

# **Berlingske Media A/S**

Pilestræde 34  
DK-1112 Copenhagen K  
CVR no. 29 20 73 13

## **Annual Report for 2019**

Adopted at the Annual General  
Meeting on 20 April 2020

**Chairman**

Connie Hedegaard

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## Statement by Management on the Annual Report

The Executive and Board of Directors have today considered and adopted the Annual Report of Berlingske Media A/S for the financial year 1 January – 31 December 2019.

The Annual Report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Parent Company Financial Statements and the Consolidated Financial Statements give a true and fair view of the financial position at 31 December 2019 of the Company and the Group and of the results of the Company and Group operations for 2019.

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

Copenhagen, 20 April 2020

### Executive Board

Anders Bjørn Krab-Johansen  
CEO

Michael Bjerregaard  
CFO

### Board of Directors

Connie Hedegaard  
Chairman

Celine Mirjam van Praag

Christian Van Thillo

Christophe Convent

Lars Monrad-Gylling

André Rafal Rogaczewski

Christina Andreasen  
Staff Representative

Katrine Gundel Harmens  
Staff Representative

Ivar Carstensen  
Staff Representative

## **Independent Auditor's Report**

### ***To the Shareholder of Berlingske Media A/S***

#### **Opinion**

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2019, and of the results of the Group and the Parent Company's operations as well as the consolidated cash flows for the financial year 1 January - 31 December 2019 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Berlingske Media A/S for the financial year 1 January - 31 December 2019, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company as well as consolidated statement of cashflows ("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' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **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 Consolidated Financial Statements and the Parent Company 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.

## **Independent Auditor's Report**

### **Management's Responsibilities for the Financial Statements**

Management is responsible for the preparation of Consolidated Financial Statements and the Parent Company 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 Group's and the Parent 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 Group's or the Parent 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 Group's and the Parent Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

## Independent Auditor's Report

- 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 Group's and the Parent 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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, 20 April 2020

### **PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab  
CVR No 33 77 12 31

Bo Schou-Jacobsen  
State Authorised Public Accountant  
mne28703

Leif Ulbæk Jensen  
State Authorised Public Accountant  
mne23327

## Company Details

### The Company

Berlingske Media A/S  
Pilestræde 34  
DK-1112 Copenhagen K

Telephone: + 45 33 75 75 75  
Website: [www.berlingskemedias.dk](http://www.berlingskemedias.dk)

CVR no.: 29 20 73 13  
Reporting period: 1 January - 31 December 2019  
Incorporated: 31 March 1950  
Financial year: 70th financial year  
Domicile: Copenhagen

### Board of Directors

Connie Hedegaard, Chairman  
Celine Mirjam van Praag  
Christian Van Thillo  
Christophe Convent  
Lars Monrad-Gylling  
André Rafal Rogaczewski  
Christina Andreasen, Staff Representative  
Katrine Gundel Harmens, Staff Representative  
Ivar Carstensen, Staff Representative

### Executive Board

Anders Bjørn Krab-Johansen, CEO  
Michael Bjerregaard, CFO

### Auditors

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Strandvejen 44  
DK-2900 Hellerup

## Financial Highlights

Seen over a 5-year period, the development of the Group may be described by means of the following financial highlights:

	Group			Berlingske Media A/S*	
	2019	2018	2017	2016	2015
	TDKK	TDKK	TDKK	TDKK	TDKK
<b>Key figures</b>					
Revenue	857.176	1.099.099	1.207.588	911.054	942.664
Gross profit	439.365	531.878	590.252	442.741	510.834
EBITDA before special items	106.309	117.004	77.052	66.977	67.344
EBITA before special items	91.452	95.800	49.072	40.891	34.762
Net financials	2.342	5.464	2.410	3.659	5.042
Profit/loss for the year	86.801	30.012	1.816	23.080	-37.872
Berlingske Media share of profit/loss for the year	77.847	27.435	13.074	23.080	-37.872
<b>Balance sheet</b>					
Balance sheet total	1.104.826	1.151.811	1.167.411	1.292.799	1.354.545
Investment in property, plant and equipment	5.876	5.525	3.727	10.897	5.051
Equity	779.765	709.107	677.634	586.951	563.871
Berlingske Media share of equity	761.021	685.460	658.025	586.951	563.871
Number of employees	499	748	838	715	756
<b>Financial ratios</b>					
Gross margin	51,3%	48,4%	48,9%	48,6%	54,2%
Profit margin	10,5%	2,3%	0,0%	-0,1%	-5,1%
Return on assets	7,9%	2,2%	0,0%	-0,1%	-3,5%
Solvency ratio	70,6%	61,6%	58,0%	45,4%	41,6%
Return on equity	11,7%	4,3%	0,3%	4,0%	-6,5%
EBITDA before special items margin	12,4%	10,6%	6,4%	7,4%	7,1%
EBITA before special items margin	10,7%	8,7%	4,1%	4,5%	3,7%

\* The comparison figures for 2016 and 2015 comprise key figures for Berlingske Media A/S on a stand alone basis.



## **Management's Review**

### **Business review**

Berlingske Media owns the four Danish media brands Berlingske, B.T., Weekendavisen, and Euroinvestor.

Berlingske Media also owns Trykkompagniet (print company) and shares in Infomedia (news surveillance), Bladkompagniet (distribution company) and Bornholms Tidende (newspaper).

### **Development during the year**

The income statement shows a profit of MDKK 87 (2018: mDKK 30) for the Group whereof mDKK 78 (2018: mDKK 27) is Berlingske Media's share of the profit in 2019. Equity end of year 2019 for the Group is MDKK 780 (2018: MDKK 709), of which MDKK 761 (2018: MDKK 685) is Berlingske Media's share of the equity.

Revenue shows MDKK 857 in 2019 compared to MDKK 1,099 in 2018. Revenue including revenue from the discontinuing operations Radio24syv and Podcast24SYV shows MDKK 948 compared to MDKK 1,099 in 2018. The decrease in revenue also relates to the disposal of Marketsquare and Sweetdeal in 2018.

The profit for the year has been affected by one-off items amounting to net income of MDKK 8 related to dividend from Danske Medier and redundancy costs.

The result for the year is in line with our expectations.

### **Activities and changes during the year**

Management has continued the digital transformation of the Group. The major investment of the year was a new customer handling system ready in December. Other significant activities include the inauguration of a data intelligence department in April and the relaunch of the Euroinvestor site in September.

In November, the license for Radio24syv expired and this led to the closing of the radio station as well as the podcast app. Both Berlingske People A/S and Podcast24syv A/S are treated as discontinued operations.

As per January 2019 the group's corporate structure was simplified by way of a merger between Berlingske Media A/S, Berlingske af 2007 A/S, and Weekendavisen A/S.

