



## e-Boks Group A/S

Hans Bekkevolds Alle 7, 1.  
2900 Hellerup  
CVR No. 41015918

## Annual report 2023

The Annual General Meeting adopted the annual report on 18.03.2024

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**Carina Bansholt Oxfeldt**

Chairman of the General Meeting

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# Entity details

## Entity

e-Boks Group A/S  
Hans Bekkevolds Alle 7, 1.  
2900 Hellerup

Business Registration No.: 41015918  
Registered office: Gentofte  
Financial year: 01.01.2023 - 31.12.2023

## Board of Directors

Peter Kjær Jensen, Chairman  
Henrik Malling Pihlkjær  
Lars Gøran Dørum Østmoe  
Maria Cæcilia Bardram

## Executive Board

Ulrik Thagesen, CEO  
Henrik Ostenfeld Larsen, CFO

## Auditors

Deloitte Statsautoriseret Revisionspartnerselskab  
Weidekampsgade 6  
2300 Copenhagen S

# Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of e-Boks Group A/S for the financial year 01.01.2023 - 31.12.2023.

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

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2023 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2023 - 31.12.2023.

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

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

Hellerup, 27.02.2024

## Executive Board

**Ulrik Thagesen**  
CEO

**Henrik Ostenfeld Larsen**  
CFO

## Board of Directors

**Peter Kjær Jensen**  
Chairman

**Henrik Malling Pihlkjær**

**Lars Gøran Dørum Østmoe**

**Maria Cæcilia Bardram**

# Independent auditor's report

## To the shareholders of e-Boks Group A/S

### Opinion

We have audited the consolidated financial statements and the parent financial statements of e-Boks Group A/S for the financial year 01.01.2023 - 31.12.2023, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2023 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2023 - 31.12.2023 in accordance with the Danish Financial Statements Act.

### Basis for opinion

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

### Emphasis of matter

Referring to management commentary and note 2 in the consolidated financial statements and note 11 in the parent financial statements, the value of capitalized development costs TDKK 33,516 recognized in the subsidiary e-Boks Development A/S depends on the conclusion of new contracts for deliveries to new customers. At the time of the presentation of the financial statements, the outcome of the ongoing dialogues is uncertain and has not resulted in new final contracts. As a result, the valuation of the remaining assets is subject to a degree of uncertainty which, by its very nature, cannot be judged. Our opinion has not been modified with respect to this matter.

### Management's responsibilities for the consolidated financial statements and the parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent 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 consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent financial statements, Management is responsible for assessing the Group's and 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 consolidated financial statements and the parent 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 consolidated financial statements and the parent financial statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent 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 consolidated financial statements and parent financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements and the parent 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 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 consolidated financial statements and the parent 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 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 consolidated financial statements and the parent 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 Group and the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent 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.

### **Statement on the management commentary**

Management is responsible for the management commentary.

Our opinion on the consolidated financial statements and the parent 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 consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent 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 consolidated financial statements and the parent 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, 27.02.2024

### **Deloitte**

Statsautoriseret Revisionspartnerselskab  
CVR No. 33963556

### **Brian Schmit Jensen**

State Authorised Public Accountant  
Identification No (MNE) mne40050

# Management commentary

## Financial highlights

|  | 2023     | 2022     | 2021     | 2020    |
|--|----------|----------|----------|---------|
|  | DKK'000  | DKK'000  | DKK'000  | DKK'000 |
| <b>Key figures</b>                           |          |          |          |         |
| Revenue                                      | 186,808  | 209,947  | 242,434  | 0       |
| Gross profit/loss                            | 136,823  | 116,273  | 120,599  | (10)    |
| Operating profit/loss                        | 15,702   | 17,298   | 33,942   | (10)    |
| Net financials                               | 1,146    | (2,454)  | (906)    | 0       |
| Profit/loss for the year                     | 13,535   | 11,229   | 46,770   | (8)     |
| Balance sheet total                          | 325,881  | 384,382  | 404,664  | 42      |
| Investments in property, plant and equipment | 198      | 0        | 1,262    | 0       |
| Equity                                       | 159,633  | 146,187  | 184,958  | 32      |
| Cash flows from operating activities         | (951)    | 53,551   | 189,989  | 0       |
| Cash flows from investing activities         | (23,720) | (43,069) | (47,631) | 0       |
| Cash flows from financing activities         | 0        | (50,000) | 0        | 0       |
| <b>Ratios</b>                                |          |          |          |         |
| Gross margin (%)                             | 73.24    | 55.38    | 45.87    | 0.00    |
| Net margin (%)                               | 7.24     | 5.39     | 19.46    | 0.00    |
| Equity ratio (%)                             | 48.99    | 38.03    | 45.71    | 76.19   |

