

MIT TELE I/S

Ørestads Boulevard 45
2300 København S
CVR No. 25813286

Annual report 2023

The Annual General Meeting adopted the annual report on 14.06.2024

Ole Stenkil

Chairman of the General Meeting

Contents

| | |
|---|----|
| Entity details | 2 |
| Statement by Management | 3 |
| Independent auditor's report | 4 |
| Management commentary | 7 |
| Income statement for 2023 | 9 |
| Balance sheet at 31.12.2023 | 10 |
| Statement of changes in equity for 2023 | 12 |
| Notes | 13 |
| Accounting policies | 14 |

Entity details

Entity

MIT TELE I/S

Ørestads Boulevard 45

2300 København S

Business Registration No.: 25813286

Registered office: København

Financial year: 01.01.2023 - 31.12.2023

Phone number: +4533698700

Board of Directors

Ole Stenkil, Chairman

Brian Zack Christensen

Zornitsa Radkova-Lund

Bank

Danske Bank

Holmens Kanal 2-12

1092 København C

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

Statement by Management

The Board of Directors has today considered and approved the annual report of MIT TELE I/S for the financial year 01.01.2023 - 31.12.2023.

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

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

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

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

Copenhagen, 14.06.2024

Board of Directors

Ole Stenkil
Chairman

Brian Zack Christensen

Zornitsa Radkova-Lund

Independent auditor's report

To the shareholders of MIT TELE I/S

Opinion

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

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

Basis for opinion

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

Management's responsibilities for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

Statement on the management commentary

Management is responsible for the management commentary.

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

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

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

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

Copenhagen, 14.06.2024

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Henrik Hartmann Olesen

State Authorised Public Accountant
Identification No (MNE) mne34143

Management commentary

Financial highlights

| | 2023 | 2022 | 2021 | 2020 | 2019 |
|--------------------------|---------|---------|---------|---------|---------|
| | DKK'000 | DKK'000 | DKK'000 | DKK'000 | DKK'000 |
| Key figures | | | | | |
| Revenue | 102,318 | 113,038 | 125,443 | 157,200 | 227,129 |
| Gross profit/loss | 58,123 | 56,907 | 60,783 | 65,768 | 79,024 |
| Operating profit/loss | 58,123 | 56,907 | 60,783 | 65,768 | 78,923 |
| Net financials | 1,716 | 18 | 42 | 95 | 29 |
| Profit/loss for the year | 59,839 | 56,925 | 60,825 | 65,863 | 78,952 |
| Total assets | 110,772 | 103,841 | 106,739 | 118,034 | 144,166 |
| Equity | 99,968 | 97,055 | 100,955 | 105,994 | 119,082 |
| Ratios | | | | | |
| Gross margin (%) | 56.81 | 50.34 | 48.45 | 41.84 | 34.79 |
| Net margin (%) | 58.48 | 50.36 | 48.49 | 41.90 | 34.76 |
| Return on equity (%) | 60.74 | 57.50 | 58.78 | 58.53 | 59.18 |
| Equity ratio (%) | 90.25 | 93.47 | 94.58 | 89.80 | 82.60 |

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

Gross margin (%):

$\frac{\text{Gross profit/loss} * 100}{\text{Revenue}}$

Net margin (%):

$\frac{\text{Profit/loss for the year} * 100}{\text{Revenue}}$

Return on equity (%):

$\frac{\text{Profit/loss for the year} * 100}{\text{Average equity}}$

Equity ratio (%):

$\frac{\text{Equity} * 100}{\text{Total assets}}$

Primary activities

The partnership's primary activities are to carry on business on the market for mobile and fixed-line telephony, internet, broadband, and television as well as other related activities.

Development in activities and finances

Results for 2023 shows a profit before tax of DKK 59,839 thousand which is considered satisfactory.

The profit of the year is affected by the decreased revenue, decreased COGS both due to less customers and less cost due to a terminated contract with Viasat. Intercompany costs have also decreased and as a result the profit of the year has increased compared to 2022.

Profit/loss for the year in relation to expected developments

The development in the profit of the year is as the management expects as the management is expecting a decrease in activity.

Outlook

Managements expects a lower result for the year 2024 compared to 2023.