### **Management team**

In November 2019, Anne-Katrine Bugge was appointed new Editor in Chief of Euroinvestor.

## Management's Review

### Future market development expectations and business risks

The total Danish advertising market is expected to take a dip as a consequence of COVID-19. Based on consultations with media agencies, major advertisers, trade organisations and partners in the industry, we expect a major dip in advertising revenue in the first half of 2020 before the markets pick up again after the Summer. At that point the economy has slowed and we are more than likely to get a lower level of activity for the remaining of the year. Danish Industries (Dansk Industri) forecasts a contraction of 6.7% of GDP for 2020.

The above mentioned expectations to the market also comprises business risks. However, we assess that our investments in and focus on digital solutions mitigate the inherent business risks within the media segment where we want to keep our position as a significant player.

### Non-financial conditions

#### Statutory statement on CSR in accordance with Danish Financial Statement Act § 99a.

The basic values of the Group is that we are accountable, maintain a high ethical standard and show respect for our business partners, customers, employees and other stakeholders. The Group is a media company delivering news on relevant platforms. Therefore, we are daily exposed to a significant number of people and business relationships. As a media company, we are particularly aware of our impact on Danish society. As part of running a responsible business, a risk assessment is carried out and the need for policies, guidelines and efforts are assessed continuously.

### Business model

The business model is described above in the sections "Business activities", "Future market development expectations and business risks".

### Risks

In respect to the environment our print production has a potential risk, as we have high consumption of paper and production material.

In respect to employees we have a risk that our key employees will leave the group and our employees' lack of updated digital skills.

In respect to anti-corruption and anti-bribery, we have a risk of not being a free and independent press if management or employees receive gifts, travel and other benefits from our suppliers or customers.

In respect to human rights we respect the law and the spirit of the law and currently we treat personal data with the utmost attention.

## **Management's Review**

### **Policies**

In terms of production, the Group puts emphasis on suppliers, including subsidiaries, to minimize material usage and ensure the collection of environmentally harmful substances for recycling and controlled degradation.

We have policies on education, that ensures that we update the right competencies and policies on how to reduce employee churn.

Berlingske Media has a policy against receiving money (bribery), travels, gifts or other incentives from customers or suppliers.

We have policies that ensure that we are compliant with GDPR.

### **Effort and results**

In respect to the environment, paper was purchased jointly with other media companies, which ensures an environmentally friendly green paper production and replanting trees (FSC approved). Unsold newspapers are recycled.

In respect to employees, Berlingske Media invested in upgrading the digital skills in 2019. Employees attend our DigiLab and have completed training in visual storytelling, podcast and video training, as well as basic G-suite training. This training is needed to meet our ambitious digital strategic goals and we continue to upgrade digital skills in 2020.

In respect to anti-corruption and anti-bribery, we inform all new employees of our policy, and we have carried out controls in 2019 and found no breaches.

In respect to human rights, we have further enhanced our governance of personal data with management systems that coordinate the ongoing development of GDPR and privacy regulation across our organization.

### **Gender balance in management**

Berlingske Media has set a target for gender balance of the company's board of directors. The aim is that the underrepresented gender is never lower than one third (33%) of the general meeting elected members.

Berlingske Media has two female members out of a total of six board members (33%) excluding staff representatives.

Berlingske Media commits to working for equal career opportunities for all employees regardless of gender. In recruiting, training programs etc., Berlingske Media will therefore always let talent, skills and qualifications decide who is employed in various positions.

According to Berlingske Media's policies on gender balance, 40% of the staff should be female.

# Management's Review

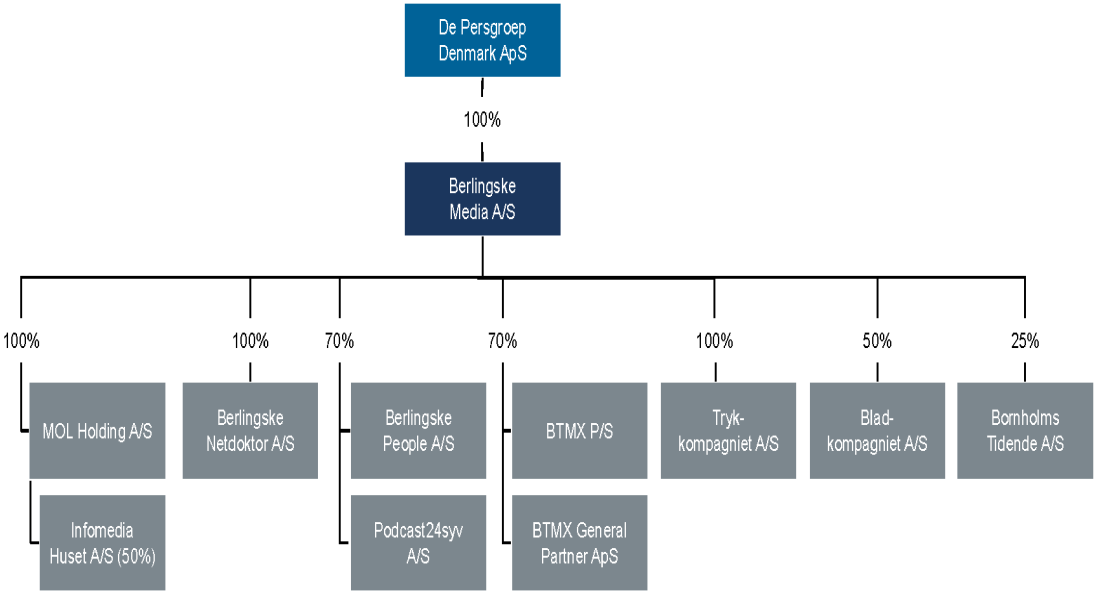
In 2019, 41% of the staff was female, which is 2 percentage points lower than in 2018 (43%).

For management and specialists, 38% was female, which is 3 percentage points lower than in 2018 (41%).

## Subsequent events and expectations for the year ahead

Reference is made to note 20 in the Financial Statements.

## Legal Structure - December 2019



## **Accounting Policies**

The Annual Report of Berlingske Media A/S for 2019 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

The subsidiaries Weekendavisen A/S and Berlingske af 2007 A/S have been merged into Berlingske Media A/S with effect as of 1 January 2019. Comparative figures in the Parent Company Financial Statements have been adjusted due to the merger.

The accounting policies applied remain unchanged from last year.

The Annual Report for 2019 is presented in TDKK.

### **Basis of recognition and measurement**

The Financial Statements have been prepared under the historical cost method.

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.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost less any repayments and with addition/deduction of the cumulative amortisation of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

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.

## **Accounting Policies**

### **Leases**

All leases that is not classified as financial 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.

### **Translation policies**

Danish kroner is used as reporting and functional currency as most of the Company's transactions are in DKK. All other currencies are regarded as foreign currencies.

