

Siemens Mobility A/S

Borupvang 9

2750 Ballerup

CVR no.: 39 49 27 68

Annual Report 2022/23

The annual report was presented and
approved at the Company's
General meeting on December 11, 2023



Anne Friis

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Statements

Statement by Management

The Executive Board and the Supervisory Board have today discussed and approved the annual report, including the Management's review of Siemens Mobility A/S for 2022/23.

The annual report has been prepared in accordance with the Danish Financial Statements Act. We consider the accounting policies used to be appropriate. Accordingly, the annual report gives a true and fair view of the Company's financial position on September 30, 2023, and of the results of the Company's operations and cash flows for the financial year October 1, 2022 – September 30, 2023.

In our opinion, the Management's review gives a fair view of the matters discussed in the Management's review. We recommend that the annual report be approved at the annual general meeting.

Ballerup, December 11, 2023

Executive Board:



Jesper Kückelhahn Nilson

Supervisory Board:



Bjarne Lykke Sørensen
(Chairman)



Hans Henrik Jensen



Jesper Kückelhahn Nilson

Statements

Independent auditor's report

To the shareholder of Siemens Mobility A/S

Opinion

We have audited the financial statements of Siemens Mobility A/S for the financial year October 1, 2022 – September 30, 2023, which comprise income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including 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 financial position of the Company on September 30, 2023, and of the results of the Company's operations and cash flows for the financial year October 1, 2022 – September 30, 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 our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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 additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

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 as to 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 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 the financial statements.

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

Statements

Independent auditor's report (Continued)

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 note 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.

Statements

Independent auditor's report (continued)

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the 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 the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the 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 of the Management's review.

Copenhagen, December 11, 2023

EY
Godkendt Revisionspartnerselskab
CVR-nr. 30 70 02 28



Thomas Bruun Kofoed
State Authorised Public Accountant
mne28677

Management's review

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Company details

Siemens Mobility A/S
Borupvang 9
2750 Ballerup

Phone number: 44 77 44 77
Website: www.mobility.siemens.com

CVR no.: 39 49 27 68
Established: April 16. 2018
Registered office: Ballerup
Financial year: October 1 – September 30

Supervisory Board

Bjarne Lykke Sørensen, Chairman
Hans Henrik Jensen
Jesper Kückelhahn Nilson

Executive Board

Jesper Kückelhahn Nilson

Auditor

EY
Godkendt Revisionspartnerselskab
Dirch Passers Allé 36
2000 Frederiksberg, Denmark

Annual general meeting

The ordinary annual general meeting takes place on December 11, 2023.

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Five years financial highlights

DKK '000	2022/23	2021/22	2020/21	2019/20	2018/19
Revenue	546.917	542.346	516.088	342.812	336.326
Operating profit	82.734	45.011	43.549	23.563	19.042
Net financials	-3.230	-6.922	-6.213	-4.665	-3.680
Profit for the year	61.810	28.406	28.020	14.072	11.534
Proposed dividend	97.238	28.406	28.020	14.072	11.534
Fixed assets	1.903	2.366	2.994	2.284	2.632
Non-fixed assets	429.212	376.899	370.931	361.153	311.756
Total assets	431.115	379.265	373.925	363.437	314.388
Share capital	501	501	501	501	501
Equity	180.402	147.550	146.975	133.113	130.545
Cash flow from operating activities	203.145	56.094	32.208	6.936	-12.834
Cash flow from investing activities	-221	-28.074	-1.518	-243	-850
– portion related to investments in property and equipment	-221	-128	-1.518	-243	-850
Cash flows from financing activities	-28.406	-28.020	-30.690	-6.693	13.684
– amount relating to net dividend distributions	-28.406	-28.020	-14.072	-11.534	0
Total cash flows	0	0	0	0	0
Average number of employees	185	198	201	199	197
Asset turnover	1,3	1,4	1,4	1,0	1,1
Return on equity	37,7	19,3	20,0	10,7	9,2
Profit margin	15,1	8,3	8,4	6,9	5,8
Return on assets	20,4	12,0	11,8	7,0	6,3
Equity ratio	41,8	38,9	39,3	36,6	41,5

Definitions of financial ratios:

Asset turnover

The year's revenue relative to average operating assets.

Return on assets

Operating profit/loss before interest as a percentage of average operating assets.

Return on equity

Profit/loss for the year relative to average equity.

Equity ratio

Closing equity as a percentage of total liabilities at year-end.

Profit margin

Operating profit/loss before interest as a percentage of revenue.

Main activity

Siemens Mobility A/S combines all Siemens businesses in the area of passenger and freight transportation, including rail vehicles, rail automation systems, rail electrification systems, digital solutions, and related services. The Company also provides its customers with consulting, planning, financing, construction, service and operation of turnkey mobility systems. Moreover, Siemens Mobility offers integrated mobility solutions for networking of different types of traffic systems.

The principal customers of Siemens Mobility A/S are public and state-owned companies in the transportation and logistics sectors, so its markets are driven primarily by public spending. Customers usually have multi-year planning and implementation horizons, and their contract tenders therefore tend to be independent of short-term economic trends. Siemens Mobility A/S' principal competitors are multinational companies. Consolidation among Siemens Mobility A/S' competitors are continuing. Alstom has acquired Bombardier and Hitachi has announced that they want to buy Thales. We still foresee further consolidation in our addressed markets, and we also expect this to influence the marked competition further.

Trends in Siemens Mobility A/S' markets are characterized by the need for solutions that make daily mobility simpler, more flexible, faster, reliable, and affordable. Cities and national economies face the challenge of reducing the costs, space requirements, noise, and carbon emissions of transportation. The pressure on mobility providers and policymakers to meet these mobility and transportation needs is increasing as the urban population growth is expected to continue.

Siemens Mobility R&D strategy is focused on maximum availability, high throughput and enhanced passenger experience. Although there is a growing need for mobility worldwide, the possibilities for building new roads and railways are limited. Meeting the demand for mobility requires intelligent solutions that make transport more efficient, safe and environmentally friendly. Decarbonization and seamlessly connected intermodal (e)mobility are key factors for the future of transportation. Consequently, Siemens Mobility R&D activities emphasize digitalization in developing state-of-the-art mobility solutions for rail and road combined with new business models such as availability-as-a-service (AaaS) via our data analytics application suite Railigent powered by MindSphere.