Gross profit/loss and gross margin in year 2022 have been adjusted compared to the issued annual report of 2022, due to change in classification of capitalised staff cost as own work capitalised. The adjustment have been properly disclosed in the accounting policies. 2021 and 2020 have not been adjusted in this connection.

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

### Gross margin (%):

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

Revenue

### Net margin (%):

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

Revenue

### Equity ratio (%):

$\frac{\text{Equity}}{\text{Balance sheet total}} * 100$

Balance sheet total

### Primary activities

e-Boks helps individuals, companies, and institutions to digitally interact, communicate and service themselves effectively and securely through our platforms. Companies and institutions are our partners and together we create better secure digitalization where the users are in control.

e-Boks Group A/S acts a holding company and administrative entity for the e-Boks Group.

### Development in activities and finances

In 2023, the realized result for the e-Boks Group was DKK 13.5 million and the equity totaled DKK 159.6 million. The management considers the year's result to be satisfactory.

While documents price only has been adjusted for inflation, there has been an increase in the revenue from recurring contracts in the private sector. The total cost was as expected with cost reduction after the mainframe migration in autumn 2022.

The developments in the Nordics have met expectations with both consolidation and renewals of agreements among existing customers and new customers onboarded based on new e-Boks services, however international activities has not developed as expected, because of reduced activities compared to expectations. No new markets have been established this year, but a significant number of positive dialogues have contributed to a robust pipeline, which is expected to benefit the business going forward.

The equity amount to DKK 159.6 million up from DKK 146,2 million in prior year after the positive result for the year.

### Markets

The economic trend only has a minor effect on net revenue and profit as the total number of digitally sent documents from companies and institutions is not greatly affected by these trends. e-Boks has partners in many sectors. The primary share of partners being in the financial sector.

### Profit/loss for the year in relation to expected developments

The revenue in current markets was expected to decrease due to the implementation of the public sectors own solution for Digital Post, this impact occurred as expected in 2023.

The completion of the mainframe migration has reduced the production cost significantly from mid-2023 resulting in a reduced cost base for e-Boks' core business in future. General administration costs developed as expected.

Other external cost are positively effected by an agreement to pay long-term vendor debt during first haft of 2024. See note 3, for further explanation.

The operating profit reached DKK 15.7 million for 2023 compared to an expectation of DKK 10-15 million.

The higher than expected operating profit relates, as mentioned, to cost reductions and agreement to pay long-term vendor debt during first half of 2024.

The higher than expected profit before tax is positively effected by an agreement to pay long-term vendor debt during first haft of 2024.

## Outlook

The revenue for 2024 is expected to be impacted by several factors.

New products and functionalities will have a positive impact on revenue in Denmark e.g. enable us to service customers in the utility sector and other sectors. The revenue is also expected to be positively impacted by new international contracts in second half of 2024.

In aggregate, the revenue is expected to increase in 2024 compared to 2023.

The profit before depreciation and interest is expected to reach a level of DKK 30 million for 2024.

The depreciation will be at the level of 2023. The total depreciation is expected to amount to 50 MDKK.

Accordingly, a loss before tax is expected in the level of DKK -20 million for 2024.

The value of capitalized development costs in the subsidiary e-Boks Development A/S depends on the conclusion of new contracts for deliveries to new customers. At the time of the balance sheet, the ongoing dialogues have not resulted in new final contracts as February 2024. As a result, the valuation of the assets of DKK 34 million in e-Boks Development A/S is subject to a degree of uncertainty which, by its very nature, cannot be judged.

