial markets are very mature, cashless and Internet-driven and new advanced technologies and solutions are often more applicable. The global focus on accelerating growth and improving margins of software and professional services will affect the Nordic region during the following years as well.

During 2023 Diebold Nixdorf A/S (Denmark) was showing a stable development. We have strengthened our service footprint in Denmark laying the foundation for future years.

We see a good potential for development of our business in Retail segment and preserving our customers in Bank segment in the future

The Board and CEO appraises that the company does not face significant risks and uncertainties not covered by Diebold Nixdorf Group or beyond what is normal in the company's business areas.

Events during the financial year

Diebold Nixdorf A/S as a subsidiary of Diebold Nixdorf, Inc (ultimate parent company) and the affiliate of Diebold Nixdorf Dutch Holding B.V. As mentioned in the Management review in the Annual Report for 2022 a debt restructuring was initiated in 2023 with the purpose of reducing the parent company's debt and increase its liquidity. The negotiations were initiated subsequent to a filing regarding voluntary petitions in accordance with the U.S Bankruptcy code. The plan was completed successfully later in 2023 and hereafter there is no further uncertainty in relation to the outcome of restructuring. Based hereon it is Management assessment that there are no further risk associated with going concern and also the valuation of the entity's receivables from group enterprises, which amounts to DKK 22,782 thousand at 31 December 2023.

Financial review

The income statement for 2023 shows a profit of DKK 2,378 thousand against a profit of DKK 1,449 thousand last year, and the balance sheet at 31 December 2023 shows equity of DKK 7,390 thousand.

Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

Financial statements 1 January - 31 December

Income statement

Note	DKK'000	2023	2022
	Gross profit	38,625	40,394
2	Staff costs	-36,584	-37,883
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	0	-39
	Profit before net financials	2,041	2,472
	Financial income	1,262	0
3	Financial expenses	-186	-600
	Profit before tax	3,117	1,872
4	Tax for the year	-739	-423
	Profit for the year	<u>2,378</u>	<u>1,449</u>
	Recommended appropriation of profit		
	Proposed dividend recognised under equity	<u>2,378</u>	<u>1,449</u>
		<u>2,378</u>	<u>1,449</u>

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	<u>2023</u>	<u>2022</u>
	ASSETS		
	Fixed assets		
	Investments		
	Deposits, investments	5	5
		<u>5</u>	<u>5</u>
	Total fixed assets	<u>5</u>	<u>5</u>
	Non-fixed assets		
	Inventories		
	Raw materials and consumables	1,008	631
	Work in progress	748	82
		<u>1,756</u>	<u>713</u>
	Receivables		
	Trade receivables	9,439	11,947
	Receivables from group enterprises	22,782	21,673
	Deferred tax assets	40	53
	Corporation tax receivable	0	42
	Prepayments	96	164
		<u>32,357</u>	<u>33,879</u>
	Cash	2,406	1,654
	Total non-fixed assets	<u>36,519</u>	<u>36,246</u>
	TOTAL ASSETS	<u>36,524</u>	<u>36,251</u>

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	<u>2023</u>	<u>2022</u>
	EQUITY AND LIABILITIES		
	Equity		
	Share capital	600	600
	Retained earnings	4,412	4,412
	Dividend proposed	2,378	1,449
	Total equity	<u>7,390</u>	<u>6,461</u>
	Provisions		
	Provisions for warranty obligations	9	77
	Total provisions	<u>9</u>	<u>77</u>
	Liabilities other than provisions		
5	Non-current liabilities other than provisions		
	Other payables	2,878	3,316
		<u>2,878</u>	<u>3,316</u>
	Current liabilities other than provisions		
	Trade payables	5,013	11,647
	Payables to group enterprises	13,777	7,064
	Corporation tax payable	464	0
	Other payables	6,543	7,033
	Deferred income	450	653
		<u>26,247</u>	<u>26,397</u>
	Total liabilities other than provisions	<u>29,125</u>	<u>29,713</u>
	TOTAL EQUITY AND LIABILITIES	<u><u>36,524</u></u>	<u><u>36,251</u></u>

- 1 Accounting policies
- 6 Contractual obligations and contingencies, etc.
- 7 Related parties