Siemens Mobility invests in the future mobility landscape together with other partners in areas such as sensor technologies, connectivity/IoT solutions, software for intermodal transport, Digital Twin/BIM, artificial intelligence and additive manufacturing. Siemens Mobility's investments focus mainly on maintaining or enhancing its production facilities and on meeting project demands.

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Projects

Siemens Mobility A/S has continuous progress with several projects, where the 3 largest projects are important within public transport.

- CBTC signaling system for the S-bane in Copenhagen, Denmark. The system has now been in full semi-automated revenue service (STO) for more than one year. The punctuality on the S-bane has never been higher. In June 2021, the Danish Government, together with a broad majority in the Parliament, agreed on Infrastructure Plan 2035 whereby the S-bane will be modernized and automated. DSB shall upgrade the S-bane to driverless operation as part of the Future S-bane Programme which will require changes to the CBTC signaling system converting it from a semi-automated rail to a fully automated driverless transport system (UTO). Agreement on this upgrade is expected to be signed in 2023.
- Rail Electrification on the mainlines in Denmark for Banedanmark. Siemens Mobility A/S is in consortium with Aarsleff Rail A/S who implements the project together. It is a very important project in the transition to a "green" mainline infrastructure. Several sections are already in full operation and handed over.
- The Greater Copenhagen Light Rail for Hovedstadens Letbane. Siemens Mobility A/S is in consortium with Aarsleff Rail A/S who implements the project together. The line will offer a more efficient and "green" transport option in and between the Copenhagen suburbs. Large parts of the project have already been implemented and the testing phase has begun.

All projects are being delivered by Siemens Mobility A/S in close cooperation with affiliated companies to Siemens Mobility A/S.

Service and maintenance

Siemens Mobility A/S has service obligations in several projects, where our experience in safety, IT systems and big data analysis helps to ensure system capacity, performance and high availability for the benefit of our customers' operations - this also applies to the 3 largest service contracts which are important within public transport.

- 25-year service contract for the Communications-based Train Control (CBTC) signaling system for the S-bane in Copenhagen, Denmark.
- 10-year service contract for 42 new Vectron locomotives delivered by Siemens Mobility to DSB. This contract includes Siemens Mobility A/S in the role of entity in charge of maintenance (ECM) according to Regulation (EU) 2019/779 - and Siemens Mobility A/S has therefore obtained this certification.
- 15-year service contract for the Greater Copenhagen Light Rail for the Hovedstadens Letbane. Siemens Mobility A/S is responsible for the rolling stock and large parts of the infrastructure. The service project has been under increasing mobilization in 2023 and must be ready for passenger operation in mid-2025.

Corporate Governance

In addition to applicable legislation, the management processes in Siemens Mobility A/S are based on the company being a subsidiary of the German Siemens Group. Siemens Mobility A/S is thus subject to applicable policies, circulars and standards for corporate governance, which streamlines processes and collaboration internally and externally.

Risks

The main operational risks for Siemens Mobility A/S are related to an increasing size and technical as well as contractual, complexity of projects and maintenance obligations in accordance with agreed performance specifications and deadlines. Therefore, Siemens Mobility A/S constantly focuses on optimizing processes and tools, training employees and certifying project managers, as well as comprehensive guidelines for approving projects of a certain size and complexity.

The risk of hacking, cybercrime, "social engineering", eavesdropping etc. disrupting operations in terms of availability, integrity and confidentiality of personal data and important business data has increased - and digital attacks are becoming more and more sophisticated - the trend is increasing due to an increasing external threat and IT dependence. Therefore, Siemens Mobility A/S constantly focuses on mitigating cyber security threats by implementing additional controls according to ISO27001 and thus strengthening the company's management systems to address these risks. Siemens Mobility A/S expects to be ISO 27001 certified in early 2024.

Corporate Social Responsibility

Siemens Mobility A/S' strategy is based on a general understanding of the Company's role in society, entailing that the Company must create value – not only for its shareholders but also for the societies in which it operates. Siemens Mobility A/S' activities must serve a purpose beyond profit, contributing to solving some of humanity's considerable challenges such as global warming.

The risk of carrying out business in Denmark with respect to corruption and bribery as well as compliance with basic human and labor rights is limited as Denmark remains listed as one of the least corrupt countries in the world on Transparency International's Corruption Perceptions Index. At the same time, Siemens Mobility A/S' internal control systems contribute to minimizing the risk of non-compliance with legislation.

Business model

Siemens Mobility A/S is organised into one business segment, which markets Siemens AG's transportation products and solutions to private companies and public authorities in Denmark. The portfolio combines all Siemens businesses in passenger and freight transportation, including rail vehicles, rail automation systems, rail electrification systems, digital solutions, and related services. The portfolio consist of large complex projects in which engineering and project management are important elements of the total service delivery.

The Company also provides its customers with consulting, planning, financing, construction, service, and operation of turnkey mobility systems. Moreover, Siemens Mobility offers integrated mobility solutions for networking of different types of traffic systems.

Protection of human rights

Siemens' Business Conduct Guidelines contain the basic principles and rules on how Siemens' employees are expected to act towards each other, external business partners and the general public. The requirement to comply with applicable regulations, respect people of various ethnic origin, culture,

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religion, sexual orientation, gender, etc., and managers' special responsibility to meet their organizational and supervisory duties are emphasized.

According to these principles Siemens Mobility A/S does not tolerate neither discrimination based on the above-mentioned differences nor offensive behavior, sexual harassment, or other types of abuse. These principles are also reflected in the requirements for Siemens' suppliers (described in the section on suppliers below).

Continuous announcement from top management in Denmark to employees states a clear none acceptance policy on any kind of harassment communicated along with a "open door policy" and possibility for employees to contact anyone in management, 'People and Organization' (HR) or any other in the organization who can support with an escalation of the issues. Siemens Mobility have not had any reports that indicate the company have problems in this area and if there is received any kind of report or feedback regarding harassment, the company have processes to act prompt and make sure the situation is taken care of.