Mid to long term growth is expected both in Denmark and International those positive profit for the year is expected from 2025.

## Security

It is crucial for e-Boks to keep a high security standard when handling and storing personal data for all users. E-Boks' solution has a high level of security to meet the expectations from all users and keep their trust. The daily operation and performance of systems are anticipated to run smoothly and secure. Performance and penetration tests are performed regularly by external partners from leading consultancies. Internal security is managed by a 27001:2013 compliant ISMS and all security features are annually audited by external partners to meet all security expectations and to migrate the potential risks.

## Employees

Throughout 2023, certain employees have left the companies and new competent and experienced employees have been added to the staff.

It is of great importance that e-Boks continuously recruit highly skilled and well-educated labor to further development and optimize our solutions to keep our current position on the market and provide better solutions for companies and institutions.

## Environmental performance

e-Boks has built its business on the Ten Principles of the UN Global Compact and UN Sustainable Development Goals to uphold our responsibilities to people and the planet.

In our journey towards creating better digital societies, e-Boks is helping enterprises and public authorities decrease their environmental footprint, phasing out one piece of paper at a time. By providing access to paperless communication, e-Boks helps reduce the material footprint per capita and per GDP. This is our commitment to SDG 12 and 13.

In e-Boks we place human rights at the core of our business and by helping our partners in developing their digital infrastructures we support the foundation of citizen's inviolable human rights in a digital world: The right to privacy and confidentiality. The right to control own data. That is our contribution to SDG 16: Peace, justice and strong institutions.

### **Research and development activities**

e-Boks is being used in a number of countries, thus the understanding of both the users' and customers' need are crucial for further expansion. This understanding is provided by an ongoing analysis of usage along with user feedback and reactions. The constant assurance of a high secure level and high degree of stability of the critical infrastructure solutions such as signing, payment and two-way encrypted communication, are important factors to maintain the trust of all users and customers. As a result, constant monitoring, optimization and development of these services are ongoing to meet the expected growth.

### **Group relations**

e-Boks Group A/S is the Group holding company and provide managerial, accounting and financial support to the affiliated group companies.

- e-Boks Nordic A/S
- e-Boks Development A/S
- e-Boks International A/S
- e-Boks GCC ApS

e-Boks Group A/S has committed to provide financial support to cover administrative and development cost in the ordinary course of business for e-Boks Development A/S, e-Boks International A/S and e-Boks GCC A/S.

### **Foreign branches**

The foreign branches related to the e-Boks Nordic A/S is included in the financial statement for the company. The following branches are included in the financial statement:

- Norway
- Sweden

# Consolidated income statement for 2023

|  | Notes | 2023<br>DKK'000 | 2022<br>DKK'000 |
|--|-------|-----------------|-----------------|
| Revenue  |       | 186,808         | 209,947         |
| Own work capitalised                             |       | 23,357          | 43,039          |
| Other operating income                           | 3     | 48,653          | 45,200          |
| Other external expenses                          |       | (121,995)       | (181,913)       |
| <b>Gross profit/loss</b>                         |       | <b>136,823</b>  | <b>116,273</b>  |
| Staff costs                                      | 4     | (69,221)        | (78,211)        |
| Depreciation, amortisation and impairment losses | 5     | (51,900)        | (20,764)        |
| <b>Operating profit/loss</b>                     |       | <b>15,702</b>   | <b>17,298</b>   |
| Other financial income                           | 6     | 2,414           | 726             |
| Other financial expenses                         | 7     | (1,268)         | (3,180)         |
| <b>Profit/loss before tax</b>                    |       | <b>16,848</b>   | <b>14,844</b>   |
| Tax on profit/loss for the year                  | 8     | (3,313)         | (3,615)         |
| <b>Profit/loss for the year</b>                  | 9     | <b>13,535</b>   | <b>11,229</b>   |

