CIBICOM A/S

Industriparken 35, DK-2750 Ballerup

Annual Report for 2023

CVR No. 25 59 80 08

The Annual Report was presented and adopted at the Annual General Meeting of the company on 25/6 2024

Søren Fæster
Chairman of the general meeting

Contents

Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of CIBICOM 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 at 31 December 2023 of the Company and of the results of the Company operations for 2023.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Ballerup, 25 June 2024

Executive Board

Mette Slesvig CEO	Jesper Slot CFO

Board of Directors

Rasmus Forup Helmich Chairman	Jesper Slot	Kevin Kristoffer Ehnhuus Iermiin
Mette Slesvig	Hans-Christian Ploug Employee representative	Søren Henry Pazdzior Employee representative

Independent Auditor's report

To the shareholder of CIBICOM A/S

Opinion

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.

We have audited the Financial Statements of CIBICOM A/S for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies (”the Financial Statements”).

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’ International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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.

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, in our view, 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 in Management’s Review.

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.

Independent Auditor's report

Auditor's responsibilities for the audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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, 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.

Hellerup, 25 June 2024

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Bo Schou-Jacobsen	Michael Krath
State Authorised Public Accountant	State Authorised Public Accountant
mne28703	mne34155

Company information

The Company	CIBICOM A/S Industriparken 35 2750 Ballerup Telephone: + 45 70118011 Email: info@cibicom.dk Website: www.cibicom.dk CVR No: 25 59 80 08 Financial period: 1 January - 31 December Incorporated: 1 September 2000 Financial year: 23th financial year Municipality of reg. office: Ballerup
Board of Directors	Rasmus Forup Helmich, chairman Jesper Slot Kevin Kristoffer Ehnhuus Iermiin Mette Slesvig Hans-Christian Ploug, employee representative Søren Henry Pazdzior, employee representative
Executive Board	Mette Slesvig Jesper Slot
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup

Financial Highlights

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

	2023	2022	2021	2020	2019
	Mio. DKK	Mio. DKK	Mio. DKK	Mio. DKK	Mio. DKK
Key figures					
Profit/loss					
Gross profit	158	150	170	172	179
Profit/loss of primary operations	37	34	51	54	60
Profit/loss of financial income and expenses	-14	7	10	-1	1
Net profit/loss for the year	19	33	52	44	50
Balance sheet					
Balance sheet total	1,104	1,011	933	909	915
Equity	505	495	453	402	358
Number of employees	88	85	82	71	71
Ratios					
Return on assets	3.4%	3.4%	5.5%	5.9%	6.6%
Solvency ratio	45.7%	49.0%	48.6%	44.2%	39.1%
Return on equity	3.8%	7.0%	12.2%	11.6%	15.0%
EBITDA	96	102	114	123	133

Management's review

Key activities

Cibicom A/S's primary activities consist of:

- Operation of radio and TV broadcasting networks and mission critical communication systems
- Design, installation and maintenance services related to the radio and TV broadcasting networks as well as other critical communication infrastructure
- Rental of positions for antenna systems and communication platform at Cibicom A/S' towers
- Design, implementation and operation of network infrastructure, MPLS and Internet access
- Datacenter and co-location activities
- IOT / interdevice communication solution

Operation

Cibicom A/S operates a communication and infrastructure platform e.g., for national radio and TV broadcasting companies in Denmark performing preventative and corrective maintenance and further development of the communication infrastructure. The activities changes and/or expands as new networks are established or existing are modified.

The external environment with respect to broadcast of Radio and TV is in a better position than anticipated few years back. This is driven by the continuous relevance of real-time information, especially within news and sports. There is a recognition of the benefits of having both entertainment and information broadcasted with a low latency (delay) which streaming will not be able to provide Also, coverage and robustness which this technology provides has only become even more relevant with the current geopolitical situation and as a reminder to the capabilities of the infrastructure a country needs. Cibicom Group is pleased that we in 2023 has secured the TV broadcast operations (DTT) with the major operators up until 30th June 2030 and Cibicom Group is planning to work for a further extension of the TV broadcast operations (DTT) in the coming years, due to the coverage and robustness of this technology.