Employees

One of Siemens Mobility A/S' key assets are the skilled, creative and highly committed employees. Activities to support employees' skills and commitment are therefore prioritized, and measures are implemented on a continuous basis to improve employees' health and job satisfaction as well as their professional and personal development.

Siemens Mobility A/S has therefore implemented a number of policies to support these measures, including a sickness absence policy, a senior employees' policy, a recruitment and diversity policy as well as a policy against harassment, violence and bullying (including anti-discrimination etc.). Moreover, Siemens Mobility A/S has a well-functioning working environment organization, monitoring developments and initiating initiatives in cooperation with Management.

In terms of salary, Siemens Mobility A/S pays equal salary for equal work based on qualifications and experience.

The risk of stress is one of the most significant risk factors, and we have continuous focus on this area, where both managers and employees are offered training on how to prevent and handle stress in the workplace.

In respect of workplaces outside Siemens Mobility A/S, safety is a significant focus area, and we have implemented 'Safety focus day's'. These have been initiated worldwide by Siemens Mobility GmbH. In general, sickness absence and the number of industrial accidents is low, which indicates that the efforts made to increase safety and health in the workplace are effective.

Employee commitment and job satisfaction are measured on a regular basis in a global employee satisfaction survey forming the basis for dialogue and improvement measures in the entire company. The most recent survey was carried out in May 2023 with 89% of 171 employees participating. Most of the employees express they are proud and satisfied of working for Siemens Mobility A/S. The results of the surveys are discussed with the employees in the individual departments, where necessary department-specific initiatives are implemented.

In the coming years, we expect these initiatives to continue being implemented and used to mitigate any risks related to stress.

Supplier responsibility

Suppliers make up a significant part of the overall value chain, and Siemens AG considers it part of its responsibility to ensure that the Company's suppliers live up to high standards. For purposes of elucidating Siemens' principles for good business conduct, the Company has prepared a Code of Conduct for Siemens Suppliers to be observed by all the Company's suppliers. Siemens' Code of Conduct for Siemens Suppliers is based on the UN's Global Compact, which lays down principles regarding the CSR areas protection of human rights, freedom of association, abolition of child labour and discrimination, protection of the environment and anticorruption.

The yearly evaluation among suppliers did not show violation of Code of Conduct for Siemens Mobility suppliers. When entering particularly close business relations with Siemens Mobility A/S, enterprises and other stakeholders (Business Partners) are furthermore subjected to a compliance due diligence process.

Siemens Mobility GmbH is the principal single supplier in relation to Siemens Mobility A/S. To ensure that the Company's third-party suppliers observe all applicable guidelines, significant suppliers are subjected to an annual quality, supply security, environmental management and working environment. This check contributes to reducing the risk of supplier failure and supply chain compliance issues.

Anti-corruption

Siemens AG has established a global compliance organization that conducts among others compliance risk mitigation processes such as Compliance Risk Assessments and internal audit activities.

There are very clear rules for how to ensure anti-corruption. The company do not tolerate corruption in any form, and it is all written in our Business Conduct Guidelines, which every employee must read at the time of their employment (and they sign that they will comply with the guidelines throughout their employment in Siemens Mobility A/S).

To increase the focus a mandatory anti-corruption web-based training has been conducted and will run at a regular basis. There is a continuous focus on this matter which is furthermore supported by tools for helping employees to the right and compliant decisions.

The main risk that Siemens Mobility A/S faces regarding corruption is when interacting with suppliers. In 2022/23, there has not been identified any cases of corruption or bribery.

Environment

Siemens Mobility A/S wants to be known as a "green" company with targeted efforts to protect the environment. Being certified according to ISO 14001, Siemens Mobility A/S has laid down general environmental impact reduction goals. Specific targets have been set for key parameters such as the consumption of electricity, heating and water in our buildings and carbon emissions from our company cars.

Siemens Mobility A/S' headquarters at Borupvang 9 are certified in accordance with the so-called LEED Gold standard (Leadership in Energy and Environment Design), which ensures optimum energy utilization and a healthy indoor climate.

Management's review

The overview below shows the trend in the financial ratios of the building.

Waste and consumption of electricity, water and heating ¹⁾	2022/23	2021/22	2020/21
Total volume waste in tons ²⁾	19,8	18,1	18,7
- hereof portion to be recycled as a percentage (target: 60 %)	68%	66%	64%
Consumption of electricity in kwh per m ² (target: 84)	73,0	76,0	69,2
Consumption of heating in kwh per m ² (target: 80)	24,3	21,1	29,3
Consumption of water in liters per m ² (target: 397,4)	306,2	260,9	246,6

¹⁾ At the address Borupvang 9. The consumption data are monitored directly on the main meter by ISS and is reported every month. The garbage disposal is reported in fraction by Marius Pedersen according to the European waste catalogue (EWC)

²⁾ The overview has been changed to only include Siemens Mobility A/S total volume waste in tons.

The total waste volume shows an increase of 9,4 % in 2022/23. At the same time, the share of waste being recycled has increased to 67 %, which is above our target. The consumption of electricity has decreased by 4 % while water consumption and consumption of heat has increased by 17 % and 15 %, which is properly related to more employees in the office after covid.

The development in consumption and emissions is monitored continuously to assess the possibility of reducing the environmental impact to the widest extent possible. For instance, the company car policy includes carbon emission limits on company cars.

One of the biggest contributors to the CO₂ emissions is the company cars and here we follow the Siemens AG guidelines to become CO₂ neutral by 2030. Therefore, we adapt the car policy of Siemens A/S that has defined. From 1st of January 2022 there can only be purchased hybrid or full electric cars and by the 1st of January 2026, there will only be delivered full electric cars to our fleet.

The table below shows the trend in carbon emissions from company cars owned by Siemens Mobility A/S.

CO ₂ emissions from company cars	2022/23	2021/22	2020/21
Actual emissions (g/km) – White plates without plug-in hybrids ²⁾	161,1 (152,8)	154,8 (154,2)	161,0 (156,1)
Actual emissions (g/km) – including service cars	130,3	152,3	135,2
Number of electric cars divided into pure electric / plug-in hybrid cars	6 / 14	2 / 6	No information

¹⁾ The table show the emission for the total portfolio of cars with white license plates in the current fiscal year. The standard emission is calculated from the factory based on one of the three methods: NEDC 1, NEDC 2 or WLTP. The actual emission is based on a conversion rate for benzin of 2.400 gram CO₂ per liter and for diesel a conversion rate of 2.700 gram CO₂ per liter.