Financial statements 1 January - 31 December

Statement of changes in equity

DKK'000	Share capital	Retained earnings	Dividend proposed	Total
Equity at 1 January 2022	600	4,412	0	5,012
Transfer through appropriation of profit	0	0	1,449	1,449
Equity at 1 January 2023	600	4,412	1,449	6,461
Transfer through appropriation of profit	0	0	2,378	2,378
Dividend distributed	0	0	-1,449	-1,449
Equity at 31 December 2023	600	4,412	2,378	7,390

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Diebold Nixdorf A/S for 2023 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Basis of recognition and measurement

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

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

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the Annual Report, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate 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 most recent financial statements is recognised in the income statement as financial income or financial expenses.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Income statement

Revenue

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

Income from the sale of goods and services is recognised in the Income Statement from the date of delivery and when the risk has passed to the buyer if it is possible to calculate the income reliably. The revenue is calculated exclusive of VAT, charges and discounts.

Gross profit

The items revenue, cost of sales and external expenses have been aggregated into one item in the income statement called gross profit in accordance with section 32 of the Danish Financial Statements Act.

Raw materials and consumables

Costs for raw materials and consumables comprise purchase of goods and services for resale thereof.

Other external expenses

Other external expenses comprise expenses related to sales, administration, distribution, offices and operational leasing costs.

Staff costs

Staff expenses comprise wages and salaries, pensions and social security costs.

Other staff expenses are recognised in other external expenses.

Financial income and expenses

Financial income and expenses are recognised in the Income Statement with the amounts that concern the financial year. Financial income and expenses include interest income and expenses, realised and unrealised capital gains and losses regarding debt and foreign currency transactions as well as surcharges and allowances under the tax repayment scheme.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

Balance sheet

Leases

The Company has chosen IAS 17 as interpretation for classification and recognition of leases.

Leases that do not transfer substantially all the risks and rewards incident to the ownership to the Company are classified as operating leases. Payments relating to operating leases and any other rent agreements are recognised in the income statement over the term of the lease. The Company's aggregate liabilities relating to operating leases and other rent agreements are disclosed under "Contingent liabilities".

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Investments

Deposits are measured at cost.

Inventories

Finished goods and work in progress are measured at the lower of cost under the weighted average prices and net realisable value. Write-down is made for obsolescence, including slow-moving items.

The cost of raw materials and consumables comprises the cost of acquisition plus delivery costs.

Receivables

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

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Cash

Cash and cash equivalents comprise cash at bank and in hand.

Equity

Proposed dividends

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

Provisions

Other provisions comprise expected costs of warranty commitments. Provisions are recognised when, at the balance sheet date, the company has a legal or actual obligation and it is likely that settlement will result in the company spending financial resources.

Provisions that are expected to be settled later than a year from the balance sheet date are measured at the present value and the expected payments. Other provisions are measured at net realisable value.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Income taxes and deferred taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Liabilities

The Company has chosen IAS 39 as interpretation for liabilities.

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Other liabilities are measured at net realisable value.

Deferred income

Deferred income recognised as a liability comprises payments received concerning income in subsequent financial reporting years.

Financial statements 1 January - 31 December

Notes to the financial statements

DKK'000	2023	2022
2 Staff costs		
Wages/salaries	33,017	34,518
Pensions	3,438	3,244
Other social security costs	129	121
	<u>36,584</u>	<u>37,883</u>
Average number of full-time employees	<u>57</u>	<u>53</u>
3 Financial expenses		
Interest expenses, group entities	72	573
Other financial expenses	114	27
	<u>186</u>	<u>600</u>
4 Tax for the year		
Estimated tax charge for the year	726	400
Deferred tax adjustments in the year	13	16
Tax adjustments, prior years	0	7
	<u>739</u>	<u>423</u>
5 Non-current liabilities other than provisions		
Of the long-term liabilities, TDKK 2,878 (TDKK 3,316) falls due for payment after more than 5 years after the balance sheet date.		
6 Contractual obligations and contingencies, etc.		
Contingent liabilities		
Leasing/rent obligations	2,748	5,183
	<u>2,748</u>	<u>5,183</u>
7 Related parties		
Diebold Nixdorf A/S' related parties comprise the following:		
Parties exercising control		
<u>Related party</u>	<u>Domicile</u>	<u>Basis for control</u>
Wincor Nixdorf International GmbH	Germany	Parent
Information about consolidated financial statements		
<u>Parent</u>	<u>Domicile</u>	
Diebold Nixdorf Inc.	United States	