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

### **Consolidated Financial Statements**

The Consolidated Financial Statements comprise the Parent Company Berlingske Media A/S and subsidiaries in which the Parent Company, directly or indirectly, holds more than 50% of the voting rights or otherwise has a controlling interest. Entities in which the Group holds between 20% and 50% of the voting rights and over which it exercises significant influence, but which it does not control, are considered associates, cf. the group chart.

On consolidation, intra-group income and expenses, holdings of shares, intra-group balances and dividends as well as realised and unrealised gains and losses on intra-group transactions are eliminated.

Investments in subsidiaries are set off against the proportionate share of the subsidiaries' fair value of net assets and liabilities at the acquisition date.

Newly acquired or newly established enterprises are recognised in the Consolidated Financial Statements from the effective dates of acquisition. Entities disposed of are recognised in the Consolidated Income Statement until the date of disposal. Comparative figures are not restated for acquisitions or disposals.

## **Accounting Policies**

### **Business Combinations**

The takeover method is applied for acquisitions if the Parent company gains control of the entity. Identifiable assets, liabilities, and contingent liabilities in companies acquired are measured at their fair values at the dates of acquisition. Identifiable intangible assets are recognised, if they can be separated or arise from a contractual right. Deferred tax is recognised on fair value adjustments. Any excess of the cost of acquisition over the fair value of the identifiable assets, liabilities, and contingent liabilities acquired is recognised as goodwill under intangible assets. Transaction costs relating to acquisitions before 1 July 2018 are capitalised as part of the acquisition cost. Transaction costs relating to acquisitions after 1 July 2018 are charged to the income statement as administration expenses at the time of acquisition. The goodwill amortization period is assessed based on the estimated useful life of the goodwill acquired.

Goodwill and negative goodwill relating to acquired enterprises may be adjusted until the end of the financial year following the year of acquisition.

Profit or loss on sale or winding-up of subsidiaries and associates is stated as the difference between the selling price or the winding-up sum and the carrying amount of net assets at the time of sale as well as expected selling or winding-up costs.

### **Minority interests**

In the Consolidated Financial Statements, the items of subsidiaries are recognised in full. The minority interests' proportionate share of subsidiaries' profit/loss and equity is calculated based on the equity method and is presented separately under appropriation of profit and in a main item under equity.

### **Discontinued operations**

Discontinued operations are material business areas that accordance with an overall plan will be divested, closed or abandoned. The result of discontinued operations is presented as a separate line in the income statement consisting of operating profit after tax for the activities in question and any gains or losses on fair value adjustment of the disposal of assets associated with the discontinued operations. Assets related to discontinued operations are presented separately in the balance sheet as current assets. Liabilities directly related to the assets and discontinued activities are presented as current liabilities in the balance sheet. Comparative figures have not been adjusted.

### **Income statement**

#### **Segment information on revenue**

Information regarding activities and geographical markets are based on the Groups profit and risk and the internal financial management. All revenue take place in Denmark. Business segments are considered the primary segments.

## **Accounting Policies**

### **Revenue**

Revenue from the sale of goods and services is recognised when the risks and rewards relating to the goods and services sold have been transferred 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 Group.

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

### **Government grants**

Government grants include license income for operating the radio station 24syv and subsidies to cover specific editorial costs for eligible media releases. Government grants are recognized when there is reasonable assurance that they will be received and are recognized in the period that the grants relates to.

Since license income for radio 24syv is granted as basis for the radio's total activities according to the commercial conditions and return on the invested capital for the owners is allowed, the license revenue is recognized under revenue and is disclosed separately in the information note regarding discontinued operation. Government grants to cover specific editorial costs are offset against other external costs.

### **Cost of goods and services sold**

Costs of goods and services sold comprise the expenses to achieve revenue for the year. Income from public subsidies, ie. "Mediestøtte" is recognized in cost of goods and services sold.

### **Other operating income and costs**

Other operating income and other operating costs comprise items of a secondary nature to the main activities of the Group, including gains and losses on the sale of intangible assets and property, plant and equipment.

### **Other external expenses**

Other external expenses comprise advertising, administration, rent of leasehold, provisions for bad debt, other leases etc.

### **Staff expenses**

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

### **Financial income and expenses**

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



## **Accounting Policies**

### **Income from investments in subsidiaries and associates**

The items "Income from investments in subsidiaries" and "Income from investments in associates" in the income statement include the proportionate share of the profit for the year less amortisation of goodwill.

### **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 the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

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

## **Balance sheet**

### **Intangible assets**

In the Consolidated Financial Statements, goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition and goodwill acquired through an asset acquisition.

In the Parent Company Financial Statements, goodwill represent the cost of goodwill acquired through an asset acquisition.

Goodwill is measured at cost less accumulated amortisation.

Goodwill is amortised on a straight-line basis over the estimated useful life, which is determined on the basis of management's experience within the individual business areas. The amortization period is between 5-20 years and is the longest for strategically acquired businesses with a strong market position and long earnings profile.

Software are measured at the lower of cost less accumulated amortisation and recoverable amount. Software are amortised on a straight-line basis over the useful life, which is assessed at 2-7 years.

Acquired patents and trademarks are measured at lower of cost less accumulated amortisation and recoverable amount. Patents and trademarks are amortised on a straight-line basis over the usefull life is assessed at 5 years.

## Accounting Policies

### 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.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available 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:

	Useful life
Buildings	35 years
Other fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	5-9 years

Depreciation period and residual value are reassessed annually.

### Investments in subsidiaries and associates

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

The items "Investments in subsidiaries" and "Investments in associates" 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 addition of any remaining value of positive differences (goodwill) and deduction of any remaining value of negative differences (negative goodwill).

The total net revaluation of investments in subsidiaries and associates 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 Company and adjusted for other equity movements in the subsidiaries and the associates.

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

### Other fixed investments

Other fixed investments are measured at the lower of cost and recoverable amount.

## **Accounting Policies**

### **Impairment of fixed assets**

The carrying amounts of intangible assets and property, plant and equipment 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, an impairment test is carried out to determine whether the recoverable amount is lower than the carrying amount. If so, the asset is written down to its lower recoverable amount.

The recoverable amount of the asset is calculated as the higher of net selling price and value in use. Where a recoverable amount cannot be determined for the individual asset, the assets are assessed in the smallest group of assets for which a reliable recoverable amount can be determined based on a total assessment.

### **Inventory**

Inventories are measured at cost according to the FIFO method or net realization value, if this is lower.

The net realization value for inventories is calculated at the amount that is expected to be recovered by sale, less sales and commissioning costs.

The cost price for raw materials and consumables includes the purchase price plus addition costs.

### **Receivables**

Receivables are recognised in the balance sheet at amortised cost, which substantially corresponds to nominal value. Allowances for estimated bad debts are made.