²⁾ The table has been changed in 2021/22, since the comparison number for standard emission have been left out, since there is a big deviation between the standard and the actual emission. Instead, the table has been divided into white plates and plug in hybrids- The parenthesis shows the average emission from white plates.

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Actual emissions for white plates cars have decreased compared to the years before but remain above the norm. Collectively in 2022/2023, the company cars emitted a total of just over 130 tons of CO₂. In addition, service cars emitted almost 32,5 tons of CO₂.

Although the plug-in hybrid cars emit less CO₂ per kilometers driven than the fossil cars, the emissions are, however, 4-5 times higher than the factory norm. The plug-in hybrid cars must therefore be considered as a transitional phase on the way to have 100 % electric cars in the fleet.

As a part of the new car policy, multiple charging stations have been installed at Siemens locations to meet the demand for increased need of the charging options.

The environmental risks associated with Siemens Mobility A/S' activities in Denmark are relatively small, as the Company does not have any production facilities and thus only handles environmentally hazardous waste to a limited extent.

Gender distribution in management

Siemens AG strives to promote diversity across its global entities as the company wishes to reflect the local communities. Moreover, diversity is considered a valuable source of innovation and development, and similarly, lack of diversity thus poses a risk of stagnation.

Siemens Mobility A/S would like to unfold the full potential of all employees and ensure that men and women have the same opportunities for obtaining leadership positions. Siemens Mobility have a policy on women in management, and the company also have targets for increasing the proportion of women at all management levels.

Therefore, and subject to the reporting requirements in section 99b of the Danish Financial Statements Act regarding goals and policies for the underrepresented gender, Siemens Mobility A/S has focus on diversity in all management positions. For the time being the Supervisory Board of Siemens Mobility A/S is based on a 'lean concept' being the CEO (male) and CFO (male) of Siemens Mobility A/S and the CEO (Male) of Siemens A/S. Siemens Mobility A/S has set the goal that the ratio of women appointed by the general meeting should be 20 % in 2022/23. However, it has still not been decided to make expansions or replacements in the current Supervisory Board in 2021/22/23.

For the future Siemens Mobility A/S, has set the goal that the ratio of women appointed by the general meeting should be 20 % in 2026/27.

To promote Siemens Mobility A/S as a diverse workplace, all candidates are encouraged to apply for open positions, regardless of gender, race, age, and cultural background.

There is diversity in the recruitment basis, and recruitment is based on a comprehensive assessment of the candidates, comprising both technical skills and personal qualities, and it aims to have both genders represented in the application field for all positions. Furthermore, the recruiters and hiring managers have been trained to be aware of - and avoid - unconscious bias in their selection of candidates.

The share of women based on FTE in Siemens Mobility A/S on September 30, 2023, is 23 % (23% in 2022 and 25 % in 2021). The goal is for the share of female managers to be at least at the same level as the share of women in Siemens Mobility A/S. In 2022/23, the share of female managers based on FTE was 32 % (36 % in 2022 and 36% in 2021), which is equal to 6 women out of 19 managers.

Data ethics

The requirement for ethically correct behavior is rooted in Siemens AG business principle, which is stated in the Business Conduct Guidelines. Ethics is one of the six elements in the overall business framework for a more sustainability future.

Siemens Mobility A/S handling of data, including personal data, is subject to the same basic principles as the rest of the company's operation, which means, among other things, that we behave properly, that we create trust and we don't tolerate discrimination in any kind regardless of gender, age, ethnicity, sexual orientation etc.

The guidelines have been described in Siemens Mobility guidelines for data ethics of 11. November 2022. The guideline is reviewed once a year.

Siemens Mobility A/S uses different types of data to different purposes:

- Data about customers and suppliers (business transactions) is used to secure the going concern of our business, improve customer solution and support, documentation of orders and agreements etc.
- Marketing data, collected via our website, is used to target our communication with customers.
- Data about employees is used as a basis for management decisions, including to develop growth opportunities to the employees.

The following applies to the handling of the principles:

- Siemens Mobility A/S' use of the data must respect the legitimate interests with the individuals and groups to whom the data relate and must always be legitimate and on predetermined purpose.
- Siemens Mobility A/S' use of data must respect the principle of justice and human dignity and must not be used to discriminate against individuals or groups.
- Siemens Mobility A/S collects and processes personal data with its necessary confidentiality and only if they are protected against loss, alteration and unauthorized use or disclosure using relevant technical and organizational solutions.
- Siemens Mobility A/S ensures full transparency about the data collection, including what specific purposes the data is to be used for, and collects only the data that is necessary to realize the determined goal of the data processing.
- Siemens Mobility A/S is responsible for the data that is collected and the use thereof. We immediately inform those responsible for data protection in our company about possible violations of the rules on the processing of personal data.

Siemens portal for education and training, My Learning World, includes several courses in data ethics and data security. The new data ethics policy will be rolled out during 2022/23.

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Income statement

In the year under review, revenue increased to DKK 546.917 thousand (2021/22: DKK 542.346 thousand), amounts to an increase of 1%.

The level of revenue is above the expectations stated in the financial year in the 2021/22 Annual Report. The high level of revenue was primarily driven by high progress in the projects.

Profit for the year has increased compared to 2021/2022 to DKK 61.810 thousand. (2021/22: DKK 28.040 thousand), a proposal is made for distribution of dividend of DKK 97.238 thousand.

Profit for the year of DKK 61.810 thousand was higher than the expectations in 2021/22 Annual Report, and management considers the profit for the year to be satisfactory. The higher profit was due to a combination of high progress in the projects and reduction of selling cost.

Balance sheet

The balance sheet sum has increased from DKK 379.265 thousand in 2021/22 to DKK 431.115 thousand at the end of the financial year.

Cash flow

Cash flows from operating activities improved from DKK 56.094 thousand in 2021/22 to DKK 203.145 thousand at the end of the financial year, due to improved working capital, mainly driven by improvement of contact assets and receivables.

