

Dansk Beredskabskommunikation A/S
Annual Report for the period
01.01.2021 - 31.12.2021

Sydvestvej 21
DK-2600 Glostrup

CVR No.: 26 21 08 95

Approved on the company's ordinary shareholder meeting 1 July 2022

As chairman



Henrik Blume

CONTENTS

Page

Declarations

Statement by the Board of Directors and the Executive Board	3
Independent auditor's report	4-5

Management's review

Company details	6
Financial highlights	7
Management's review	8-9

Financial statements for the period 1 January - 31 December

Income statement	10
Balance sheet	11-12
Equity statement	13
Notes to the financial statements	14-20

Declarations

Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Dansk Beredskabskommunikation A/S for the financial year 1 January – 31 December 2021.

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

It is our opinion that the financial statements give a true and fair view of the Company's financial position at 31 December 2021 and of the results of the Company's operations for the financial year 1 January – 31 December 2021.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's operations and financial matters and the results of the Company's operations and its financial position.

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

Glostrup, 1 July 2022

Executive Board:



Klavs Berthelsen

Board of Directors



Henrik Blume
Chairman


Katherine A. Maher
Klavs Berthelsen
Michael Kaae

Independent Auditor's Report

To the shareholders of Dansk Beredskabskommunikation 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 2021, and of the results of the Company's operations for the financial year 1 January - 31 December 2021 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Dansk Beredskabskommunikation A/S for the financial year 1 January - 31 December 2021, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("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.

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 judgment 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.
- 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.

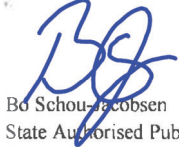
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Hellerup, 1 July 2022

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No.: 33 77 12 31



Bo Schou-Jacobsen

State Authorised Public Accountant

mne28703



Anders Røjleskov

State Authorised Public Accountant

mne28699

Management's review

Company details

Dansk Beredskabskommunikation A/S
Sydvestvej 21
DK-2600 Glostrup

Telephone: 70 11 61 12
Website: www.dbkas.dk
E-mail: info@dbkas.dk
CVR No.: 26 21 08 95
Established: 01.09.2001
Registered office: Glostrup
Financial year: 01.01 - 31.12

Board of Directors

Henrik Blume - Chairman
Katherine A. Maher
Klavs Berthelsen
Michael Kaae

Executive Board

Klavs Berthelsen

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup
CVR No.: 33 77 12 31

Management's review

Financial highlights

DKKm	2021	2020	2019	2018	2017
Principal figures					
Revenue	158.4	176.2	211.9	201.6	200.2
Ordinary operating profit	38.7	51.2	85.3	48.3	50.7
Net from financial income and expenses	-0.8	-0.9	-1.4	-1.5	-1.2
Profit for the year	28.0	37.7	65.7	36.5	38.6
Assets and liabilities					
Non-current assets	33.2	40.8	59.0	77.2	124.6
Investments in property, plant and equipment	0.0	-	0.0	0.0	0.0
Current assets	291.4	214.9	187.3	166.5	179.8
Total assets	324.6	255.7	246.3	243.7	304.4
Share capital	1.5	1.5	1.5	1.5	1.5
Equity	204.5	176.5	138.8	73.1	77.1
Provisions	36.6	36.0	34.5	33	31.6
Non-current liabilities	12.3	0.9	0.3	26.8	87.9
Current liabilities	71.2	42.4	72.7	110.7	107.7
Financial Ratio					
Operating margin	24.4	29.1	40.3	24.0	25.3
Return on invested capital	2479.1	3280.2	5464.4	3094.2	3247.9
Gross margin	41.2	49.9	57.1	58.1	56.6
Current ratio	409.3	507.0	257.6	187.0	166.9
Solvency ratio	63	69.0	56.4	40.0	25.3

Financial ratios are calculated in accordance with the Danish Society of Financial Analysts' Guide lines on the calculation of financial ratios "Recommendations and Financial Ratios 2019".