### **Prepayments**

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

### **Equity**

#### ***Dividends***

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

### **Provisions**

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

## **Accounting Policies**

### **Deferred tax**

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 liabilities and assets**

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

### **Financial debts**

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

### **Deferred revenue**

Deferred revenue comprises payments received in respect of income in subsequent years, primary prepaid subscriptions.

### **Cash flow statement**

The cash flow statement shows the group's cash flows for the year, broken down under cash flows from operating, investing and financing activities, the year's changes in cash and cash equivalents and the group's cash and cash equivalents at the beginning and at the end of the year.

The cash flow effect of additions and disposals of entities is shown separately under cash flows from investing activities. The cash flow statement includes cash flows from acquired entities from the time of acquisition, and cash flows from sold entities are included until the date of sale.

### **Cash flows from operating activities**

Cash flows from operating activities are stated as the group's profit or loss for the year, adjusted for non-cash operating items, changes in working capital and paid income taxes.

## **Accounting Policies**

### **Cash flows from investing activities**

Cash flows from investing activities comprise payments related to the acquisition and sale of entities and activities as well as intangible assets, property, plant and equipment and investments.

### **Cash flows from financing activities**

Cash flows from financing activities comprise changes in the size or composition of the group's share capital and related costs, as well as the raising of loans, repayment of interest-bearing debt and payment of dividends to shareholders.

### **Cash and cash equivalents**

Cash and cash equivalents comprise cash and short-term securities whose remaining life is less than three months and which are readily convertible into cash and which are subject only to insignificant risks of changes in value.

## Accounting Policies

### Financial highlights

Definitions of key figures and financial ratios.

Gross margin ratio	$\frac{\text{Gross profit} \times 100}{\text{Revenue}}$
Profit margin	$\frac{\text{Profit/loss before financials} \times 100}{\text{Revenue}}$
Return on assets	$\frac{\text{Profit/loss before financials} \times 100}{\text{Average assets}}$
Solvency ratio	$\frac{\text{Equity at year-end} \times 100}{\text{Total assets at year-end}}$
Return on equity	$\frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$
EBITDA before special items	Earnings before interest, taxes, amortisation and depreciations and special items ref. note 10.
EBITA before special items	Earnings before interest, taxes and amortisation and special items ref. note 10.
EBITDA before special items margin	$\frac{\text{EBITDA before special items} \times 100}{\text{Revenue}}$
EBITA before special items margin	$\frac{\text{EBITA before special items} \times 100}{\text{Revenue}}$

## Income Statement 1 January - 31 December

	Note	Group		Parent Company	
		2019	2018	2019	2018
		TDKK	TDKK	TDKK	TDKK
<b>Revenue</b>	1	<b>857.176</b>	<b>1.099.099</b>	<b>556.202</b>	<b>614.554</b>
Other operating income		14.841	12.903	121.930	101.900
Cost of goods and services sold		-229.654	-254.464	-141.738	-159.881
Other external expenses		-202.998	-325.660	-242.535	-251.680
<b>Gross profit</b>		<b>439.365</b>	<b>531.878</b>	<b>293.859</b>	<b>304.893</b>
Staff expenses	2	-324.703	-471.389	-224.109	-279.291
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	3	-25.126	-37.130	-15.053	-16.238
<b>Profit/loss before net financials</b>		<b>89.536</b>	<b>23.359</b>	<b>54.697</b>	<b>9.364</b>
Income from investments in subsidiaries	4	0	0	31.239	9.797
Income from investments in associates	5	153	2.198	-3.279	1.457
Financial income	6	3.356	6.225	4.704	8.459
Financial expenses	7	-1.014	-762	-1.317	-1.146
<b>Profit/loss before tax</b>		<b>92.031</b>	<b>31.020</b>	<b>86.044</b>	<b>27.931</b>
Tax on profit/loss for the year	8	-262	-1.008	-8.197	-496
<b>Profit/loss from continuing operations (broken down by type)</b>		<b>91.769</b>	<b>30.012</b>	<b>77.847</b>	<b>27.435</b>
Profit/loss for the year, discontinuing operations	11	-4.968	0	0	0
<b>Profit/loss for the year</b>		<b>86.801</b>	<b>30.012</b>	<b>77.847</b>	<b>27.435</b>

## Income Statement 1 January - 31 December (continued)

Note	Group		Parent Company	
	2019 TDKK	2018 TDKK	2019 TDKK	2018 TDKK
Minority share of the net result	8.954	2.577		
Berlingske share of net result	<u>77.847</u>	<u>27.435</u>	<u>77.847</u>	<u>27.435</u>
	<b><u>86.801</u></b>	<b><u>30.012</u></b>	<b><u>77.847</u></b>	<b><u>27.435</u></b>



## Balance sheet 31 December

	Note	Group		Parent Company	
		2019	2018	2019	2018
		TDKK	TDKK	TDKK	TDKK
<b>Assets</b>					
Software		7.755	12.417	7.756	12.418
Acquired patents		0	327	0	0
Goodwill		75.712	96.227	19.931	22.231
IT Software in progress		12.362	4.396	11.374	1.164
Trademark		0	604	0	0
<b>Intangible assets</b>	12	<b>95.829</b>	<b>113.971</b>	<b>39.061</b>	<b>35.813</b>
Land and buildings		6.000	6.000	0	0
Other fixtures and fittings, tools and equipment		5.876	10.285	2.364	4.536
Leasehold improvements		2.128	4.262	3.615	3.214
Property, plant and equip- ment in progress		4.685	424	3.698	272
<b>Tangible assets</b>	13	<b>18.689</b>	<b>20.971</b>	<b>9.677</b>	<b>8.022</b>
Investments in subsidiaries	14	0	0	120.724	229.634
Investments in associates	15	27.794	27.947	13.373	16.652
Other fixed asset investments	16	5.362	4.862	5.254	4.862
Deposits	16	10.032	11.945	10.061	10.800
<b>Fixed asset investments</b>		<b>43.188</b>	<b>44.754</b>	<b>149.412</b>	<b>261.948</b>
<b>Total non-current assets</b>		<b>157.706</b>	<b>179.696</b>	<b>198.150</b>	<b>305.783</b>
Raw materials and consumables		1.133	1.619	0	0
<b>Stocks</b>		<b>1.133</b>	<b>1.619</b>	<b>0</b>	<b>0</b>