Expectations for the future

Management expects an interesting 2023/24 within the business with many different large offers. The revenue is expected to decrease with 5-10 % compared to fiscal year 2022/23 as the management expect the revenue to be more normalized compared to 2022/23 extraordinary revenue. The result for fiscal year 2023/24 is expected to decrease by 30-38 % compared to fiscal year 2022/23.

Incentive plans

Siemens AG has established a stock award plan according to which key executives may be granted stock awards in Siemens AG.

In this connection, an amount of DKK 803 thousand was recognised under expenses in the 2022/23 income statement of Siemens Mobility A/S.

Furthermore, Siemens AG has established a program for all employees, allowing them to acquire shares with an option to acquire extra shares after two years' ownership.

Siemens AG also has a program for all employees, allowing registered employees to purchase shares on a regular basis.

In this connection, an amount of DKK 868 thousand was recognised under expenses in the in 2022/23 income statement for Siemens Mobility A/S.

Management's review

Siemens Mobility A/S
Annual report 2022/23
CVR no.: 39 49 27 68

Special risks

Financial risks

Due to its operations and financing, the Company's exposure to changes in exchange rates and interest rates is relatively low. It is the Company's policy not to engage in active speculation in financial risks. Thus, the Company's financial management activities are aimed only at managing risks already assumed.

Currency risks

The Company's activities are affected by exchange rate fluctuations as revenue is generated, in all material respects, in Danish kroner, whereas purchases of products are primarily affected in foreign currencies. The Company's exchange rate risks are primarily hedged through derivative financial instruments. It is the Company's currency policy to hedge projects with a net exposure of more than EUR 1 million.

Furthermore, the Company hedges minimum 75% of its net currency positions, and net positions below EUR 1 million are not hedged.

Interest rate risks

The Company's interest-bearing debt primarily consists of financial debt to group entities. It is not the Siemens Company's policy to hedge interest rate risks relating to intra-group balances. An increase of 1 percentage point in the general interest rate level will imply an increase in the Company's annual interest expenses of DKK 0,2 million.

Credit risks

The Company is not exposed to any significant risks relating to any particular customer or business partner. The Company's policy in respect of credit risks implies that all major customers and other cooperators are credit rated on an ongoing basis.

Financial statements October 1 – September 30

Income statement

DKK '000	Note	2022/23	2021/22
Revenue	3	546.917	542.346
Production costs		-421.923	-457.937
Gross profit		124.994	84.409
Distribution costs		-19.013	-17.112
Administrative expenses		-23.247	-22.286
Profit from ordinary activities		82.734	45.011
Financial income	4	2.702	0
Financial expenses	5	-5.932	-6.922
Profit from ordinary activities		79.505	38.089
Tax on profit from ordinary activities	6	-17.694	-9.683
Profit for the year		61.810	28.406

Financial statements October 1 – September 30

Balance sheet

DKK '000

Assets

	Note	2022/23	2021/22
Fixed assets			
Plant and equipment	7		
Other plants and equipment		1.903	2.366
Total plant and equipment		1.903	2.366
Total fixed assets		1.903	2.366
Non-fixed assets			
Inventories		26.929	29.771
Total inventories		26.929	29.771
Receivables			
Trade receivables		39.727	64.776
Financial receivables from group entities		200.556	26.039
Contract assets	8	158.869	249.690
Other receivables		2.760	6.268
Prepayments	9	371	355
Total receivables		402.283	347.128
Cash		0	0
Total Non-fixed assets		429.212	376.899
Total assets		431.115	379.265

Financial statements October 1 – September 30

Balance sheet

DKK '000

Liabilities

Note 2022/23 2021/22

Equity

Share capital		501	501
Retained earnings		83.008	118.436
Reserve for hedging instruments		-345	207
Proposed dividend		97.238	28.406
Total equity		180.402	147.550

Provisions

Warranty commitments	10	4.655	10.093
Deferred tax	11	42.511	37.206
Other provisions	12	33	199
Total provisions		47.199	47.498

Liabilities

Short-term liabilities

Contract liabilities	8	137.621	107.567
Joint tax group liability		11.217	1.981
Trade payables		20.807	27.999
Payables to group entities		2.734	5.525
Other payables		31.135	40.992
Prepayments	13	0	153
Total short-term liabilities		203.514	184.217

Total liabilities

250.713 231.715

Total equity and liabilities

431.115 379.265

Notes without references

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Financial statements October 1 – September 30

Statement of changes in equity

DKK '000	Share capital	Retained earnings	Reserve for hedging instruments	Proposed dividend	Total
Equity on October 1, 2021	501	118.436	18	28.406	146.975
Value adjustment of hedging instruments, opening	0	0	-18	0	-18
Value adjustment of hedging instruments, year end	0	0	207	0	207
Dividends paid	0	0	0	-28.020	-28.020
Profit for the year	0	0	0	28.406	28.406
Equity on September 30, 2022	501	118.436	207	28.406	147.550
Value adjustment of hedging instruments, opening	0	0	-207	0	-207
Value adjustment of hedging instruments, year end	0	0	-345	0	-345
Dividends paid	0	0	0	-28.406	-28.406
Profit for the year	0	-35.428	0	97.238	61.810
Equity on September 30, 2023	501	83.008	-345	97.238	180.402

The share capital consists of 501 shares of DKK 1.000 each.

The share capital has increased by DKK 1.000 in FY2018/2019

Financial statements October 1 – September 30

Statement of Cash Flows

DKK '000	Note	2022/23	2021/22
Revenue		546.917	542.346
Costs and other operating income		-464.183	-497.335
Adjustments	14	-4.919	2.867
Cash generated from operating activities before changes in working capital		77.815	47.878
Changes in working capital	15	132.267	20.128
Financial income and expenses, net		-3.230	-6.922
Value adjustments of hedging instruments		-552	189
Corporation tax paid		-3.155	-5.179
Cash flows from operating activities		203.145	56.094
Purchase of plant and equipment		-221	-128
Changes in financial receivables from group entities		-174.518	-27.946
Cash flow for investing activities		-174.739	-28.074
Dividend paid		-28.406	-28.020
Changes in financial debt to group entities		0	0
Cash flow for financing activities		-28.406	-28.020
Cash flows from operating, investing and financing activities for the year		0	0
Cash and cash equivalents on October 1		0	0
Cash and cash equivalents on September 30		0	0
Cash and cash equivalents can be specified as follows:			
Cash		0	0
Cash and cash equivalents on September 30		0	0

The cash flow statement cannot be directly derived from the other components of the financial statements.