# Consolidated balance sheet at 31.12.2023

## Assets

|  | Notes | 2023<br>DKK'000 | 2022<br>DKK'000 |
|--|-------|-----------------|-----------------|
| Completed development projects         | 11    | 199,863         | 222,675         |
| Development projects in progress       | 11    | 0               | 5,422           |
| <b>Intangible assets</b>               | 10    | <b>199,863</b>  | <b>228,097</b>  |
| Leasehold improvements                 |       | 550             | 661             |
| <b>Property, plant and equipment</b>   | 12    | <b>550</b>      | <b>661</b>      |
| Deposits                               |       | 1,368           | 1,203           |
| <b>Financial assets</b>                | 13    | <b>1,368</b>    | <b>1,203</b>    |
| <b>Fixed assets</b>                    |       | <b>201,781</b>  | <b>229,961</b>  |
| Trade receivables                      |       | 33,385          | 35,734          |
| Other receivables                      |       | 139             | 1,117           |
| Tax receivable                         |       | 2,794           | 0               |
| Receivables from owners and management | 14    | 6,600           | 10,627          |
| Prepayments                            | 15    | 3,333           | 4,318           |
| <b>Receivables</b>                     |       | <b>46,251</b>   | <b>51,796</b>   |
| <b>Cash</b>                            |       | <b>77,849</b>   | <b>102,625</b>  |
| <b>Current assets</b>                  |       | <b>124,100</b>  | <b>154,421</b>  |
| <b>Assets</b>                          |       | <b>325,881</b>  | <b>384,382</b>  |

**Equity and liabilities**

|  | <b>Notes</b> | <b>2023</b><br><b>DKK'000</b> | <b>2022</b><br><b>DKK'000</b> |
|--|--------------|-------------------------------|-------------------------------|
| Contributed capital  | 16           | 1,000                         | 1,000                         |
| Translation reserve  |              | (89)                          | 0                             |
| Retained earnings  |              | 158,722                       | 145,187                       |
| <b>Equity</b>  |              | <b>159,633</b>                | <b>146,187</b>                |
| Deferred tax   | 17           | 25,064                        | 21,913                        |
| Other provisions   | 18           | 13,862                        | 13,788                        |
| <b>Provisions</b>  |              | <b>38,926</b>                 | <b>35,701</b>                 |
| Trade payables   | 20           | 0                             | 150,653                       |
| <b>Non-current liabilities other than provisions</b>             | 19           | <b>0</b>                      | <b>150,653</b>                |
| Current portion of non-current liabilities other than provisions | 19           | 0                             | 12,000                        |
| Prepayments received from customers                              |              | 0                             | 884                           |
| Trade payables   | 20           | 116,061                       | 29,179                        |
| Other payables   | 21           | 11,261                        | 9,778                         |
| <b>Current liabilities other than provisions</b>                 |              | <b>127,322</b>                | <b>51,841</b>                 |
| <b>Liabilities other than provisions</b>                         |              | <b>127,322</b>                | <b>202,494</b>                |
| <b>Equity and liabilities</b>                                    |              | <b>325,881</b>                | <b>384,382</b>                |
| Events after the balance sheet date                              | 1            |                               |                               |
| Uncertainty relating to recognition and measurement              | 2            |                               |                               |
| Unrecognised rental and lease commitments                        | 23           |                               |                               |
| Contingent liabilities   | 24           |                               |                               |
| Group relations  | 25           |                               |                               |
| Subsidiaries   | 26           |                               |                               |

# Consolidated statement of changes in equity for 2023

|                           | Contributed<br>capital<br>DKK'000 | Translation<br>reserve<br>DKK'000 | Retained<br>earnings<br>DKK'000 | Total<br>DKK'000 |
|---------------------------|-----------------------------------|-----------------------------------|---------------------------------|------------------|
| Equity beginning of year  | 1,000                             | 0                                 | 145,187                         | 146,187          |
| Value adjustments         | 0                                 | (89)                              | 0                               | (89)             |
| Profit/loss for the year  | 0                                 | 0                                 | 13,535                          | 13,535           |
| <b>Equity end of year</b> | <b>1,000</b>                      | <b>(89)</b>                       | <b>158,722</b>                  | <b>159,633</b>   |