Antenna space rental associated with our broadcast activities and telco infrastructure business showed a stable trend during the year. The company provides services in this area to broadcasters, telecom operators and tele infrastructure providers and we will accelerate our investments into this area going forward.

Cibicom has through 2023 made further solid expansion into the fiber interconnect area (b2B) where we offer connectivity through our substantial backbone infrastructure. We are satisfied with the development in this area and expect this part of our business to grow substantially in the coming period.

Datacenter and co-location are another growth area where we are seeing a successful uptake as we are further expanding our customer-base through renewal of our 02.22 SKI Public Purchase Agreement in order to further make colocation offer available to municipalities and public authorities with mission critical and colocation needs.

Our IOT or Inter-device communication is very well positioned to offer a communication platform based on our current infrastructure and in 2023 Cibicom Group with our Partner have been awarded two significant contracts relating to the establishment and operation of an IOT-network to remotely monitor and manage water usage and/or invoicing.

Cibicom A/S has for several years been running our own 24/7/365 Operations Center (NOC), with onsite staff monitoring all networks, infrastructure and other communication services continuously and provide services related to handling incidents and dispatching fields service personal. Monitoring covers all geographic locations where Cibicom has placed its equipment, which is more than 375 locations all over Denmark, including a number of islands without bridge connections.

All operations are run with a high focus on security and compliance and Cibicom A/S continue to invest in improving this area to be market leading.

Management's review

Development in the year

The income statement of the Company for 2023 shows a profit of TDKK 18,621, and at 31 December 2023 the balance sheet of the Company shows a positive equity of TDKK 504,969.

EBITDA for the year is below last year and expectations due to higher electricity cost and investments in new business areas such as Datacenter and Network.

The comparative figures for 2022 have been adjusted. Please refer to note 21 Accounting policies for a description hereof.

Targets and expectations for the year ahead

We expect to improve EBITDA due to increased activity but as a result of increased interest payments we expect profit for the year to be in line with 2023.

Special risks - operating risks and financial risks

Operating risks are in general evaluated as being low. No short term financial risks has been identified.

Research and development

Cibicom A/S continues to priorities resources to ensure a broad knowledge base and competencies inhouse to support business development within several business segments such as IOT technology, datacenter services and mission-critical services.

Uncertainty relating to recognition and measurement

Recognition and measurement in the Annual Report have not been subject to any uncertainty.

Unusual events

The financial position at 31 December 2023 of the Company and the results of the activities of the Company for the financial year for 2023 have not been affected by any unusual events.

Subsequent events

Reference is made to note 20 in the Financial Statements.

Income statement 1 January - 31 December

	Note	2023	2022
		TDKK	TDKK
Gross profit	1	**158,237**	**149,800**
Staff expenses	2	-61,066	-57,918
Earnings Before Interest Taxes Depreciation and Amortization		**97,171**	**91,882**
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment	3	-59,992	-58,273
Profit/loss before financial income and expenses		**37,179**	**33,609**
Income from investments in subsidiaries	4	1,813	19,131
Financial income	5	0	187
Financial expenses		-15,590	-12,577
Profit/loss before tax		**23,402**	**40,350**
Tax on profit/loss for the year	6	-4,781	-7,012
Net profit/loss for the year	7	**18,621**	**33,338**

Balance sheet 31 December

Assets

	Note	2023	2022
		TDKK	TDKK
Acquired licenses		8,536	8,033
Acquired other similar rights		607	662
Intangible assets	8	**9,143**	**8,695**
Land and buildings		331,536	346,431
Plant and machinery		213,664	133,340
Other fixtures and fittings, tools and equipment		21,336	17,738
Property, plant and equipment in progress		2,154	0
Masts and equipment		267,564	270,980
Property, plant and equipment	9	**836,254**	**768,489**
Investments in subsidiaries	10	172,913	171,431
Other receivables	11	1,652	1,619
Fixed asset investments		**174,565**	**173,050**
Fixed assets		**1,019,962**	**950,234**
Raw materials and consumables		200	185
Inventories		**200**	**185**
Trade receivables		13,373	5,092
Contract work in progress	12	3,227	760
Receivables from group enterprises		5,281	3,714
Other receivables		4,308	14,632
Deferred tax asset	14	26,265	25,639
Prepayments	15,13	31,404	10,293
Receivables		**83,858**	**60,130**
Cash at bank and in hand		**84**	**0**
Current assets		**84,142**	**60,315**
Assets		**1,104,104**	**1,010,549**