Financial statements October 1 – September 30

Notes

1 Accounting policies

The financial statements of Siemens Mobility A/S for 2022/23 have been prepared in accordance to the provisions in the Danish Financial Statements Act applicable to large reporting class C entities.

The accounting policies have been applied consistently during the financial year and for the comparative figures.

The financial statements are presented in Danish kroner DKK '000

Recognition and measurement

Assets are recognised in the balance sheet when it is probable that future economic benefits 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 from the Company, and the value of the liabilities can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described below for each individual item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is made up of the original cost less installments, if any, and plus or minus the accumulated amortisation of the difference between the cost and the nominal amount.

In recognising and measuring assets and liabilities, any gains, losses and risks occurring prior to the presentation of the annual report that evidence conditions existing at the balance sheet date are taken into account. Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities measured at fair value or amortised cost.

Equally, costs incurred to generate the year's earnings are recognised, including depreciation, amortisation, impairment losses and provisions as well as reversals as a result of changes in accounting estimates of amounts that were previously recognised in the income statement.

Foreign currency translation

Transactions denominated in foreign currencies are translated into DKK at the exchange rates at the date of the transaction. Receivables and payables denominated in foreign currencies are translated into DKK at the exchange rates at the balance sheet date. Realised and unrealised

Exchange gains and losses related to hedging of project costs are recognised in the income statement under cost of sales and financial income and expenses relating to foreign-currency loans, respectively. Exchange gains and losses related to hedging transactions where the hedged item is not included in the balance sheet, are, however, measured in the balance sheet as cut-off items once the hedged item is realised.

Financial statements October 1 – September 30

Notes

Income statement

Revenue

The company's net sales consist of sales of commercial and finished goods, construction contracts, service contracts and sales.

When concluding client contracts, each contract is assessed for compliance with IFRS 15's five steps to assess:

1. Customer contract identification.
2. Identification of purchase obligations.
3. Determining the transaction price.
4. Allocating the transaction price of identified purchase obligations.
5. Recognition of revenue when purchase obligations are met.

The company's customer contracts are divided into individually identifiable purchase obligations that are recognized and measured separately at fair value.

Where a sales agreement includes multiple purchase obligations, the total transaction price of the sales agreement is allocated proportionally to the individual purchase obligations of the agreement.

Net sales are recognized when the customer has gained control over the individual identifiable delivery obligation.

Recognized revenue is measured at the fair value of the agreed remuneration, excluding VAT and taxes levied on behalf of a third party. All types of discounts granted are recognized in revenue. The fair value corresponds to the agreed price discounted to present value, where the payment terms exceed 12 months.

The part of the total remuneration that is variable, for example in the form of discounts, bonus payments, penalty payments, etc., is only recognized in revenue when it is reasonably certain that no subsequent reimbursement thereof will occur, for example due to lack of fulfillment.

Financial statements October 1 – September 30

Notes

Revenue (continued)

When selling commercial and finished goods, revenue is recognized when the customer has control over the product. Although a sales contract for the sale of finished goods and merchandise often contains multiple purchase obligations, they are treated as one total delivery obligation, with control typically passing at the same time.

Contracting contracts are recognized over time as the work is carried out, either on the client's property or the project is so adapted to the client's specific needs that it cannot be put into operation by others without relatively high costs, while the customer is obliged to settle on an ongoing basis including a reasonable profit for the work performed.

Recognition is based on input-based inventories based on actual consumed costs according to total projected costs and this is considered to be the best method to reflect the ongoing transfer of control.

When the result of a contract cannot be reliably estimated, revenue is recognized only in accordance with the costs incurred, to the extent that it is considered probable that the costs will be recovered.

Net sales from service contracts where the control is carried out on an ongoing basis are accrued and recognized in the period to which they relate. Prepaid service contracts are recognized as accruals.

Production costs

Production costs comprise costs, including depreciation and amortization and salaries, incurred in generating revenue for the year.

Distribution costs

Costs incurred in distributing goods sold during the year and in conducting sales campaigns, etc. during the year are recognised as distribution costs. Also, costs relating to sales staff, advertising, exhibitions and depreciation are recognised as distribution costs.

Administrative expenses

Administrative expenses comprise expenses paid in the year to manage and administer the company, including expenses related to administrative staff, office expenses and amortization and depreciation.

Financial statements October 1 – September 30

Notes

Financial income and expenses

Financial income and expenses comprise interest income and expenses, capital gains and losses, foreign-currency payables and transactions, amortisation of financial assets and liabilities as well as surcharges and allowances under the advance-payment-of-tax scheme, etc.

Tax for the year

The company is subject to the Danish rules on joint taxation of the Siemens group Danish activities.

Siemens A/S is the administration company in respect of the joint taxation arrangement and accordingly settles all corporation taxes to the tax authorities.

The current Danish corporation tax is allocated by settling the joint taxation contributions between the jointly taxed entities in proportion to their taxable income. Loss-making entities receive joint taxation contributions from entities which have been able to apply the loss to reduce their own taxable income.

Tax for the year comprises current corporate tax, joint taxation contribution and changes in deferred tax for the year due to changes in the tax rate. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts recognised directly in equity is recognised directly in equity.

Balance sheet

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

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

Depreciation is provided on a straight-line basis over the expected useful life of the assets. The depreciation periods are:

Other property, plant and equipment: 3-10 years

The basis of depreciation is based on the residual value of the asset at the end of its useful life and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the time of acquisition and are reassessed every year. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

Depreciation is recognised in the income statement as “Production costs”, “Distribution costs”, and “Administrative expenses”, respectively.

Gains and losses on the disposal of property, plant and equipment are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal.

Financial statements October 1 – September 30

Notes

Property, plant and equipment (continued)

Gains or losses are recognised in the income statement under 'Other operating income' or 'Other operating expenses', respectively.