# Consolidated cash flow statement for 2023

|   | Notes | 2023<br>DKK'000 | 2022<br>DKK'000 |
|---|-------|-----------------|-----------------|
| Operating profit/loss   |       | 15,702          | 17,298          |
| Amortisation, depreciation and impairment losses                                  |       | 51,900          | 20,764          |
| Other provisions  |       | 74              | 4,689           |
| Working capital changes   | 22    | (66,833)        | 31,652          |
| <b>Cash flow from ordinary operating activities</b>                               |       | <b>843</b>      | <b>74,403</b>   |
| Financial income received   |       | 2,414           | 726             |
| Financial expenses paid   |       | (1,268)         | (3,180)         |
| Taxes refunded/(paid)   |       | (2,940)         | (18,398)        |
| <b>Cash flows from operating activities</b>                                       |       | <b>(951)</b>    | <b>53,551</b>   |
| Acquisition etc. of intangible assets   |       | (23,357)        | (43,039)        |
| Acquisition etc. of property, plant and equipment                                 |       | (198)           | 0               |
| Acquisition of fixed asset investments  |       | (165)           | (30)            |
| <b>Cash flows from investing activities</b>                                       |       | <b>(23,720)</b> | <b>(43,069)</b> |
| <b>Free cash flows generated from operations and investments before financing</b> |       | <b>(24,671)</b> | <b>10,482</b>   |
| Dividend paid   |       | 0               | (50,000)        |
| <b>Cash flows from financing activities</b>                                       |       | <b>0</b>        | <b>(50,000)</b> |
| <b>Increase/decrease in cash and cash equivalents</b>                             |       | <b>(24,671)</b> | <b>(39,518)</b> |
| Cash and cash equivalents beginning of year                                       |       | 102,625         | 142,482         |
| Currency translation adjustments of cash and cash equivalents                     |       | (105)           | (339)           |
| <b>Cash and cash equivalents end of year</b>                                      |       | <b>77,849</b>   | <b>102,625</b>  |
| Cash and cash equivalents at year-end are composed of:                            |       |                 |                 |
| Cash  |       | 77,849          | 102,625         |
| <b>Cash and cash equivalents end of year</b>                                      |       | <b>77,849</b>   | <b>102,625</b>  |

# Notes to consolidated financial statements

## 1 Events after the balance sheet date

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

## 2 Uncertainty relating to recognition and measurement

The preparation of e-Boks Group's Financial Statements requires Management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Management continuously reassesses these estimates and judgements based on several factors in the given circumstances.

The judgements, estimates and assumptions made are based on historical experience and other factors that Management considers to be reliable, but which by their very nature are associated with uncertainty and unpredictability. These assumptions may prove incomplete or incorrect, and unexpected events or circumstances may arise. The most critical judgments, estimates and assumptions for the individual items are comprising valuation of development projects, which is described to the related notes.

In the subsidiary e-Boks Development A/S the value of capitalized development costs TDKK 33,516, depends on the conclusion of new contracts for deliveries to new customers. These customers can expect to provide revenue that can substantiate the value. At the time of the balance sheet, the ongoing dialogues have not resulted in new final contracts. As a result, the valuation of the assets is subject to a degree of uncertainty which, by its very nature, cannot be judged. The development cost valuation is based on the expectation of new customers and entering new markets and these have not been realized yet.

## 3 Other operating income

In December 2023, an early payment agreement has been concluded with the supplier for long-term debt. The settlement of the debt is recognized in the financial statements for 2023 at the present value of the revised payment profile, whereby a profit of 48,6 MDKK has been calculated and recognized under other external costs. The classification as other external costs is due to the fact that the current transactions were originally included under this item and that the agreement with the supplier is an adjustment to the price of the additional ones previously delivered.

The comparison figure last year consists of income from data transmission and being available in this regard.

