

Enterprise Services Denmark ApS

Company Registration No 37 83 88 29

Retortvej 8, 2500 Valby

Annual report 2022/23

The Annual report is presented and adopted on the Annual General Meeting on September, 25 2023

Nikolay Ivanov
Chairman of the Annual General Meeting

Nikolay Ivanov
[Nikolay Ivanov \(Sep 25, 2023 15:20 GMT+3\)](#)

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Enterprise Services Denmark ApS

Company details

Company

Enterprise Services Denmark ApS
Company Registration No: 37 83 88 29
Municipality of domicile: Copenhagen
Phone: +45 36 14 40 00
Internet: www.dxc.technology.com

Executive Board

Robbert Wentink
Birgitte Svejstrup Eriksen
Felora Mofidi

Company auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6, 2300 Copenhagen S, Denmark

Banks

SEB
Citibank
Danske Bank

Enterprise Services Denmark ApS Management's statement

The Executive Board have today considered and approved the annual report of Enterprise Services Denmark ApS for the financial year 1 April 2022 to 31 March 2023.

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

In our opinion the financial statements give a true and fair view of the Company's financial position at 31 March 2023 and of its financial performance for the financial year 1 April 2022 – 31 March 2023.

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

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

Copenhagen,


Executive Board



Robbert Wentink

Birgitte Svejstrup Eriksen
Birgitte Svejstrup Eriksen (Sep 25, 2023 13:41 GMT+2)

Birgitte Svejstrup Eriksen



Felora Mofidi

Enterprise Services Denmark ApS

Independent auditor's reports

To the shareholders of Enterprise Services Denmark ApS

Opinions

We have audited the financial statements of Enterprise Services Denmark ApS for the financial year 01.04.2022 - 31.03.2023, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.03.2023 and of the results of its operations for the financial year 01.04.2022 – 31.03.2023 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the Auditor's responsibilities for the audit of the financial statements section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of 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.

Management's responsibilities for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

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

Enterprise Services Denmark ApS

Independent auditor's reports (continued)

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

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

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

Enterprise Services Denmark ApS

Management report

Statement on the management commentary

Management is responsible for the management commentary.

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

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

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

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

Copenhagen,

Deloitte

Statsautoriseret Revisionspartnerselskab
Business Registration No 33 96 35 56

Eskild N. Jakobsen

Eskild N. Jakobsen (Sep 25, 2023 14:15 GMT+2)

Eskild Nørregaard Jakobsen
State-Authorised
Public Accountant

Mne 11681

Enterprise Services Denmark ApS

Management commentary

Core business activity

Enterprise Services Denmark ApS (the Company) is a subsidiary of the US based IT group DXC Technology Company, and its sole shareholder is ES Hague BV Netherlands.

The Company's core business is the sales of services within the development, maintenance, integration and operation of IT solutions to private and the public sector.

Financial matters

The income statement of the Company for 2022/2023 shows gross profit of TDKK 39,632 with a result for the year at TDKK 31,372. At March, 31. 2023 the balance sheet of the Company shows equity of TDKK 70,649 while total assets were TDKK 91,844.

Development in activities

Due to ES spin-off and CSC acquisition, HP Enterprise entered a global agreement of a committed asset purchase for FY18. This was operationally driven during FY18.

At the end of FY18 DXC had not fully utilized the committed purchase and decided to pre-buy assets aimed at future allocation and utilization in services across the global organization.

Purchased assets were allocated across the global organization based on estimated near term utilization. Denmark was chosen as the storing location for assets aimed at EU countries outside UK. Assets were allocated to Denmark and financed through a capital lease with HP Enterprise Financial Services (HPEFS) leasing provider.

DXC drives a global program focused on optimizing asset utilization while ensuring approved, compliant, and audited financial treatment from a global perspective. Our Worldwide organization has stated that this is handled through a globally focused process.

Subsequent events

No events have occurred after the fiscal year end up until this date that affect the balance sheet and subsequently this annual report.

Reporting class

This annual report for Enterprise Services Denmark ApS for the financial year 2022/23 has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises, with additions of certain provisions for reporting class C middle.

Enterprise Services Denmark ApS

Accounting policy

Recognition and measurement

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

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

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

Financial assets and liabilities are measured on the basis of amortised cost – within which a fixed interest rate is used. Amortised cost is calculated as the purchase price inclusive of any accumulated amortised additions/deductions of the difference between the cost price and the nominal value.