Impairment of assets

The carrying amount of property, plant and equipment is tested annually for indication of impairment other than the decrease in value reflected by amortisation/depreciation.

Impairment tests are conducted on individual assets or groups of assets when there is indication of impairment. Write-down is made to the lower of the carrying amount and the recoverable amount.

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists.

Inventories

Inventories are measured at cost based on weighted average. Where the net realisable value is lower than cost, inventories are written down to this lower value.

Goods for resale and raw materials and consumables are measured at cost, comprising purchase price plus delivery costs.

The net realisable value of inventories is determined as the selling price less costs of completion and costs incurred to effect the sale, taking into account marketability, obsolescence and developments in the expected selling price.

Receivables

Receivables are measured at amortised cost. Write-down is made for expected losses.

Contract asset and liabilities

Major contract assets or liabilities relate to construction contracts and are measured at the market value by reference to the stage of completion. The market value is measured according to the stage of completion at the balance sheet date and the expected, aggregate income from the individual construction contracts.

Other contract assets or liabilities are measured at cost, including materials, wages/salaries and indirect production overheads.

Financial statements October 1 – September 30

Notes

Contract asset and liabilities (continued)

Each contract assets or liabilities are recognised in the balance sheet under “Receivables” or “Payables”, depending on whether the net value of the order less amounts invoiced on account and prepayments is positive or negative.

When it is probable that the total contract costs will exceed the total contract revenue, a provision is made for the anticipated loss on the contract. The provision is listed as an expense under production costs.

Prepayments

Prepayments comprise costs to be incurred in subsequent financial years.

Equity

Proposed dividend expected to be distributed for the year is recognised as a liability at the date of adoption and is presented as a separate line item in equity.

Corporate tax and deferred tax

The company and all its Danish group entities are jointly taxed.

Current tax payables and receivables are recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on prior-year taxable income and tax paid on account.

Joint taxation contributions payable and receivable are recognised in the balance sheet under “Balances with group entities”.

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. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on the intended use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity and jurisdiction.

Deferred tax is measured according to the tax rules applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Financial statements October 1 – September 30

Notes

Provisions

Provisions comprise anticipated costs related to warranties, losses on construction contracts, restructurings, etc. Provisions are recognized when, as a result of past events, the Group 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.

Warranty commitments include expenses for remedial action regarding the contract work within the warranty period of 1-5 years. Provisions for warranty commitments are measured and recognized based on experience gained from guarantee work.

Liabilities

Financial liabilities are recognised at the date of borrowing at the proceeds received less transaction costs paid. On subsequent recognition, the financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest method. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Deferred income

Deferred income comprises payments received concerning income in subsequent years.

Financial statements October 1 – September 30

Notes

Statement of Cash Flows

The cash flow statement shows the Company's net cash flow for the year, broken down by operating, investing, and financing activities, and the Company's cash and cash equivalents at the beginning and the end of the year.

Cash flows from operating activities

Cash flows from operating activities are presented using the indirect method and are made up as the net profit or loss for the year, less operating expenses and adjusted for non-cash operating items, changes in working capital, paid net financials and paid corporate taxes.

Cash flows from investing activities

Cash flows from investing activities comprise payments related to the acquisition and sale of entities and activities, property, plant and equipment, securities related to investing activities and intra-group receivables.

Cash flows from financing activities

Cash flows from financing activities comprise payments derived from changes in the size or composition of the company's share capital, dividend distributed as well as the raising and repayment of mortgage debt, other long-term liabilities, short-term bank debt and intra-group payables.

Cash

Cash and cash equivalents comprise cash.

Financial statements October 1 – September 30

Notes

2 Events after the balance sheet date

There have not been any events after the end of the financial year that may materially affect the Company's financial position.

3 Revenue

	2022/23	2021/22
DKK '000		
Sales of goods, national	516.604	522.465
Sales of goods, international	30.313	19.881
Total revenue	546.917	542.346
Projects	378.179	393.957
Service	168.738	148.389
Total revenue	546.917	542.346

4 Financial income

DKK '000		
Interest payable for other group entities	2.702	0
Total financial expenses	2.702	0

5 Financial expenses

DKK '000		
Interest payable for other group entities	99	210
Guarantees	5.809	6.701
Other financial expenses	24	11
Total financial expenses	5.932	6.922

6 Tax on profit from ordinary activities

DKK '000		
Tax on the taxable income for the year	12.294	2.519
Prior year adjustment, taxable income	95	279
Prior year adjustment, deferred tax	0	-144
Adjustment of deferred tax	5.305	7.029
Total tax for the year	17.694	9.683

Financial statements October 1 – September 30

Notes

7 Property, plant and equipment

	<u>Property, plant and equipment</u>
DKK '000	
Cost at October 1, 2022	6.966
Additions for the year	221
Disposals for the year	0
Cost on September 30, 2023	<u>7.187</u>
Depreciation at October 1, 2022	-4.600
Depreciation of the year	-684
Disposals	0
Depreciation on September 30, 2023	<u>-5.284</u>
Carrying amount on September 30, 2023	<u>1.903</u>
Carrying amount on September 30, 2022	<u>2.366</u>

8 Contract assets and liabilities

DKK '000	<u>2022/23</u>	<u>2021/22</u>
Construction contracts	2.448.508	2.145.556
Prepayments received from customers	-2.427.260	-2.003.433
Total contracts assets and liabilities on September 30	<u>21.248</u>	<u>142.123</u>
<i>Distributed as follows in the balance sheet:</i>		
Contract assets	158.869	249.690
Contract liabilities	-137.621	-107.567
Total contracts assets and liabilities on September 30	<u>21.248</u>	<u>142.123</u>

Financial statements October 1 – September 30

Notes

9 Prepayments

DKK '000

Prepayments comprise costs incurred concerning subsequent financial years.