#### 4 Staff costs

|                                       | <b>2023</b>    | <b>2022</b>    |
|---------------------------------------|----------------|----------------|
|                                       | <b>DKK'000</b> | <b>DKK'000</b> |
| Wages and salaries                    | 62,482         | 71,235         |
| Pension costs                         | 6,242          | 6,318          |
| Other social security costs           | 497            | 658            |
|                                       | <b>69,221</b>  | <b>78,211</b>  |
| Average number of full-time employees | <b>76</b>      | <b>81</b>      |

|  | <b>Remuneration<br/>of<br/>management<br/>2023<br/>DKK'000</b> | <b>Remuneration<br/>of<br/>management<br/>2022<br/>DKK'000</b> |
|--|--|--|
| Total amount for management categories | 5,794  | 5,045  |
|  | <b>5,794</b>   | <b>5,045</b>   |

Management remuneration depends on annually bonus. Under the terms of Article 98B (§ 3), remuneration granted to the management and the board of directors has been disclosed in total.

#### 5 Depreciation, amortisation and impairment losses

|  | <b>2023</b>    | <b>2022</b>    |
|--|----------------|----------------|
|  | <b>DKK'000</b> | <b>DKK'000</b> |
| Amortisation of intangible assets  | 51,591         | 16,147         |
| Depreciation on property, plant and equipment                                | 309            | 280            |
| Profit/loss from sale of intangible assets and property, plant and equipment | 0              | 4,337          |
|  | <b>51,900</b>  | <b>20,764</b>  |

#### 6 Other financial income

|                           | <b>2023</b>    | <b>2022</b>    |
|---------------------------|----------------|----------------|
|                           | <b>DKK'000</b> | <b>DKK'000</b> |
| Other interest income     | 2,238          | 263            |
| Exchange rate adjustments | 168            | 463            |
| Other financial income    | 8              | 0              |
|                           | <b>2,414</b>   | <b>726</b>     |

## 7 Other financial expenses

|                           | 2023         | 2022         |
|---------------------------|--------------|--------------|
|                           | DKK'000      | DKK'000      |
| Other interest expenses   | 28           | 1,933        |
| Exchange rate adjustments | 1,057        | 1,161        |
| Other financial expenses  | 183          | 86           |
|                           | <b>1,268</b> | <b>3,180</b> |

## 8 Tax on profit/loss for the year

|                                      | 2023         | 2022         |
|--------------------------------------|--------------|--------------|
|                                      | DKK'000      | DKK'000      |
| Current tax                          | 162          | 0            |
| Change in deferred tax               | 3,151        | 962          |
| Adjustment concerning previous years | 0            | 2,653        |
|                                      | <b>3,313</b> | <b>3,615</b> |

## 9 Proposed distribution of profit/loss

|                   | 2023          | 2022          |
|-------------------|---------------|---------------|
|                   | DKK'000       | DKK'000       |
| Retained earnings | 13,535        | 11,229        |
|                   | <b>13,535</b> | <b>11,229</b> |

## 10 Intangible assets

|   | Completed<br>development<br>projects<br>DKK'000 | Development<br>projects in<br>progress<br>DKK'000 |
|---|---|---|
| Cost beginning of year                                | 244,752   | 5,422   |
| Transfers   | 23,061  | (23,061)  |
| Additions   | 5,718   | 17,639  |
| <b>Cost end of year</b>                               | <b>273,531</b>                                  | <b>0</b>  |
| Amortisation and impairment losses beginning of year  | (22,077)  | 0   |
| Amortisation for the year                             | (51,591)  | 0   |
| <b>Amortisation and impairment losses end of year</b> | <b>(73,668)</b>                                 | <b>0</b>  |
| <b>Carrying amount end of year</b>                    | <b>199,863</b>                                  | <b>0</b>  |

## 11 Development projects

The significant upgrade of the IT infrastructure was completed in October 2022. This has increased the scalability of the e-boks solution and improve the "time to market" for new products. Cost savings took place during 2023.

The addition for the year regarding development projects relates to continuous development of features and enhancement of the platform in Denmark and the international platform. This will increase the scalability of the e-Boks solution and improve the "time to market" for new products.