Definitions

<i>Operating margin</i>	<i>Operating profit x 100</i>
	<i>Revenue</i>
<i>Return on invested capital</i>	<i>Operating profit x 100</i>
	<i>Average invested capital</i>
<i>Gross margin</i>	<i>Gross profit x 100</i>
	<i>Revenue</i>
<i>Current ratio</i>	<i>Current assets x 100</i>
	<i>Current liabilities</i>
<i>Solvency ratio</i>	<i>Equity at year end x 100</i>
	<i>Total equity and liabilities at year end</i>

Management's review

Principal activities of the company

The company's main activity is to operate the Danish nationwide emergency service known as SINE. The operation of the network is based on license granted by the Danish Authorities (Energistyrelsen) to operate a public Tetra radio communication network.

The company's activities relate to operate, maintenance and expansion of the network. In addition, the company enhanced with new services and offer these services to the users of the network and other add on services that can support and increase the user's advantages in their day to day use of the network. The DBK customers are the Danish State, public- and commercial customers.

In 2021, DBK has continued the optimization of the nationwide SINE network so the network users have seen additional improvement in the quality of voice and coverage of the communication.

The current contract with the Danish State terminates on the 31st December 2024. The Danish State has in 2022 published the prequalification material for participation in tender for the new supply of Emergency and Rescue Communication Network in Denmark.

The current network covers more than 99% of Denmark's territorial ground.

Development in activities and financial position

Revenue

In 2021, revenue amounted to 158.4 DKKm versus 176.2 DKKm in 2020. The decrease in revenue of 17.8 DKKm, approx. 17%, refer that significant amount of prepayments was utilized by the end of May 2020. The result is in line with Management assessment in 2020 Annual Report.

Profit after tax

In 2021, the profit of the year is 27.9 DKKm versus 37.7 DKKm in 2020. The result is on line with Management outlook in 2020 Annual Report.

In 2021, the company continued it's focus on cost control and continued to perform programs that allow the organization to maintain effectiveness and value of operational cost at similar level. Further the company has invested in new solutions that improve and expand customers use of the network and the services offered.

Balance

Deferred Tax

Based on the current outlook and continuation of Deliveries after Contract Termination to 2024, Management has recognised a deferred tax asset of 3 DKKm by year-end 2021.

Equity

Equity at year-end 2021 amounts to 204.5 DKKm.

Cash Flow

The company's cash flow position is very strong. The cash available by the end of 2021 amounted to 79.8 DKKm. The company has made cash available to Motorola in the amount of 175 DKKm.

Subsequent events

Reference is made to note 14 in the financial statements.

Outlook 2022

Management's expectation for 2022 is revenue at the 2021 level. The decrease in revenue is based upon that supply constraints of terminals will decrease the revenue growth and stay lower than in 2021. The overall outlook is that the operation of the SINE network will continue to generate earnings and positive cash flow and by that further increase the cash flow position.

The company will deliver services on the SINE contract to the Danish State in accordance with the signed contract from 2020 until the end of the contract period.

It is Management's view that the continued collaboration with Motorola Solutions will lead to further services, which can be offered to the company customers and by that generate further orders for delivery in 2022 and forward.

The company will participate in the upcoming tender for a new contract with the Danish State for supply of Emergency and Rescue Communication to the Danish Emergency Services.

The company's result will also in the future depend on the SINE contract revenue. Overall, it is Management's view that the company will reach a result in 2022 that is equal or below 2021 level.

Risk factors

Operating and financial risks

The primary operations of the company is the SINE contract, which expires in 2024. If the company is not able generate additional income and to win the re-tender this will have significant impact on the operations of the company in the future. The signed contract in December 2020 will continue to 31st December 2024.

As part of the Motorola Solutions Inc. Group and their strong financial position and cash flow, the company is very limited exposed to changes in the interest level.

Credit risk

The company has no significant risks towards individual customers or partners.