## Balance sheet 31 December (continued)

	Note	Group		Parent Company	
		2019 TDKK	2018 TDKK	2019 TDKK	2018 TDKK
<b>Assets</b>					
Trade receivables		30.719	45.665	52	4.629
Receivables from group enterprises		706.839	656.483	674.870	696.807
Receivables from associates		22.620	16.600	22.620	16.600
Other receivables		35.392	34.285	12.061	29.930
Deferred tax asset	17	94.697	96.586	83.231	81.093
Prepayments		5.609	12.901	5.524	2.780
<b>Receivables</b>		<b>895.876</b>	<b>862.520</b>	<b>798.358</b>	<b>831.839</b>
<b>Cash at bank and in hand</b>		<b>41.092</b>	<b>107.976</b>	<b>41.092</b>	<b>60.731</b>
<b>Total current assets</b>		<b>938.101</b>	<b>972.115</b>	<b>839.450</b>	<b>892.570</b>
<b>Assets related to discontinued operations</b>		<b>9.019</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total assets</b>		<b>1.104.826</b>	<b>1.151.811</b>	<b>1.037.600</b>	<b>1.198.353</b>

## Balance Sheet 31 December

	Note	Group		Parent Company	
		2019	2018	2019	2018
		TDKK	TDKK	TDKK	TDKK
<b>Equity and liabilities</b>					
Share capital		216.567	216.567	216.567	216.567
Retained earnings		544.454	468.893	544.454	468.893
Minority interests		18.744	23.647	0	0
<b>Equity</b>		<b>779.765</b>	<b>709.107</b>	<b>761.021</b>	<b>685.460</b>
Other provisions	18	11.926	11.254	11.926	11.254
<b>Total provisions</b>		<b>11.926</b>	<b>11.254</b>	<b>11.926</b>	<b>11.254</b>
Other payables		11.971	383	7.175	383
<b>Total non-current liabilities</b>	19	<b>11.971</b>	<b>383</b>	<b>7.175</b>	<b>383</b>
Trade payables		73.923	110.341	56.543	74.583
Payables to group enterprises		0	0	12.119	197.076
Corporation tax		0	1.008	2.742	4.167
Other payables	19	64.845	156.587	47.669	82.316
Deferred revenue		154.517	163.131	138.405	143.114
<b>Total current liabilities</b>		<b>293.285</b>	<b>431.067</b>	<b>257.478</b>	<b>501.256</b>
<b>Total liabilities</b>		<b>305.256</b>	<b>431.450</b>	<b>264.653</b>	<b>501.639</b>
<b>Liabilities related to discontinued operations</b>	11	<b>7.879</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total equity and liabilities</b>		<b>1.104.826</b>	<b>1.151.811</b>	<b>1.037.600</b>	<b>1.198.353</b>

## Balance Sheet 31 December (continued)

	Note	Group		Parent Company	
		2019 TDKK	2018 TDKK	2019 TDKK	2018 TDKK
<b>Equity and liabilities</b>					
<b>Disclosure notes</b>					
Distribution of profit	9				
Special items	10				
Discontinued operations	11				
Subsequent events	20				
Rent and lease commitments	21				
Contingent assets, liabilities and other financial obligations	22				
Related parties and group relation	23				
Fee to auditors appointed at the general meeting	24				

## Statement of changes in equity

### Group

	Share capital	Retained earnings	Minority interests	Total
	TDKK	TDKK	TDKK	TDKK
Equity at 1 January 2019	216.567	468.893	23.647	709.107
Dividend	0	0	-5.422	-5.422
Disposal of minority shares	0	0	-10.721	-10.721
Acquisition of shares from minority	0	-2.286	2.286	0
Net profit/loss for the year	0	77.847	8.954	86.801
<b>Equity at 31 December 2019</b>	<b>216.567</b>	<b>544.454</b>	<b>18.744</b>	<b>779.765</b>

### Parent Company

	Share capital	Retained earnings	Total
	TDKK	TDKK	TDKK
Equity at 1 January 2019	216.567	468.893	685.460
Acquisition of shares from minority	0	-2.286	-2.286
Net profit/loss for the year	0	77.847	77.847
<b>Equity at 31 December 2019</b>	<b>216.567</b>	<b>544.454</b>	<b>761.021</b>

## Cash flow statement 1 January - 31 December

	Note	Group	
		2019 TDKK	2018 TDKK
Net profit/loss for the year		86.801	30.012
Adjustments	25	28.831	31.667
Change in working capital	26	-147.945	-47.564
<b>Cash flows from operating activities before financial income and expenses</b>		<b>-32.313</b>	<b>14.115</b>
Interest income and similar income		3.356	6.225
Interest expenses and similar charges		-1.014	-762
<b>Cash flows from operating activities</b>		<b>-29.971</b>	<b>19.578</b>
Acquisition of minority interests		-10.721	0
Divestment of subsidiaries		10.803	0
Disposal of tangible assets		0	32.005
Investments in tangible and intangible assets		-22.521	-41.976
Loan provided to associates		-9.052	0
Loan received		0	14.311
<b>Cash flows from investing activities</b>		<b>-31.491</b>	<b>4.340</b>
Dividend paid to minority interests		-5.422	-336
<b>Cash flows from financing activities</b>		<b>-5.422</b>	<b>-336</b>
<b>Change in cash and cash equivalents</b>		<b>-66.884</b>	<b>23.582</b>
Cash and cash equivalents 1 January		107.976	84.394
<b>Cash and cash equivalents 31 December</b>		<b>41.092</b>	<b>107.976</b>
Analysis of cash and cash equivalents:			
Cash at bank and in hand		41.092	107.976
<b>Cash and cash equivalents 31 December</b>		<b>41.092</b>	<b>107.976</b>

## Notes

### 1 Segment information

All revenue activities take place in Denmark.

#### Group

	Berlingske	B.T.	Weekend- avisen	Other	Group total
<b>2019</b>					
Revenue	428.885	298.906	116.529	12.856	857.176
EBITA before special items (additional segment information)	32.429	42.302	17.365	-644	91.452
Special items					8.353
Amortisation					-10.269
<b>Profit/loss before net financials</b>					<b>89.536</b>
<b>2018</b>					
Revenue	467.307	341.350	112.230	178.212	1.099.099
EBITA before special items (additional segment information)	25.378	40.354	22.774	7.294	95.800
Special items					-56.496
Amortisation					-15.945
<b>Profit/loss before net financials</b>					<b>23.359</b>

#### Parent Company

	Berlingske	Weekend- avisen	Other	Parent total
<b>2019</b>				
Revenue	428.885	116.529	10.788	556.202
EBITA before special items (additional segment information)	32.429	17.365	-1.531	48.263
Special items				8.734
Amortisation				-2.300
<b>Profit/loss before net financials</b>				<b>54.697</b>
<b>2018</b>				
Revenue	467.307	112.230	35.017	614.554
EBITA before special items (additional segment information)	25.378	22.774	3.644	51.796
Amortisation				-769
Special items				-41.663
<b>Profit/loss before net financials</b>				<b>9.364</b>

## Notes

	<b>Group</b>		<b>Parent Company</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<u>TDKK</u>	<u>TDKK</u>	<u>TDKK</u>	<u>TDKK</u>
<b>2 Staff expenses</b>				
Wages and salaries	299.329	440.658	206.554	260.861
Pensions	19.886	24.510	13.957	14.519
Other social security costs	5.488	6.221	3.598	3.911
<b>Staff expenses total</b>	<b><u>324.703</u></b>	<b><u>471.389</u></b>	<b><u>224.109</u></b>	<b><u>279.291</u></b>
Executive Board	5.498	5.466	5.498	5.466
Board of Directors	354	350	354	350
	<b><u>5.852</u></b>	<b><u>5.816</u></b>	<b><u>5.852</u></b>	<b><u>5.816</u></b>
Average number of employees	<u>445</u>	<u>588</u>	<u>345</u>	<u>423</u>

Remuneration to the executive board comprise of 2 members in 2019 (2018: 2).