Balance sheet 31 December

Liabilities and equity

	Note	2023	2022
		TDKK	TDKK
Share capital		38,000	38,000
Reserve for net revaluation under the equity method		68,030	0
Retained earnings		209,939	456,513
Proposed dividend for the year		189,000	0
Equity		**504,969**	**494,513**
Provisions for pensions and similar obligations		0	1
Other provisions	16	3,695	3,696
Provisions		**3,695**	**3,697**
Mortgage loans		191,155	236,544
Lease obligations		100,219	60,804
Prepayments received from customers		0	643
Payables to group enterprises		0	31,700
Deposits		17,115	17,171
Other payables		3,468	3,245
Long-term debt	17	**311,957**	**350,107**
Mortgage loans	17	45,399	45,158
Credit institutions		71,528	20,790
Lease obligations	17	34,875	23,533
Prepayments received from customers	17	434	0
Trade payables		65,138	38,687
Payables to group enterprises	17	54,833	4,339
Corporation tax		2,059	3,034
Other payables	17	9,217	26,691
Short-term debt		**283,483**	**162,232**
Debt		**595,440**	**512,339**
Liabilities and equity		**1,104,104**	**1,010,549**
Contingent assets, liabilities and other financial obligations	18		
Related parties	19		
Subsequent events	20		
Accounting Policies	21		

Statement of changes in equity

	Share capital	Reserve for net revaluation under the equity method	Retained earnings	Proposed dividend for the year	Total
	TDKK	TDKK	TDKK	TDKK	TDKK
Equity at 1 January 2023	38,000	0	466,889	0	504,889
Net effect of correction of material misstatements	0	0	-10,374	0	-10,374
Adjusted equity at 1 January 2023	38,000	0	456,515	0	494,515
Exchange adjustments relating to foreign entities	0	-330	0	0	-330
Fair value adjustment of hedging instruments, beginning of year	0	0	-10,047	0	-10,047
Tax on adjustment of hedging instruments for the year	0	0	2,210	0	2,210
Net profit/loss for the year	0	68,360	-238,739	189,000	18,621
Equity at 31 December 2023	**38,000**	**68,030**	**209,939**	**189,000**	**504,969**

Net effect of adjustment DKK 10,374k, cf. description in note 21 Accounting policies.

	Share capital	Retained earnings	Total
	TDKK	TDKK	TDKK
Equity at 1 January 2022	38,000	415,338	453,338
Fair value adjustment of hedging instruments, end of year	0	10,047	10,047
Tax on adjustment of hedging instruments for the year	0	-2,210	-2,210
Net profit/loss for the year	0	33,338	33,338
Equity at 31 December 2022	**38,000**	**456,513**	**494,513**

Notes to the Financial Statements

	2023	2022
	TDKK	TDKK

1. Special items

Special items include significant income and expenses not directly attributable to the Company's recurring operating activities such as material restructurings, impairments and reversal hereof, acquisition and integration costs and gains and losses on disposal of activities and non-current assets.

	2023	2022
Strategy costs - included in Other External expenses	0	10,374
	0	**10,374**

	2023	2022
	TDKK	TDKK

2. Staff Expenses

	2023	2022
Wages and salaries	50,572	48,129
Pensions	6,659	6,091
Other social security expenses	797	670
Other staff expenses	3,038	3,028
	61,066	**57,918**

Remuneration to the Executive Board has not been disclosed in accordance with section 98 B(3) of the Danish Financial Statements Act.

The Company's Executive Board is employed at DK Infrastructure Bidco ApS. Remuneration take place in DK Infrastructure Bidco ApS.