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

Income hereunder valuation adjustments of financial assets and liabilities measured at fair value or amortised cost is recognised in the income statement when earned. Costs that have been incurred in order to generate earnings are recognised in the income statement hereunder depreciation, write downs, provisions.

Enterprise Services Denmark ApS

Accounting policy

Income statement

Revenue

The revenue from leased assets is recognized linearly over the leasing period in accordance to the agreements, the revenue is accrued accordingly.

Revenue from the sale of services is recognised in the income statement when delivery is made, risk has transferred to the buyer, if the revenue can be calculated reliably and it is expected that payment is received. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the fixed consideration net of VAT and duties charged on behalf of a third party.

Cost of Sale

Cost of sale includes project revenue related costs, subcontracted and direct.

Other external expenses

Other external expenses include expenses for distribution, sale, marketing, administration, premises, loss on bad debts etc.

Personnel expenses

Personnel expenses include salaries and wages as well as social insurance contributions, pension contributions etc. for the company's employees.

Regulatory mechanisms for benefits to employees by social security, pensions or insurance nature is recognized in income, as the obligation arises, as a proportion of its staff costs.

Depreciation and Impairment

Depreciation on assets and goodwill amortization. Analysis of goodwill position result in specific impairment has been made to secure future goodwill is in line with expected cash flow NPV.

Financial income and expenses

These items comprise interest income and expenses, realised and unrealised capital gains and losses on payables and transactions in foreign currencies etc as well as tax surcharge and tax relief under the Danish Tax Prepayment Scheme.

Enterprise Services Denmark ApS

Accounting policy (continued)

Foreign currency translation

On initial recognition, foreign currency transactions are converted by applying the exchange rate as at the transaction date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date and the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are converted using the exchange rate at the balance sheet date. The difference between the spot exchange rate and the date when the receivable or liability is realised, is recognised in the income statement under financial income and costs.

Plant and equipment, intangible assets and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

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

Income tax

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Enterprise Services Denmark ApS

Accounting policies (continued)

Balance sheet

Other fixtures and fittings, tools and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Costs include the acquisition price, costs directly attributable to the acquisition, and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	3-5 years
Leased assets	6-8 years

Profits and losses from the sale of property, plant and equipment are calculated as the difference between selling price minus selling costs and carrying amount at the time of sale. Profits or losses are recognised in the income statement as adjustment to depreciation and impairment losses, or under other operating income if the selling price exceeds original cost.

Devaluation of fixed assets

Tangible assets are written down to the lower of recoverable amount and carrying amount.

The accounting value of fixed assets is evaluated yearly for indications of a decrease in value over and above that caused by depreciation.

If it becomes apparent that assets devalue, an impairment test is made of each and every asset or asset class.

Receivables

Receivables are measured at amortised cost, usually equaling nominal value.

A write down to counter to receivables will be performed if there are objective indications that the receivable or portfolio of receivables have devalued. If a single receivable is deemed to have devalued, then the write down will be undertaken on an individual receivable.

Write downs are calculated as the difference between the accounting value of receivables and the present value of the expected cash flows.

Prepayments

Prepayments disclosed as current assets include incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Costs for conclusion of outsourcing contracts are recognised in prepayments and amortized over the contract period.

Enterprise Services Denmark ApS

Accounting policy (continued)

Tax payable and deferred tax

The current tax payable or receivable is recognised in the balance sheet, stated as tax calculated on this year taxable income, adjusted for prepaid tax.

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the value of the carried forward taxable losses, are recognised in the balance sheet at their estimated realisable value, either to off-set future taxable income or deferred tax liabilities within the same legal entity or jurisdiction.

The company has entered into a joint taxation agreement. The actual Danish corporate tax is divided between the jointly taxed companies in proportion to their taxable income (distribution with reimbursement on losses).

Provisions

Provisions regard expected costs for restructuring and pensions. Accrued provisions are recognised when the company – due to a prior period event – has a legal or actual obligation and that fulfilling these obligations will lead to use of the company's financial resources. Provisions are measured at net realization value.

Other liabilities

Financial liabilities which include trade payables and liabilities to other group entities are measured at net realization value which usually corresponds to nominal value.