### 3 Depreciation, amortisation and impairment of intangible assets and property, plant and equipment

Amortisation and impairment losses of goodwill	10.269	15.945	2.300	769
Depreciation of software and patents	8.550	12.529	8.550	11.318
Depreciation of property, plant and equipment	6.307	8.656	4.203	4.151
	<b><u>25.126</u></b>	<b><u>37.130</u></b>	<b><u>15.053</u></b>	<b><u>16.238</u></b>



## Notes

	<b>Parent Company</b>	
	<u>2019</u>	<u>2018</u>
	TDKK	TDKK
<b>4 Income from investments in subsidiaries</b>		
Net profit/loss for the year, cf. note 14	31.239	17.002
Amortisation of net goodwill, cf. note 14	<u>0</u>	<u>-7.205</u>
	<b><u>31.239</u></b>	<b><u>9.797</u></b>

	<b>Group</b>		<b>Parent Company</b>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
	TDKK	TDKK	TDKK	TDKK
<b>5 Income from investments in associates</b>				
Net profit/loss for the year, cf. note 15	<u>153</u>	<u>2.198</u>	<u>-3.279</u>	<u>1.457</u>
	<b><u>153</u></b>	<b><u>2.198</u></b>	<b><u>-3.279</u></b>	<b><u>1.457</u></b>
<b>6 Financial income</b>				
Interest received from group enterprises	0	0	4.704	4.330
Other financial income	<u>3.356</u>	<u>6.225</u>	<u>0</u>	<u>4.129</u>
	<b><u>3.356</u></b>	<b><u>6.225</u></b>	<b><u>4.704</u></b>	<b><u>8.459</u></b>

## Notes

	<b>Group</b>		<b>Parent Company</b>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
	TDKK	TDKK	TDKK	TDKK
<b>7 Financial expenses</b>				
Interest paid to group enterprises	0	0	1.317	0
Other financial expenses	<u>1.014</u>	<u>762</u>	<u>0</u>	<u>1.146</u>
	<b><u>1.014</u></b>	<b><u>762</u></b>	<b><u>1.317</u></b>	<b><u>1.146</u></b>
<b>8 Tax on profit/loss for the year</b>				
Current tax for the year	1.962	1.008	2.742	496
Adjustment of tax concerning previous years	0	0	7.155	0
Adjustment of deferred tax concerning previous years	<u>-1.700</u>	<u>0</u>	<u>-1.700</u>	<u>0</u>
	<b><u>262</u></b>	<b><u>1.008</u></b>	<b><u>8.197</u></b>	<b><u>496</u></b>
<b>9 Distribution of profit</b>				
Minority share of the net result	8.954	2.577	0	0
Berlingske share of the net result	<u>77.847</u>	<u>27.435</u>	<u>77.847</u>	<u>27.435</u>
	<b><u>86.801</u></b>	<b><u>30.012</u></b>	<b><u>77.847</u></b>	<b><u>27.435</u></b>

## Notes

### 10 Special items

Special items comprise income and costs which are special due to their size or nature e.g. redundancy costs, stranded costs due to re-organisations, impairment loss, gain or loss of sale of assets etc.

#### 2019

##### Group

The profit before tax for the year has been positively impacted with DKK 8.3 million regarding special items. The impact comprises dividend income from Danske Medier with DKK 14.8 million, redundancy costs regarding employees of DKK -5.7 million and other restructuring costs of DKK -0.8 million. The special items are included in "other operating income", "staff expenses" and other external expenses".

##### Parent Company

The profit before tax for the year has been positively impacted with DKK 8.8 million. The impact comprises dividend income from Danske Medier with DKK 14.8 million and redundancy costs regarding employees of DKK 6 million. The special items are included in "other operation income" and "staff expenses".

#### 2018

##### Group

The profit before tax for the year has been negatively affected by net one-off costs in connection with the restructuring of the business. One-off costs amount to net DKK 58.1 million and comprise redundancy cost, stranded cost regarding re-organisation of business, gain on sale of assets and received debt forgiveness. The net costs are included in line items "Other operating income", "Staff expenses", "Other external expenses", "Depreciations, amortisation and impairment of intangible assets and property plant and equipment" and "Financial income".

##### Parent Company

The profit before tax for the year has been negatively affected by net one-off costs in connection with the restructuring of the business. One-off costs amount to net DKK 51.2 million and comprise redundancy cost, stranded cost regarding re-organisation of business, gain on sale of assets and received debt forgiveness. The net costs are included in line items "Other operating income", "Staff expenses", "Other external expenses", "Depreciations, amortisation and impairment of intangible assets and property plant and equipment", "Income from investments in subsidiaries" and "Financial income".

## Notes

### Group

2019

TDKK

## 11 Discontinued operations

### Group 2019

In October 2019 the activities in Radio24syv and Podcast24syv A/S was closed down. Comparative figures for 2018 in the income statement and the balance sheet have not been restated regarding discontinued operations. Key figures for 2019 for the discontinued operations are as follows:

Revenue	90.951
Other operating income	1.109
Cost of goods and service sold	-29.209
Other external expenses	-20.795
Staff expenses	-40.530
Depreciations, amortisation and impairment of intangible assets and property plant and equipment	-6.047
Net financials	-405
Tax	-42
<b>Loss, discontinued operations</b>	<b>-4.968</b>
Investments in associates	265
Payables and receivables, group enterprises	-1.016
Other fixed asset investments	696
Trade receivables	1.665
Other receivables and prepayments	3.798
Cash and cash equivalents	3.611
<b>Total assets</b>	<b>9.019</b>
Trade payables and other payables	7.879
<b>Total liabilities</b>	<b>7.879</b>
<b>Total net assets</b>	<b>1.140</b>