	2023	2022
Average number of employees	**88**	**85**

Notes to the Financial Statements

	2023	2022
	TDKK	TDKK
3. Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment		
Amortisation of intangible assets	701	430
Depreciation of property, plant and equipment	59,291	57,843
	59,992	**58,273**
Which is specified as follows:		
Acquired patents	701	430
Buildings	21,799	21,525
Plant and machinery	16,641	15,969
Other fixtures and fittings, tools and equipment	3,661	3,570
Masts and equipment	17,190	16,779
	59,992	**58,273**

	2023	2022
	TDKK	TDKK
4. Income from investments in subsidiaries		
Share of profits	12,143	26,879
Amortisation of goodwill	-10,330	-7,748
	1,813	**19,131**

	2023	2022
	TDKK	TDKK
5. Financial income		
Interest received from group enterprises	0	185
Other financial income	0	2
	0	**187**

Notes to the Financial Statements

6. Income tax expense

	2023	2022
	TDKK	TDKK
Current tax for the year	3,197	2,185
Deferred tax for the year	1,584	4,827
	4,781	**7,012**

7. Profit allocation

	2023	2022
	TDKK	TDKK
Proposed dividend for the year	189,000	0
Reserve for net revaluation under the equity method	68,360	0
Retained earnings	-238,739	33,338
	18,621	**33,338**

8. Intangible fixed assets

	Acquired licenses	Acquired other similar rights
	TDKK	TDKK
Cost at 1 January	9,837	91,343
Additions for the year	1,145	0
Cost at 31 December	10,982	91,343
Impairment losses and amortisation at 1 January	1,800	90,681
Amortisation for the year	646	55
Impairment losses and amortisation at 31 December	2,446	90,736
Carrying amount at 31 December	**8,536**	**607**

Notes to the Financial Statements

9. Property, plant and equipment

	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Property, plant and equipment in progress	Masts and equipment
	TDKK	TDKK	TDKK	TDKK	TDKK
Cost at 1 January	602,871	435,106	51,369	0	534,268
Additions for the year	6,904	96,965	7,259	2,154	13,774
Cost at 31 December	609,775	532,071	58,628	2,154	548,042
Impairment losses and depreciation at 1 January	256,440	301,766	33,630	0	263,288
Depreciation for the year	21,799	16,641	3,662	0	17,190
Impairment losses and depreciation at 31 December	278,239	318,407	37,292	0	280,478
Carrying amount at 31 December	**331,536**	**213,664**	**21,336**	**2,154**	**267,564**
Including assets under finance leases amounting to	0	112,471	0	0	0

Notes to the Financial Statements

10. Investments in subsidiaries

	2023	2022
	TDKK	TDKK
Cost at 1 January	104,883	21,630
Additions for the year	0	83,253
Cost at 31 December	104,883	104,883
Value adjustments at 1 January	66,548	47,417
Exchange adjustment	-330	0
Net profit/loss for the year	12,142	26,879
Amortisation of goodwill	-10,330	-7,748
Value adjustments at 31 December	68,030	66,548
Carrying amount at 31 December	**172,913**	**171,431**
Positive differences arising on initial measurement of subsidiaries at net asset value	63,261	63,261
Remaining positive difference included in the above carrying amount at	45,184	55,513

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Owner-ship	Equity	Net profit/loss for the year
Cibicom Services A/S	Ballerup	2.001	100%	66,933	413
Cibicom Mobility ApS	Ballerup	5.001	100%	9,493	-4,792
Telpartner A/S	Ballerup	1.050	100%	51,303	16,522
				127,729	**12,143**

11. Other fixed asset investments

	Other receivables
	TDKK
Cost at 1 January	1,619
Additions for the year	108
Disposals for the year	-75
Cost at 31 December	1,652
Carrying amount at 31 December	**1,652**

12. Contract work in progress

	2023 TDKK	2022 TDKK
Selling price of work in progress	3,227	760
	3,227	**760**
Recognised in the balance sheet as follows:		
Contract work in progress recognised in assets	3,227	760
	3,227	**760**

13. Receivables

	2023 TDKK	2022 TDKK
The following receivables fall due for payment more than 1 year after year end:		
Prepayments receivable	12,670	0
	12,670	**0**

14. Deferred tax asset

	2023 TDKK	2022 TDKK
Deferred tax asset at 1 January	25,639	32,677
Amounts recognised in the income statement for the year	-1,584	-4,827
Amounts recognised in equity for the year	2,210	-2,211
Deferred tax asset at 31 December	**26,265**	**25,639**

The Company´s deferred tax asset amounts to TDKK 26.265 (2022: TDKK 25.639). The majority of the deferred tax asset amount is due to temporary differences in tax depreciations concerning fixed assets. The deferred tax assets has been computed based on a tax rate of 22 %.