Deferred income

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

Enterprise Services Denmark ApS
Income statement for the period 1 April 2021– 31 March 2022

	Note	01.04.2022- 31.03.2023 DKK'000	01.04.2021- 31.03.2022 DKK'000
Gross profit		39,632	8,544
Personnel expenses	1	(7,174)	(7,535)
Depreciation and impairment	4	(1,958)	(3,469)
Earnings from operating activity		30,500	(2,459)
Financial income		1,361	0
Financial expenses		(489)	(1,041)
Profit/(loss) before income tax		31,372	(3,500)
Tax on profit /(loss)	2	0	0
Profit/(loss) for the year		31,372	(3,500)
Proposed distribution of profit	3		

Enterprise Services Denmark ApS
Balance sheet as at 31 March 2022

Assets	Note	2023 DKK'000	2022 DKK'000
Other fixtures and fittings, tools and equipment		313	2,044
Plant and equipment	4	313	2,044
Non-current assets		313	2,044
Trade receivables		5,270	1,293
Group entity receivables		45,106	38,529
Other receivables		574	811
Receivables		50,950	40,634
Cash and cash equivalents		40,580	31,016
Current assets		91,530	71,650
Assets		91,844	73,694

Enterprise Services Denmark ApS
Balance sheet as at 31 March 2022

Liabilities	Note	2023 DKK'000	2022 DKK'000
Share capital		50	50
Retained earnings		70,599	39,228
Equity		70,649	39,278
Provisions	5	6,612	24,714
Provisions		6,612	24,714
Trade payables		1,172	200
Current lease liabilities		0	543
Group entity payables		6,133	5,117
Other payables		7,277	3,842
Deferred income		0	0
Current liabilities		14,582	9,703
Liabilities other than provisions		21,195	34,417
Equity, provisions and liabilities		91,844	73,694

Enterprise Services Denmark ApS
Statement of changes in equity for 1 April 2022 – 31 March 2023

	Share Capital DKK'000	Retained Earnings DKK'000	Total DKK'000
	<u>50</u>	<u>39,227</u>	<u>39,277</u>
Equity as at 1 April 2022	50	39,227	39,277
Share capital	-	-	-
Profits / losses of the year	-	31,372	31,372
Equity as at 31 March 2023	<u>50</u>	<u>70,599</u>	<u>70,649</u>

Enterprise Services Denmark ApS

Notes

1 Personnel expenses

	2022/23	2021/22
	DKK'000	DKK'000
Salaries and wages	5,675	4,703
Pension costs	494	839
Restructuring costs	958	1,736
Other social security costs	47	257
	7,174	7,535
Average number of employees	6	10

The Board of Directors are employed by group companies.

2 Income taxes

	2022/23	2021/22
	DKK'000	DKK'000
Current tax	0	0
Change in current tax	0	0
Change in deferred tax	0	0
Withholding tax	0	0
	0	0

3 Proposed distribution of profit

	2022/23	2021/22
	DKK'000	DKK'000
Retained earnings	31,372	(3,500)
	31,372	(3,500)

Enterprise Services Denmark ApS Notes

4 Plant and equipment	Other fixtures DKK'000
Cost as at 1 April 2022	97,555
Disposals	(41,139)
Cost as at 31 March 2023	56,416
Depreciation and impairment as at 1 April 2022	(95,511)
Depreciation for the year	(1,958)
Impairment reversal	41,366
Depreciation as at 31 March 2023	(56,103)
Carrying amount as at 31 March 2023	313

Majority of fixed assets are pre-buy assets that are part of global agreement during Enterprise Services spin-off and CSC acquisition.

5 Provisions

The Provision of MDKK 6,6 is related to VAT, that is expected to be settled with the Danish Tax authorities.

Enterprise Services Denmark ApS

Notes

7 Contingent liabilities

Joint taxation

The Company participates in the Danish joint taxation arrangement with DXC Technology. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

8 Related parties and ownership

Enterprise Services Denmark ApS is a fully owned subsidiary of DXC Technology Danmark A/S. The US and consolidated financial statement can be obtained at www://dxc.technology/investor_relations.

The following related parties have a controlling interest in DXC Technology Danmark A/S:

Name	Municipality of domicile	Basis of influence
DXC UK International Operations Ltd	England	Parent
DXC UK International Ltd	England	Parent
DXC UK International Services Ltd	England	Parent
DXC UK International Holdings Ltd	England	Parent
DXC Lux 6 S.a.r.l.	Luxembourg	Parent
DXC Luxembourg Holding S.a.r.l.	Luxembourg	Parent
DXC Lux 5 S.a.r.l.	Luxembourg	Parent
DXC Luxembourg International S.a.r.l.	Luxembourg	Parent
Lux 1 Holding Company, Inc.	Delaware, USA	Parent
DXC US International Inc.	Nevada, USA	Parent
Computer Sciences Corporation	Nevada, USA	Parent
DXC Technology Company	Ashburn, Virginia, USA	Ultimate parent

There are no transactions that are not per arm's length principle.