Events after the balance sheet date

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

Income statement for 2023

| | Notes | 2023 DKK'000 | 2022 DKK '000 |
|--|-------|-----------------|------------------|
| Revenue | | 102,318 | 113,038 |
| Other operating income | | 1,041 | 937 |
| Costs of raw materials and consumables | | (37,087) | (46,179) |
| Other external expenses | | (8,149) | (10,889) |
| Gross profit/loss | | 58,123 | 56,907 |
| Other financial income | | 1,718 | 20 |
| Other financial expenses | | (2) | (2) |
| Profit/loss before fair value adjustments and tax | | 59,839 | 56,925 |
| Profit/loss for the year | 1 | 59,839 | 56,925 |

Balance sheet at 31.12.2023

Assets

| | Notes | 2023 DKK'000 | 2022 DKK'000 |
|------------------------------------|-------|-----------------|-----------------|
| Trade receivables | | 12,435 | 14,793 |
| Receivables from group enterprises | | 94,468 | 84,645 |
| Prepayments | 2 | 3,869 | 4,403 |
| Receivables | | 110,772 | 103,841 |
| Current assets | | 110,772 | 103,841 |
| Assets | | 110,772 | 103,841 |

Equity and liabilities

| | Notes | 2023 DKK'000 | 2022 DKK'000 |
|--|--------------|-------------------------------|-------------------------------|
| Retained earnings | | 99,968 | 97,055 |
| Equity | | 99,968 | 97,055 |
| Trade payables | | 5,362 | 1,181 |
| Payables to group enterprises | | 1,574 | 2,218 |
| Other payables | | 3,868 | 3,380 |
| Deferred income | 3 | 0 | 7 |
| Current liabilities other than provisions | | 10,804 | 6,786 |
| Liabilities other than provisions | | 10,804 | 6,786 |
| Equity and liabilities | | 110,772 | 103,841 |
| Employees | 4 | | |
| Related parties with controlling interest | 5 | | |
| Transactions with related parties | 6 | | |

Statement of changes in equity for 2023

| | Retained earnings DKK'000 | Total DKK'000 |
|---------------------------|--|--------------------------|
| Equity beginning of year | 97,055 | 97,055 |
| Other entries on equity | (56,926) | (56,926) |
| Profit/loss for the year | 59,839 | 59,839 |
| Equity end of year | 99,968 | 99,968 |

Other entries consist of payment of profit share to the owners.

Notes

1 Proposed distribution of profit and loss

| | 2023 | 2022 |
|-------------------|---------------|---------------|
| | DKK'000 | DKK'000 |
| Retained earnings | 59,839 | 56,925 |
| | 59,839 | 56,925 |

2 Prepayments

Prepayments consist of prepaid expenses concerning subscriptions.

3 Deferred income

Deferred income consist of other deferred revenues.

4 Employees

The Entity has no employees other than the Executive Board. The Executive Officer has not received any remuneration.

5 Related parties with controlling interest

Related parties with controlling interest consist of Telia Company AB, Solna, Sweden. In Denmark Telia Company AB, Solna Sweden has primarily activities via its branch Telia Danmark, branch of Telia Company AB.

6 Transactions with related parties

Only non-arm's length related party transactions are disclosed in the annual report. No such transactions were conducted during the financial year.

Accounting policies

Reporting class

This annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

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

Recognition and measurement

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

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

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

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

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

Income statement

Revenue

Income from telephony is recognised at the time when the call is made. Income from subscriptions and fixed-price consumption-related services is recognised over the period of the subscription. Income from the sale of equipment is recognised at the time of delivery.

Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

Costs of raw materials and consumables

Costs of raw materials and consumables comprise the consumption of raw materials and consumables for the financial year after adjustment for changes in inventories of these goods from the beginning to the end of the year. This item includes shrinkage, if any, and normal writedowns of the relevant inventories.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for

premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Other financial income

Other financial expenses comprise interest income and is recognised in the income statement by the amounts related to the financial year.

Other financial expenses

Other financial expenses comprise interest expenses and is recognised in the income statement by the amounts related to the financial year.

Balance sheet**Receivables**

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

Prepayments

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

Other financial liabilities

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

Deferred income

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

Cash flow statement

Pursuant to section 86(4) of the Danish Financial Statements Act, the partnership has not prepared any cash flow statement as the Partnership is included in the cash flow statement for TeliaSonera AB, Sweden