Management has found it fair to recognise the tax asset at its full value as it is expected to be utilised according to the Company´s budgets and future projects.

15. Prepayments

Prepayments consist of prepaid expenses concerning rent, insurance premiums, subscriptions, interest and salary as well.

Notes to the Financial Statements

16. Other provisions

	2023	2022
	TDKK	TDKK

The Company must pay civil servant pensions to current and former employees. Other provisions of TDKK 3,696 have been recognized for expected pension payments.

Provisions for pensions and similar obligations	3,695	3,696
	3,695	**3,696**
The provisions are expected to mature as follows:		
Provisions falling due after 5 years	3,696	3,696
	3,696	**3,696**

17. Long-term debt

	2023	2022
	TDKK	TDKK

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

Mortgage loans		
After 5 years	7,234	53,569
Between 1 and 5 years	183,921	182,975
Long-term part	191,155	236,544
Within 1 year	45,399	45,158
	236,554	**281,702**
Lease obligations		
After 5 years	0	0
Between 1 and 5 years	100,219	60,804
Long-term part	100,219	60,804
Within 1 year	34,875	23,533
	135,094	**84,337**

Notes to the Financial Statements

	2023	2022
	TDKK	TDKK
17. Long-term debt		
Prepayments received from customers		
After 5 years	0	0
Between 1 and 5 years	0	643
Long-term part	0	643
Other prepayments from customers	434	0
	434	**643**
Payables to group enterprises		
After 5 years	0	0
Between 1 and 5 years	0	31,700
Long-term part	0	31,700
Other short-term debt to group enterprises	54,833	4,339
	54,833	**36,039**
Deposits		
After 5 years	0	0
Between 1 and 5 years	17,115	17,171
Long-term part	17,115	17,171
Within 1 year	0	0
	17,115	**17,171**
Other payables		
After 5 years	0	0
Between 1 and 5 years	3,468	3,245
Long-term part	3,468	3,245
Other short-term payables	9,217	26,691
	12,685	**29,936**

	2023	2022
	TDKK	TDKK

18. Contingent assets, liabilities and other financial obligations

Charges and security

	2023	2022
The following assets have been placed as security with mortgage credit institutes:		
Land and buildings with an accounting value excluding leasing assets	368,050	346,432
The following assets have been placed as security for lease obligations:		
Plant and machinery with an accounting value	108,947	88,595

Rental and lease obligations

	2023	2022
Lease obligations under operating leases. Total future lease payments:		
Within 1 year	1,072	1,142
Between 1 and 5 years	1,379	694
	2,451	**1,836**
Lease commitments in the non-cancellable period	62,653	66,015

Other contingent liabilities

The Company has entered into few lease agreements with restoration obligations. The likelihood of a claim for restoration being assessed is considered to be low, and therefore no provision has been recognized for this.

The Company has issue a letter of support for one of its subsidiary valid until 31 March 2025.

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of DK Infrastructure Topco ApS, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

There are no further security and contingent liabilities at 31 December 2023.

Notes to the Financial Statements

19. Related parties and disclosure of consolidated financial statements

	Basis
Controlling interest	
DK Infrastructure Topco ApS, Industriparken 35, DK-2750 Ballerup	Ultimate parent company
DK Infrastructure Bidco ApS, Industriparken 35, DK-2750 Ballerup	Owns 100 % of the share capital of the Company

Transactions

All of the Company's transactions have been carried out on an arm's length basis.

Consolidated Financial Statements

The company is included in the consolidated financial statements of the following companies:

Name	Place of registered office
DK Infrastructure Topco ApS	DK-2750 Ballerup
DK Infrastructure Bidco ApS	DK-2750 Ballerup

20. Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Notes to the Financial Statements

21. Accounting policies

The Annual Report of CIBICOM A/S for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2023 are presented in TDKK.