10 Warranty commitments

	2022/23	2021/22
DKK '000		
Warranty commitments at October 1	10.093	7.915
Used during the year	-6.268	-5.815
Release of unused warranty commitments	-148	-203
Provision for the year	978	8.196
Warranty commitments on September 30	4.655	10.093
<i>Expected maturities for warranty commitments:</i>		
0-1 year	2.816	7.676
1-5 years	1.839	2.417
Total warranty commitments on September 30	4.655	10.093

11 Deferred tax

	2022/23	2021/22
DKK '000		
Deferred tax on October 1	37.206	30.321
Prior year adjustment	0	-144
Changes in deferred tax for the year	5.305	7.029
Deferred tax liability on September 30	42.511	37.206
The deferred tax relates to:		
Property, plant and equipment	-352	-171
Non-fixed assets	44.369	40.054
Provisions	-980	-1.269
Liabilities	-526	-1.408
Deferred tax liability on September 30	42.511	37.206

Financial statements October 1 – September 30

Notes

12 Other provisions

	<u>2022/23</u>	<u>2021/22</u>
DKK '000		
Other provisions at October 1	199	266
Used during the year	-11	-191
Release of unused other provisions	0	-13
Provisions for the year	-155	137
Other provisions on September 30	<u>33</u>	<u>199</u>
<i>Expected maturities for other provisions:</i>		
0-1 year	33	199
Total provisions on September 30	<u>33</u>	<u>199</u>

13 Prepayments

DKK '000

Prepayments comprises payments received concerning income in subsequent years.

14 Statement of Cash Flows – adjustments

	<u>2022/23</u>	<u>2021/22</u>
DKK '000		
Depreciation	685	756
Change in warranty provisions	-5.438	2.178
Change in other provisions	-166	-67
Statement of Cash Flows – total adjustments	<u>-4.919</u>	<u>2.867</u>

15 Changes in working capital

	<u>2022/23</u>	<u>2021/22</u>
DKK '000		
Changes in inventories	2.842	-7.726
Changes in contract assets	90.822	14.934
Changes in receivables	-19.990	12.863
Changes in trade payables, etc.	28.539	-31.718
Changes in contract liabilities	30.054	31.775
Total changes in working capital	<u>132.267</u>	<u>20.128</u>

Financial statements October 1 – September 30

Notes

Notes without reference

16 Use of derivative financial instruments

DKK '000

As part of its hedging of recognised and non-recognised transactions, Siemens Mobility A/S makes use of forward exchange contracts.

Non-recognised transactions

Non-recognised transactions are hedged with forward exchange contracts and have the following contractual value.

		Contractual value	
		2022/23	2021/22
Forward exchange contracts EUR	<1 year	129.071	19.142
	>1 year	433.802	559.381
Total		562.873	578.523

Recognised transactions

Hedging of recognised transactions includes the most significant receivables and payables.

	Payment/maturity	Receivables	Liabilities	Hedged through forward exchange contracts	Net position
EUR	<1 year	2.211	-7.549	716	-4.622
NOK	<1 year	0	-59	0	-59
SEK	<1 year	0	-582	0	-582
USD	<1 year	0	-5	0	-5
GBP	<1 year	0	-207	0	-207
Total		2.211	-8.402	716	-5.475

On September 30, 2023, unrealised net losses on derivative financial instruments entered for foreign currency hedging purposes totaled DKK 1.505 thousand (2021/22: DKK 418 thousand), which has been recognised in the income statement. The net loss recognised in equity amounts to DKK 345 thousand after tax (2021/22: Gain of DKK 207 thousand).

Financial statements October 1 – September 30

Notes without reference

17 Related parties and related party transactions

The Company's related parties include the Supervisory Board, the Executive Board, executive officers and their family members. Related parties further include entities in the Siemens AG Company.

The company's related party transactions (companies in the Siemens AG Group) include most purchases of goods and services.

	2022/23	2021/22
DKK '000		
Acquisition of goods and services from related parties	97.101	82.174
Sale of goods and services to related parties	67.990	89.470

No transactions were carried through with shareholders in the year.

For information on transactions with the Supervisory Board and the Executive Board, reference is made to the note on staff costs. For information on financial transactions, reference is made to the notes on financial income and financial expenses.

Balances with related parties are specified in the balance sheet.

18 Staff costs

	2022/23	2021/22
DKK '000		
Staff costs included in gross result, sales- and administrative costs constitute:		
Salaries, pensions etc.		
Wages and salaries	148.314	136.022
Pensions	13.386	13.873
Other social security costs	2.476	1.802
Total staff costs	164.176	151.697
Average number of employees	185	198

Pursuant to section 98b of the Danish Financial Statements Act, information on companies in accounting class c must be provided with information on management attached. The company's executive board consists of one person and no remuneration is paid to supervisory board, and this information has been omitted.

Financial statements October 1 – September 30

Notes without reference

19 Fees paid to auditor appointed at the annual general meeting

DKK '000	2022/23	2021/22
Total fees paid to auditor appointed at the annual general meeting	<u>171</u>	<u>130</u>
<i>Specified as follows:</i>		
Fee for statutory audit	171	130
Total fees paid to auditor appointed at the annual general meeting	<u>171</u>	<u>130</u>

20 Distribution of profit/loss

DKK '000		
Proposed distribution of profit/loss		
Retained earnings	-35.428	0
Proposed dividend	97.238	28.406
Profit for the year after tax	<u>61.810</u>	<u>28.406</u>

21 Contingent liabilities

DKK '000	2022/23	2021/22
Performance bonds vis-à-vis third party	1.335.552	2.076.109
Lease liabilities (Rent)	9.531	15.566
Lease liabilities (Operating leases)	5.048	2.402

The Company is jointly and severally liable with other jointly taxed group entities for payment of corporation taxes for the income years after 2018 and withholding taxes falling due for payment on or after April 16, 2018 in the group of jointly taxed entities.

22 Pending legal actions

The Company is not a party to any significant pending legal actions.

Financial statements October 1 – September 30

Notes without reference

23 Ownership

The following shareholders are listed in the Company's share register as holding at least 5% of the votes or at least 5% of the share capital:

Siemens Mobility Holding B.V., Prinses Beatrixlaan 800, 2595 BN Den Haag, Netherland

Siemens Mobility A/S' ultimate parent is Siemens AG, Werner-von-Siemens-Str. 1, D-80333 München, Germany. The consolidated financial statements of Siemens AG may be obtained from the Company.