## 12 Property, plant and equipment

|   | <b>Leasehold<br/>improvements<br/>DKK'000</b> |
|---|---|
| Cost beginning of year                                | 1,104   |
| Additions   | 198   |
| <b>Cost end of year</b>                               | <b>1,302</b>                                  |
| Depreciation and impairment losses beginning of year  | (443)   |
| Depreciation for the year                             | (309)   |
| <b>Depreciation and impairment losses end of year</b> | <b>(752)</b>                                  |
| <b>Carrying amount end of year</b>                    | <b>550</b>                                    |

## 13 Financial assets

|                                    | <b>Deposits<br/>DKK'000</b> |
|------------------------------------|-----------------------------|
| Cost beginning of year             | 1,203                       |
| Additions                          | 165                         |
| <b>Cost end of year</b>            | <b>1,368</b>                |
| <b>Carrying amount end of year</b> | <b>1,368</b>                |

## 14 Receivables from owners and management

Receivables from owners and management consist entirely of trading accounts with the company's owners, Nets Danmark A/S and Post Danmark A/S and subsidiaries hereof.

## 15 Prepayments

Prepayments consist of prepaid rent, insurance premiums and subscriptions.

## 16 Contributed capital

|        | <b>Number</b> | <b>Par value<br/>DKK'000</b> | <b>Nominal<br/>value<br/>DKK'000</b> |
|--------|---------------|------------------------------|--------------------------------------|
| Shares | 1,000         | 1.00                         | 1,000                                |
|        | <b>1,000</b>  |                              | <b>1,000</b>                         |

## 17 Deferred tax

|                               | <b>2023<br/>DKK'000</b> | <b>2022<br/>DKK'000</b> |
|-------------------------------|-------------------------|-------------------------|
| Intangible assets             | 32,504                  | 31,730                  |
| Property, plant and equipment | (224)                   | (236)                   |
| Provisions                    | (2,495)                 | (2,606)                 |
| Tax losses carried forward    | (4,721)                 | (6,975)                 |
| <b>Deferred tax</b>           | <b>25,064</b>           | <b>21,913</b>           |

|                                    | <b>2023</b>    | <b>2022</b>    |
|------------------------------------|----------------|----------------|
| <b>Changes during the year</b>     | <b>DKK'000</b> | <b>DKK'000</b> |
| Beginning of year                  | 21,913         | 20,951         |
| Recognised in the income statement | 3,151          | 962            |
| <b>End of year</b>                 | <b>25,064</b>  | <b>21,913</b>  |

### 18 Other provisions

In dealing with user documents, the Company has undertaken a commercial obligation to storage the documents for a minimum of 5 years from the year of creation. The liability is calculated at DKK 13,862 thousand.

### 19 Non-current liabilities other than provisions

|                | <b>Due within 12<br/>months<br/>2022<br/>DKK'000</b> |
|----------------|--|
| Trade payables | 12,000   |
|                | <b>12,000</b>  |

### 20 Trade payables

Trade payables are effected by an agreement to pay longterm vendor debt during first half 2024. See note 3, for further explanation.

### 21 Other payables

|  | <b>2023</b>    | <b>2022</b>    |
|--|----------------|----------------|
|  | <b>DKK'000</b> | <b>DKK'000</b> |
| VAT and duties   | 2,790          | 692            |
| Wages and salaries, personal income taxes, social security costs, etc. payable | 5,731          | 6,171          |
| Holiday pay obligation   | 2,740          | 2,533          |
| Other costs payable  | 0              | 382            |
|  | <b>11,261</b>  | <b>9,778</b>   |

### 22 Changes in working capital

|  | <b>2023</b>     | <b>2022</b>    |
|--|-----------------|----------------|
|  | <b>DKK'000</b>  | <b>DKK'000</b> |
| Increase/decrease in receivables         | 8,339           | 2,390          |
| Increase/decrease in trade payables etc. | (75,172)        | 29,262         |
|  | <b>(66,833)</b> | <b>31,652</b>  |

### 23 Unrecognised rental and lease commitments

|   | <b>2023</b>    | <b>2022</b>    |
|---|----------------|----------------|
|   | <b>DKK'000</b> | <b>DKK'000</b> |
| Total liabilities under rental or lease agreements until maturity | <b>1,785</b>   | <b>1,342</b>   |

The group is liable to pay a penalty of 1,257 DKK'000 in case of early property lease termination before 31th of December 2025.