Adjustment of comparative figures for 2022

Together with the shareholder, Management has agreed that consultancy costs related to strategy advice of DKK 10,374k exclusive of VAT expensed and accrued in the financial statements for 2022 of the parent company DK Infrastructure Topco ApS should have been borne by Cibicom A/S at the receiver of the services. The strategy advisory services have been provided by the supplier in 2022.

Due to the materiality, Management has decided to adjust the comparative figures for 2022 in the Financial Statements for 2023. The amount is included in 2022 as Other external expenses and setoff as Trade payable. Accordingly, the equity at 1 January 2023 has been adjusted with the same amount. The adjustment has no tax impact. In total, the profit after tax for 2022 has been adjusted to DKK 33,338k from DKK 43,712k and the equity at year-end 2022 has been adjusted to DKK 494,515k from DKK 504,889k.

Consolidated financial statements

With reference to section 112 of the Danish Financial Statements Act and to the consolidated financial statements for 2023 of DK Infrastructure Bidco ApS, the Company has not prepared consolidated financial statements.

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 DK Infrastructure Bidco ApS, the Company has not prepared a cash flow statement.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. 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 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 out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

Notes to the Financial Statements

Business combinations

Business acquisitions carried through on or after 1 July 2018

Acquisitions of subsidiaries are accounted for using the purchase method under which the identifiable assets and liabilities of the entity acquired are measured at fair value at the time of acquisition.

The time of acquisition is the time when the Group obtains control of the entity acquired.

The cost of the entity acquired is the fair value of the consideration agreed, including consideration contingent on future events. Transaction costs directly attributable to the acquisition of subsidiaries are recognised in the income statement as incurred.

Positive differences between the cost of the entity acquired and identifiable assets and liabilities are recognised as goodwill in intangible assets in the balance sheet and are amortised in the income statement on a straight-line basis over their estimated useful lives. Where the differences are negative, they are recognised immediately in the income statement.

Where the purchase price allocation is not final, positive and negative differences from acquired subsidiaries due to changes to the recognition and measurement of identifiable net assets may be adjusted for up to 12 months after the time of acquisition. These adjustments are also reflected in the value of goodwill or negative goodwill, including in amortisation already made.

Where cost includes contingent consideration, this is measured at fair value at the time of acquisition. Contingent consideration is subsequently measured at fair value. Any value adjustments are recognised in the income statement.

In respect of step acquisitions, any previously held investments in the entity acquired are remeasured at fair value at the time of acquisition. The difference between the carrying amount of the investment previously held and the fair value is recognised in the income statement.

Leases

Leases in terms of which the Company assumes substantially all the risks and rewards of ownership (finance leases) are recognised in the balance sheet at the lower of the fair value of the leased asset and the net present value of the lease payments computed by applying the interest rate implicit in the lease or an alternative borrowing rate as the discount rate. Assets acquired under finance leases are depreciated and written down for impairment under the same policy as determined for the other fixed assets of the Company.

The remaining lease obligation is capitalised and recognised in the balance sheet under debt, and the interest element on the lease payments is charged over the lease term to the income statement.

All other leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

Derivative financial instruments

Derivative financial instruments are initially recognised in the balance sheet at cost and are subsequently remeasured at their fair values. Positive and negative fair values of derivative financial instruments are classified as ”Other receivables” and ”Other payables”, respectively.

Changes in the fair values of derivative financial instruments are recognised in the income statement unless the derivative financial instrument is designated and qualify as hedge accounting.

Hedge accounting

Changes in the fair values of financial instruments that are designated and qualify as fair value hedges of a recognised asset or a recognised liability are recognised in the income statement as are any changes in the fair value of the hedged asset or the hedged liability related to the hedged risk.

Changes in the fair values of derivative financial instruments that are designated and qualify as hedges of expected future transactions are recognised in the fair value reserve under equity as regards the effective portion of the hedge. The ineffective portion is recognised in the income statement. If the hedged transaction results in an asset or a liability, the amount deferred in equity is transferred from equity and recognised in the cost of the asset or the liability, respectively. If the hedged transaction results in an income or an expense, the amount deferred in equity is transferred from equity to the income statement in the period in which the hedged transaction is recognised. The amount is recognised in the same item as the hedged transaction.