Environmental risk

The company operates a nationwide communication network. The environmental risk of operating the network is very small for the surrounding environment as the network solely uses electricity for being functional.

Knowledge

The company had an average of 23 employees in 2021 versus 24 employees in 2020.

The company has continued its education and learning programs with the purpose of maintaining and strengthening the employees' personal and professional development. The programs include technical, management, environmental and security programs.

It is essential for the company to continue to maintain and attract highly experienced people with expertise skills related to mobile communication and operation of wireless network.

To ensure a high and competent product quality the company is certified with ISO9001:2015 and ISO27001.

In continuation a number of employees are certified with ITIL.

The use of ISO9001 2015, ISO 27001 and ITIL requires a high level of competence and the company continue with additional investments with the aim of further increasing the qualification level of the employees.

The development and knowledge increase to employees are done through the education program that is updated at a regular basis to ensure that the latest knowledge regarding core competences for running an operator business and Tetra technology is available.

Uncertainty relating to recognition and measurement

Due to the uncertainty relating to the extension of the current SINE contract significant accounting estimates have been made in relation to recognition and measurement of depreciation and provision for decommissioning of technical equipment, and of deferred tax assets.

We refer to note 2 for further description of uncertainty relating to recognition and measurement.

FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER

Income statement	Notes	2021	2020
Revenue		158,399,636	176,195,488
External costs		<u>-93,120,385</u>	<u>-88,313,501</u>
GROSS PROFIT		65,279,251	87,881,987
Employee costs	3	-17,453,687	-18,423,689
Depreciation and write down on tangible asset	4	<u>-9,127,515</u>	<u>-18,255,030</u>
OPERATING PROFIT		38,698,049	51,203,268
Financial income	5	236,959	1,349,946
Financial expenses		<u>-1,026,872</u>	<u>-2,272,371</u>
Financial items, net		-789,913	-922,425
PROFIT BEFORE TAX		37,908,136	50,280,843
Tax on profit for the year	6	<u>-9,911,722</u>	<u>-12,549,184</u>
PROFIT AFTER TAX		27,996,414	37,731,659
Proposed profit appropriation	7		

FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER

Balance sheet	Notes	2021	2020
Assets			
Property, plant and equipment	4		
Technical equipment		25,536,146	34,048,193
Decommissioning Costs		1,846,400	2,461,867
Plants under construction		1,372,952	0
		28,755,497	36,510,060
Investments	8		
Deposits		4,395,086	4,324,189
Total non-current assets		33,150,583	40,834,249
CURRENT ASSETS			
Receivables			
Trade receivables		30,338,993	4,755,552
Receivables from group enterprises		175,416,237	162,549,746
Other receivables		0	7,396
Deferred tax asset	9	3,000,000	6,000,000
Prepayments		2,778,312	4,803,596
		211,533,542	178,116,290
Cash at bank and in hand		79,892,083	36,796,978
Total current assets		291,425,625	214,913,268
TOTAL ASSETS		324,576,206	255,747,517

FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER

Balance sheet	Notes	2021	2020
Equity and liabilities			
EQUITY			
Share capital		1,501,546	1,501,546
Retained earnings	7	203,024,565	175,028,150
Total equity		204,526,111	176,529,696
LIABILITIES			
Provisions			
Provisions for decommissioning costs		36,598,849	35,962,021
Total provisions		36,598,849	35,962,021
Non-current liabilities			
Prepayments received from customers	10	12,253,242	863,846
Total non-current liabilities		12,253,242	863,846
Current liabilities			
Trade payables		1,384,200	6,368,586
Debt to group enterprises		31,699,106	6,881,788
Tax payables to group enterprises		6,894,010	11,930,426
Other payables		18,088,326	13,954,331
Prepayments received from customers	10	13,132,362	3,256,823
Total current liabilities		71,198,004	42,391,954
Total liabilities		83,451,246	43,255,800
TOTAL EQUITY AND LIABILITIES		324,576,206	255,747,517
Contractual obligations and contingencies	11		
Collaterals	12		
Related parties transactions	13		
Subsequent Events	14		

FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER

Equity statement

	Share capital	Retained earnings	Total equity
Equity 1 January 2021	1,501,546	175,028,150	176,529,696
Transferred, cf. note 7, distribution of profit	0	27,996,414	27,996,414
Equity 31 December 2021	<u>1,501,546</u>	<u>203,024,564</u>	<u>204,526,110</u>

Company capital

	<u>2021</u>	<u>2020</u>
1.501.546 shares of 1 DKK, or multiples hereof	<u>1,501,546</u>	1,501,546
	<u>1,501,546</u>	<u>1,501,546</u>

All shares have the same rights.

FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER

Notes to the financial statements

1. Accounting policies

The annual report of Dansk Beredskabskommunikation A/S for the year 2021 has been prepared in accordance with the provisions applying to reporting class C medium entities under the Danish Financial Statements Act.

In accordance with the Danish Financial Statements Act section 86(4), the company's cash flow statement is omitted because the financial statements are included in the consolidated financial statements of Motorola Solutions Inc.

The financial statements are presented in DKK.

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

General recognition and measurement

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

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

On 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 amortized cost, applying a constant effective interest rate during the term. Amortized cost is calculated as initial cost after deduction of any principal repayments as well as additions / deduction of the accumulated amortization of the difference between cost and nominal amount.

The recognition or measurement takes into account predictable losses and risks arising before year-end reporting and which prove or disprove matters that existed at the balance sheet date.

Revenue is being recognized in the income statement as it occurs, including value adjustments of financial assets and liabilities measured at fair value or amortized cost. In addition, costs incurred for the year's earnings, including depreciation, write-down and provisions as well reversals due to changes in accounting estimates of amounts previously recognized in the income statement.

FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER

Notes to the financial statements

1. Accounting policies

Conversion of foreign currency

Transactions in foreign currencies have been converted at the internal standard rate at transaction date. Receivables and payables that are payable in foreign currencies are converted to the internal standard rates, which approximately correspond to the official exchange rates applicable at the balance sheet date.

Capital gains and losses, both realized and unrealized, are included in financial items in the income statement.

Income statement

Revenue

Revenue from the sale of airtime and related services are recognized in the income statement if the risk has been transferred to the buyer before the end of year and that the income can be reliably received. Prepayments for services to the network are being accrued over the term of the contract. Net revenue is recognized excluding VAT and taxes charged on the behalf of third parties.

External costs

External cost includes costs incurred to generate revenue for the year. This includes direct and indirect external costs for delivery of services, including the services of other telecommunications companies and bad debts.

Employee costs

Staff costs include costs incurred during the year for management and administration of the company, including costs for administrative staff.

Financial income and expenses

Financial income and expenses include interest, debt and foreign currency transactions, write-down of financial assets and liabilities, surcharges and refunds under tax-on-account scheme etc. Furthermore, financial expenses include amortization of decommissioning provisions.

Income tax expense

The tax for the year, which consist of joint taxation contributions for the year and changes in deferred tax, is recognized in the income statement.

FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER

Notes to the financial statements

1. Accounting policies

Tangible fixed assets

Technical equipment is measured at cost less accumulated depreciation and write-down.

Cost includes purchase price and any costs directly attributable to the acquisition until the date when the asset is ready for use. For internally constructed assets, the cost includes direct and indirect costs of materials, components, sub-contractors and salary.

Straight-line depreciation is based on the following assessment of the expected useful life:

Technical equipment	4 years
---------------------	---------

Profit or loss on disposal of tangible fixed assets is calculated as the difference between the sales price less selling costs and the carrying amount at the time of sale. Profit or loss is recognized in the income statement under other operating income or other operating expenses.

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Depreciations in 2021 are 9,1 DKKm and in 2020 18,2 DKKm. The depreciation refer to annually Management assessment of the depreciation period and to align it with extension of the contract including the period of services after contract expiration. The contract will continue to 31st December 2024.