## Notes

### 12 Intangible assets

#### Group

	Software	Acquired patents	Goodwill	IT Software in progress	Trademark
	TDKK	TDKK	TDKK	TDKK	TDKK
Cost at 1 January 2019	215.568	4.137	142.102	4.396	604
Additions for the year	0	0	0	15.628	0
Disposals for the year	-61.055	-4.137	-39.415	0	0
Transfers for the year	7.662	0	0	-7.662	0
Cost at 31 December 2019	<u>162.175</u>	<u>0</u>	<u>102.687</u>	<u>12.362</u>	<u>604</u>
Amortisation and impairment losses at 1 January 2019	203.151	3.810	45.875	0	0
Impairment for the year	2.639	0	0	0	0
Amortisation for the year	9.565	287	10.269	0	604
Reversal of amortisation of disposals for the year	-60.935	-4.097	-29.169	0	0
Amortisation and impairment losses at 31 December 2019	<u>154.420</u>	<u>0</u>	<u>26.975</u>	<u>0</u>	<u>604</u>
<b>Carrying amount at 31 December 2019</b>	<u><b>7.755</b></u>	<u><b>0</b></u>	<u><b>75.712</b></u>	<u><b>12.362</b></u>	<u><b>0</b></u>

## Notes

### 12 Intangible assets (continued)

#### Parent Company

	Software	Goodwill	IT Software in progress
	TDKK	TDKK	TDKK
Cost at 1 January 2019	205.114	23.000	1.164
Additions for the year	0	0	14.217
Disposals for the year	-46.947	0	0
Transfers for the year	4.007	0	-4.007
Cost at 31 December 2019	<u>162.174</u>	<u>23.000</u>	<u>11.374</u>
Amortisation and impairment losses at 1 January 2019	192.696	769	0
Amortisation for the year	8.550	2.300	0
Reversal of impairment and amortisation of sold assets	-46.828	0	0
Amortisation and impairment losses at 31 December 2019	<u>154.418</u>	<u>3.069</u>	<u>0</u>
<b>Carrying amount at 31 December 2019</b>	<u><b>7.756</b></u>	<u><b>19.931</b></u>	<u><b>11.374</b></u>

## Notes

### 13 Property, plant and equipment

#### Group

	Land and buildings	Other fixtures and fittings, tools and equipment	Leasehold improve- ments	Property, plant and equipment in progress
	TDKK	TDKK	TDKK	TDKK
Cost at 1 January 2019	145.679	324.298	84.694	424
Additions for the year	0	101	0	6.893
Disposals for the year	0	-41.536	-74.255	0
Transfers for the year	0	2.632	0	-2.632
Cost at 31 December 2019	<u>145.679</u>	<u>285.495</u>	<u>10.439</u>	<u>4.685</u>
Depreciation and impairment losses at 1 January 2019	139.679	314.013	80.432	0
Depreciation for the year	0	5.975	1.834	0
Reversal of depreciations of sold assets	0	-40.369	-73.955	0
Depreciation and impairment losses at 31 December 2019	<u>139.679</u>	<u>279.619</u>	<u>8.311</u>	<u>0</u>
<b>Carrying amount at 31 December 2019</b>	<u><b>6.000</b></u>	<u><b>5.876</b></u>	<u><b>2.128</b></u>	<u><b>4.685</b></u>

## Notes

### 13 Property, plant and equipment (continued)

#### Parent Company

	Other fixtures and fittings, tools and equipment	Leasehold improve- ments	Property, plant and equipment in progress
	TDKK	TDKK	TDKK
Cost at 1 January 2019	25.993	76.802	272
Additions for the year	0	0	5.907
Disposals for the year	-3.413	-63.030	0
Transfers for the year	993	1.488	-2.481
Cost at 31 December 2019	<u>23.573</u>	<u>15.260</u>	<u>3.698</u>
Impairment losses and depreciation at 1 January 2019	21.457	73.589	0
Depreciation for the year	3.165	1.039	0
Reversal of depreciations of sold assets	-3.413	-62.983	0
Impairment losses and depreciation at 31 December 2019	<u>21.209</u>	<u>11.645</u>	<u>0</u>
<b>Carrying amount at 31 December 2019</b>	<u><b>2.364</b></u>	<u><b>3.615</b></u>	<u><b>3.698</b></u>



## Notes

	<b>Parent Company</b>	
	<u>2019</u>	<u>2018</u>
	TDKK	TDKK
<b>14 Investments in subsidiaries</b>		
Cost at 1 January	695.355	691.155
Additions for the year	8.436	4.200
Disposals for the year	<u>-40.216</u>	<u>0</u>
Cost at 31 December	<u>663.575</u>	<u>695.355</u>
Revaluations at 1 January	-465.721	-464.450
Disposals for the year	24.611	0
Net profit for the year	31.239	17.003
Received dividend	-135.651	-11.435
Amortisation of goodwill	0	-7.205
Equity investments with negative net asset value transferred to receivables, 1 January	-9.110	-8.744
Equity investments with negative net asset value transferred to receivables, 31 December	<u>11.781</u>	<u>9.110</u>
Revaluations at 31 December	<u>-542.851</u>	<u>-465.721</u>
<b>Carrying amount at 31 December</b>	<b><u>120.724</u></b>	<b><u>229.634</u></b>
Remaining goodwill included in the above carrying amount at 31 December	<u>0</u>	<u>10.246</u>

### ***Argumentation for Goodwill depreciation periods***

The Company's investment in the subsidiary Marketsquare A/S, including goodwill of TDKK 10.246, has been disposed in January 2019.

## Notes

### Group

Investments in subsidiaries are specified as follows:

<u>Name</u>	<u>Registered office</u>	<u>Ownership interest</u>
Trykkompagniet A/S	Slagelse	100%
MOL Holding A/S	Copenhagen	100%
Berlingske Netdoktor A/S	Copenhagen	100%
Berlingske People A/S	Copenhagen	70%
BTMX P/S	Copenhagen	70%
BTMX General Partner ApS	Copenhagen	70%
Podcast24syv A/S	Copenhagen	70%

## Notes

	<b>Group</b>		<b>Parent Company</b>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
	TDKK	TDKK	TDKK	TDKK
<b>15 Investments in associates</b>				
Cost at 1 January	<u>53.067</u>	<u>53.067</u>	<u>16.041</u>	<u>16.041</u>
Cost at 31 December	<u>53.067</u>	<u>53.067</u>	<u>16.041</u>	<u>16.041</u>
Revaluations at 1 January	-25.120	-27.317	611	-846
Net profit/loss for the year	<u>-153</u>	<u>2.197</u>	<u>-3.279</u>	<u>1.457</u>
Revaluations at 31 December	<u>-25.273</u>	<u>-25.120</u>	<u>-2.668</u>	<u>611</u>
<b>Carrying amount at 31 December</b>	<b><u>27.794</u></b>	<b><u>27.947</u></b>	<b><u>13.373</u></b>	<b><u>16.652</u></b>

### Group

Investments in associates are specified as follows:

<u>Name</u>	<u>Registered office</u>	<u>Ownership interest</u>
A/S Bladkompagniet	Copenhagen	50%
Infomedia A/S	Copenhagen	50%

## Notes

### 16 Fixed asset investments

#### Group

	Other investments	Deposits
	TDKK	TDKK
Cost at 1 January 2019	11.494	11.945
Addition	500	0
Repayment	0	-1.913
Cost at 31 December 2019	<u>11.994</u>	<u>10.032</u>
Impairment losses at 1 January 2019	<u>6.632</u>	<u>0</u>
Impairment losses at 31 December 2019	<u>6.632</u>	<u>0</u>
<b>Carrying amount at 31 December 2019</b>	<b><u>5.362</u></b>	<b><u>10.032</u></b>

## Notes

### 16 Fixed asset investments (continued)

#### Parent Company

	Other fixed asset investments	Deposits
	TDKK	TDKK
Cost at 1 January 2019	11.494	10.800
Additions for the year	500	0
Disposals for the year	0	-739
Cost at 31 December 2019	<u>11.994</u>	<u>10.061</u>
Impairment losses at 1 January 2019	<u>6.740</u>	<u>0</u>
Impairment losses at 31 December 2019	<u>6.740</u>	<u>0</u>
<b>Carrying amount at 31 December 2019</b>	<b><u>5.254</u></b>	<b><u>10.061</u></b>

### 17 Provision for deferred tax

#### Group

Total deferred tax asset is estimated at approximately DKK 314 million (2018: DKK 325 million) (calculated at a tax rate of 22%). Of the total tax assets, DKK 94 million (2018: DKK 96 million) has been been recognised in the balance shet.

#### Parent Company

Total deferred tax asset is estimated at approximately DKK 195 million (2018: DKK 215 million) (calculated at a tax rate of 22%). Of the total tax assets, DKK 83 million (2018: DKK 81 million) has been been recognised in the balance shet.

Management has recognised the tax asset based on budgets for the coming 5 years and assessed it to be probable that the deferred tax asset can be utilized within the Danish joint taxation Group.

## Notes

	<b>Group</b>		<b>Parent Company</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>TDKK</b>	<b>TDKK</b>	<b>TDKK</b>	<b>TDKK</b>
<b>18 Other provisions</b>				
Balance at beginning of year at 1 January 2019	11.254	0	11.254	0
Provision for restoration of leasehold	672	11.254	672	11.254
<b>Balance at 31 December</b>	<b>11.926</b>	<b>11.254</b>	<b>11.926</b>	<b>11.254</b>
The provision is expected to mature as follows:				
Between 1 and 5 years	11.926	11.254	11.926	11.254
	<b>11.926</b>	<b>11.254</b>	<b>11.926</b>	<b>11.254</b>

Provisions relate to restoration obligations of leasehold.

## 19 Long term debt

### Other payables

Between 1 and 5 years	11.971	383	7.175	383
Non-current part	11.971	383	7.175	383
Within 1 year	64.845	156.587	47.669	82.316
	<b>76.816</b>	<b>156.970</b>	<b>54.844</b>	<b>82.699</b>

## Notes

### 20 Subsequent events

Berlingske Media is a healthy business. However, the Group's outlook for the coming year will be negatively affected by the COVID-19 outbreak and the measures taken by the Danish government to mitigate the impacts of the outbreak.

Management expects COVID-19 to have a negative impact on revenue as well as profit for 2020. Management has prepared different scenario analyses to assess the potential effect. The scope thereof is, however, still uncertain as it at present is not possible to quantify the impact reliably. In March 2020, Management executed a cost saving plan to reduce COVID-19 impact on business. The plan includes savings in internal activities, on external contracts and a reduction in staff with 20 FTEs. Management assesses that the capital resources of the Group are sufficient.

Management considers the implications of COVID-19 a subsequent event occurred after the balance sheet date (31 December 2019), which is therefore a non-adjusting event to the Company. Management has not subsequently identified any material remeasurements of assets and liabilities.

## Notes

<b>Group</b>		<b>Parent Company</b>	
<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
TDKK	TDKK	TDKK	TDKK

### 21 Rent and lease commitments

#### Rent and lease commitments

Operating lease liabilities.

Total future lease payments:

Within 1 year	28.967	30.339	28.697	28.662
Between 1 and 5 years	337	36.294	7.671	35.798
	<u>29.304</u>	<u>66.633</u>	<u>36.368</u>	<u>64.460</u>

### 22 Contingent assets, liabilities and other financial obligations

#### Contingent liabilities

##### Group

There is a risk that the some entities in the Group will be met with claims for trading of unauthorized advertising in relation to some advertisers.

The Group has an obligation of joint registration of withholding tax, ATP, VAT and duties.

The Group companies is part of national taxation in Denmark with De Persgroep Denmark ApS and is jointly liable with other Danish group companies for corporate and withholding tax.

##### Parent Company

There is a risk that the Company will be met with claims for trading of unauthorized advertising in relation to some advertisers.

Berlingske Media A/S has issued letters of support for some of the subsidiaries. Berlingske Media A/S has in this respect guaranteed to support the subsidiaries with sufficient liquidity to ensure future operations and investments, and for debt to be paid when due. The letters of support expires at 31 December 2020.

The Company has an obligation of joint registration of withholding tax, ATP, VAT and duties.



## Notes

### **22 Contingent assets, liabilities and other financial obligations (continued)**

The Company is part of national taxation in Denmark with De Persgroep Denmark ApS and is jointly liable with other Danish group companies for corporate and withholding tax.

### **23 Related parties and group relation**

#### **Controlling interest**

DPG Media NV, Mediaplein 1, 2018 Antwerpen, Belgium: Ultimate Parent Company.

#### **Transactions**

Transactions with related parties has been carried out at arm's length terms.

#### **Consolidated Financial Statements**

The Company is included in the Group Annual Report of DPG Media NV.

The Group Annual Report of DPG Media NV may be obtained at the following address:

DPG Media NV  
Mediaplein 1  
2018 Antwerpen  
Belgium

### **24 Fee to auditors appointed at the general meeting**

With reference to section 96(3) of the Danish Financial Statement Act, audit fees are not disclosed.

## Notes

	<b>Group</b>	
	<u>2019</u>	<u>2018</u>
	TDKK	TDKK
<b>25 Cash flow statement - adjustments</b>		
Financial income	-3.356	-6.225
Financial expenses	1.014	762
Depreciation, amortisation and impairment losses	31.173	37.130
	<u><b>28.831</b></u>	<u><b>31.667</b></u>
<b>26 Cash flow statement - change in working capital</b>		
Change in inventories	486	-528
Change in receivables	-18.374	21.473
Change in trade payables, etc.	-128.917	-68.509
Discontinued business	-1.140	0
	<u><b>-147.945</b></u>	<u><b>-47.564</b></u>