Changes in the fair values of financial instruments that are designated and qualify as hedges of net investments in independent foreign subsidiaries or associates are recognised directly in equity as regards the effective portion of the hedge, whereas the ineffective portion is recognised in the income statement.

Income statement

Revenue

Revenue from the sale of services is recognised when the risks and rewards relating to the services have been rendered 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.

Contract work in progress (construction contracts) is recognised at the rate of completion, which means that revenue equals the selling price of the work completed for the year (percentage-of-completion method). This method is applied when total revenues and expenses in respect of the contract and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the contract.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales as well as office expenses, etc.

Gross profit

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue and other external expenses.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Income from investments in subsidiaries

The item “Income from investments in subsidiaries” in the income statement includes the proportionate share of the profit for the year.

Financial income and expenses

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

Notes to the Financial Statements

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and deferred tax for the year. The tax attributable to the profit for year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with Danish group entreprises. The tax effect of the joint taxation with the subsidiaries is allocated to Danish enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit for tax losses).

Balance sheet

Intangible fixed assets

Intangible fixed assets acquired is measured at cost less accumulated amortisation.

Intangible fixed assets comprise the right of use for joint equipment on the master. The right of use is amortized on a straight-line basis over the 12-year contractual term of the rights.

Licences are measured at the lower of cost less accumulated amortisation and recoverable amount. Licences are amortised over the licence period; however not exceeding 3 years.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Production buildings	7-40 years
Masts and equipment	11-30 years
Plant and machinery	5-20 years
Other fixtures and fittings, tools and equipment	2-15 years

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Investments in subsidiaries

Investments in subsidiaries are recognised and measured under the equity method.

The item "Investments in subsidiaries" in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with addition of the remaining value of any increases in value and goodwill calculated at the time of acquisition of the enterprises.

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to “Reserve for net revaluation under the equity method“ under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

Subsidiaries with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

Other fixed asset investments

Other fixed asset investments consist of deposits.

Inventories

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

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses and costs of completion. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

The cost of goods for resale, raw materials and consumables equals landed cost.

The cost of finished goods and work in progress comprises the cost of raw materials, consumables and direct labour with addition of indirect production costs. Indirect production costs comprise the cost of indirect materials and labour as well as maintenance and depreciation of the machinery, factory buildings and equipment used in the manufacturing process as well as costs of factory administration and management.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Contract work in progress

Contract work in progress is measured at selling price of the work performed calculated on the basis of the stage of completion. The stage of completion is measured by the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. Where it is probable that total contract expenses will exceed total revenues from a contract, the expected loss is recognised as an expense in the income statement.

Payments received on account are set off against the selling price. The individual contracts are classified as receivables when the net selling price is positive and as liabilities when the net selling price is negative.

Expenses relating to sales work and the winning of contracts are recognised in the income statement as incurred.

Prepayments

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

Equity

Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate Dividend item.

Notes to the Financial Statements

Provisions

Provisions are recognised when - in consequence of an event occurred before or on the balance sheet date - the Company has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax receivables and liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on taxable incomes for prior years. Tax receivables and liabilities are offset if there is a legally enforceable right of set-off and an intention to settle on a net basis or simultaneously.

Financial liabilities

Loans, such as mortgage loans and loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Mortgage loans are measured at amortised cost, which for cash loans corresponds to the remaining loan. Amortised cost of debenture loans corresponds to the remaining loan calculated as the underlying cash value of the loan at the date of raising the loan adjusted for depreciation of the price adjustment of the loan made over the term of the loan at the date of raising the loan.

Other debts are measured at amortised cost, substantially corresponding to nominal value.

Financial Highlights

Explanation of financial ratios

Return on assets	Profit/loss of ordinary primary operations x 100 / Total assets at year end
Solvency ratio	Equity at year end x 100 / Total assets at year end
Return on equity	Net profit for the year x 100 / Average equity