Profit or loss on disposal of tangible assets is calculated as the difference between the sales price less selling costs and the carrying amount at the time of sale. Profit or loss is recognized in the income statement under depreciation.

Decommissioning practice

Cost for decommissioning of technical equipment in connection with contract expiration is capitalized and is depreciated on a straight line basis over the remaining lifetime of the contract. The correspondent liability is shown in the balance sheet as provision and is amortized over the remaining lifetime of the contract.

Impairment of fixed assets

The carrying value of tangible fixed assets is tested annually for indications of impairment beyond what is expressed through depreciation. If there are indications of impairment, an impairment test is performed for each asset or group of assets. Write-down is made to the recoverable amount if this is lower than the carrying value.

Accounts receivable

Receivables are measured at amortized cost. Write-down is made to meet expected losses based on an individual assessment of the receivables.

FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER

1. Accounting policies

Income tax and deferred tax

Current tax payables and current tax receivables are recognized in the balance sheet as tax calculated on the taxable income, adjusted for tax on prior years' taxable income and tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax is measured on the basis of the tax rules and tax rates that under legislation in force on the balance sheet date will be applicable when the deferred tax is expected to crystallize as current tax.

Deferred tax assets, including the tax value of tax loss carry forwards, are measured at the expected realizable value of the asset, either by set-off against tax on future revenue or by set-off against deferred tax liabilities within the same legal tax entity.

Changes in deferred tax due to change in tax rate is recognized in the income statement.

Provisions

Provisions comprise anticipated costs related to decommissioning obligations. Provisions are recognized when as a result of past events, the company has a legal or a constructive obligation and it is probable that there may be an outflow of resources embodying economic benefits to settle the obligation. Provisions are measured at net realizable value. The obligation is measured at net present value using the effective internal interest rate if the obligation is expected to be settled into the future.

Liabilities other than provisions

Other liabilities are measured at net realizable value.

Prepayments received from customers

Prepayments included under liabilities include payments received concerning income relating to the subsequent years.

FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER

Notes to the financial statements

2. Uncertainty relating to recognition and measurement

Uncertainty relating to recognition and measurement comprise the assessment of the extension of the current SINE operations. It is Management assessment that the current operations will continue until minimum 2024 before a new SINE tender is awarded to a supplier and a new solution can take over. The estimates and judgements effect the measurement of technical equipment including the depreciations and provision for decommissioning as well as deferred tax assets.

For further description of the circumstances related to deferred tax assets please refer to note 9 Deferred Tax Assets.

3. Employee costs	2021	2020
Wages and salaries	16,115,011	17,053,973
Pensions	1,288,943	1,318,026
Other social security costs	49,733	51,690
	<u>17,453,687</u>	<u>18,423,689</u>
Average number of full-time employees	<u>23</u>	<u>24</u>

According to the Danish Financial Statement Act, § 98b, paragraph 2, salary to the Executive Board is not disclosed. Management is part of a group established international option program. The Board of Directors receives no remuneration.

4. Property, plant and equipment	Technical Equipment	Assets under contraction	Decommissioning costs	Total
Cost 1 January	466,622,427	0	25,777,191	492,399,618
Annual additions	0	<u>1,372,952</u>	0	<u>1,372,952</u>
Cost 31 December	<u>466,622,427</u>	<u>1,372,952</u>	<u>25,777,191</u>	<u>493,772,570</u>
Depreciation 1 January	432,574,231	0	23,315,324	455,889,555
Annual depreciation	<u>8,512,049</u>	<u>0</u>	<u>615,467</u>	<u>9,127,515</u>
Annual depreciations 31 December	<u>441,086,280</u>	<u>0</u>	<u>23,930,791</u>	<u>465,017,072</u>
Carrying value 31 December	<u>25,536,147</u>	<u>1,372,952</u>	<u>1,846,400</u>	<u>28,755,497</u>

5. Financial income	2021	2020
Interest from group enterprises	101,929	742,858
Income from currency translations	<u>135,030</u>	<u>607,088</u>
	<u>236,959</u>	<u>1,349,946</u>

6. Tax for the year	2021	2020
Adjustment of deferred tax for the year	3,000,000	0
Current tax for the year	6,894,010	11,930,426
Correction of annual tax in previous years	<u>17,712</u>	<u>618,758</u>
	<u>9,911,722</u>	<u>12,549,184</u>

7. Proposed distribution of profit	2021	2020
At disposal:		
Profit for the year	27,996,414	37,731,659
Retained earnings	<u>175,028,150</u>	<u>137,296,491</u>
Total disposal	<u>203,024,564</u>	<u>175,028,150</u>

FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER

Notes to the financial statements

Distribution of profit of the financial year

	2021	2020
Retained earnings	203,024,564	175,028,150
	<u>203,024,564</u>	<u>175,028,150</u>

8. Deposits

	2021	2020
Balance at January 1	4,324,190	4,279,848
Adjustment	70,896	44,342
Balance at December 31	<u>4,395,086</u>	<u>4,324,190</u>

9. Deferred tax

	2021	2020
Balance at 1 January	6,000,000	6,000,000
Adjustment of deferred tax for the year	-3,000,000	0
Balance at 31 December	<u>3,000,000</u>	<u>6,000,000</u>

Deferred taxes relate to:

Technical Equipment	<u>3,000,000</u>	<u>6,000,000</u>
---------------------	------------------	------------------

At 31 December 2021 the company has an estimated deferred asset of 46.4 DKKm (2020: 47.3 DKKm). Management estimates that the recognized tax asset of 3 DKKm will be utilized in the period 2022-2024. The recognition of the deferred tax asset is based on Management expectations according to budgets and forecasts of the result of the future operations and is subject to uncertainty.

10. Prepayments liabilities

	2021	2020
Prepayments are distributed as follows:		
0-1 year	13,132,362	3,256,823
1-5 years	12,253,242	863,846
	<u>25,385,604</u>	<u>4,120,669</u>

The amount is recognized as income over the contractual period running up to 3 years.

Customers payments	94,650	94,650
Deferred Revenue	25,290,954	4,026,019
	<u>25,385,604</u>	<u>4,120,669</u>

11. Contractual obligations and contingencies

Contingent liabilities (DKK)

	2021	2020
Obligation due 0-1 year	25,773,926	25,467,682
Obligation due 1-5 year	51,586,174	76,129,754
Obligation past 5 year	0	0
Total rental and leasing obligations	<u>77,360,100</u>	<u>101,597,436</u>

The amounts for rent and lease obligations include the total liability of antenna positions, facility and cars for a number of contracts covering various periods up to and including 2024.

The Danish group companies are jointly and severally liable for tax on the Group's jointly taxed income as well as for Danish withholding taxes through dividend tax. The total amount of tax payables is included in the Annual Report of Motorola Solutions Danmark A/S that is the administration Company in relation to the joint taxation.

FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER

Notes to the financial statements

12. Collaterals

There are issued guarantees towards the Danish State of 79.8 DKKm (2020: 84.2 DKKm).

13. Related party transactions

Purchases of product and service are bought from group enterprises on normal commercial terms and conditions.

Controlling interest

Motorola Solutions Inc., 500 W. Monroe Street Chicago, IL 60661, USA.

Ownership

Motorola Solutions Inc., 500 W. Monroe Street Chicago, IL 60661, USA, which holds a majority of the share capital, which is the nearest parent company where consolidation is reported.

The ultimate parent company for consolidation is Motorola Solutions Inc., 500 W. Monroe Street Chicago, IL 60661, USA

The consolidated financial statements of Motorola Solutions Inc. are available at the Company's address or on the Company's website <http://investors.motorolasolutions.com/>.

14. Subsequent events

After the balance sheet date, no subsequent events, which have significant impact on the Company's financial position, have occurred.