#### 24 Contingent liabilities

In dealing with user documents, the group has undertaken a commercial obligation to storage the documents for a minimum of 5 years from the year of creation. There is a contingent liability of 930 DKK'000 consisting of the cost difference between the storage obligation and actual cost of the storage space.

#### 25 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group:  
e-Boks Group A/S, Denmark.

#### 26 Subsidiaries

|                          | <b>Registered in</b> | <b>Corporate form</b> | <b>Ownership %</b> |
|--------------------------|----------------------|-----------------------|--------------------|
| e-Boks Nordic A/S        | Hellerup             | A/S                   | 100.00             |
| e-Boks Development A/S   | Hellerup             | A/S                   | 100.00             |
| e-Boks International A/S | Hellerup             | A/S                   | 100.00             |
| e-Boks GCC ApS           | Hellerup             | ApS                   | 100.00             |

# Parent income statement for 2023

|  | Notes | 2023<br>DKK'000 | 2022<br>DKK'000 |
|--|-------|-----------------|-----------------|
| <b>Gross profit/loss</b>                         |       | <b>22,868</b>   | <b>26,453</b>   |
| Staff costs                                      | 3     | (17,757)        | (21,349)        |
| Depreciation, amortisation and impairment losses | 4     | (9,501)         | (9,472)         |
| <b>Operating profit/loss</b>                     |       | <b>(4,390)</b>  | <b>(4,368)</b>  |
| Income from investments in group enterprises     |       | 21,401          | 16,727          |
| Other financial income                           | 5     | 1,836           | 627             |
| Other financial expenses                         | 6     | (7,513)         | (2,739)         |
| <b>Profit/loss before tax</b>                    |       | <b>11,334</b>   | <b>10,247</b>   |
| Tax on profit/loss for the year                  | 7     | 2,201           | 982             |
| <b>Profit/loss for the year</b>                  | 8     | <b>13,535</b>   | <b>11,229</b>   |

# Parent balance sheet at 31.12.2023

## Assets

|  | Notes | 2023<br>DKK'000 | 2022<br>DKK'000 |
|--|-------|-----------------|-----------------|
| Acquired intangible assets             |       | 68,174          | 77,366          |
| <b>Intangible assets</b>               | 9     | <b>68,174</b>   | <b>77,366</b>   |
| Leasehold improvements                 |       | 551             | 662             |
| <b>Property, plant and equipment</b>   | 10    | <b>551</b>      | <b>662</b>      |
| Investments in group enterprises       |       | 183,726         | 225,414         |
| <b>Financial assets</b>                | 11    | <b>183,726</b>  | <b>225,414</b>  |
| <b>Fixed assets</b>                    |       | <b>252,451</b>  | <b>303,442</b>  |
| Receivables from group enterprises     |       | 36,023          | 41,574          |
| Other receivables                      |       | 10              | 74              |
| Joint taxation contribution receivable |       | 6,357           | 1,062           |
| Prepayments                            | 12    | 687             | 1,859           |
| <b>Receivables</b>                     |       | <b>43,077</b>   | <b>44,569</b>   |
| <b>Cash</b>                            |       | <b>17,086</b>   | <b>16,978</b>   |
| <b>Current assets</b>                  |       | <b>60,163</b>   | <b>61,547</b>   |
| <b>Assets</b>                          |       | <b>312,614</b>  | <b>364,989</b>  |

**Equity and liabilities**

|  | <b>Notes</b> | <b>2023</b><br><b>DKK'000</b> | <b>2022</b><br><b>DKK'000</b> |
|--|--------------|-------------------------------|-------------------------------|
| Contributed capital                              |              | 1,000                         | 1,000                         |
| Translation reserve                              |              | (89)                          | 0                             |
| Retained earnings                                |              | 158,722                       | 145,187                       |
| <b>Equity</b>                                    |              | <b>159,633</b>                | <b>146,187</b>                |
| Deferred tax                                     | 13           | 2,553                         | 1,337                         |
| <b>Provisions</b>                                |              | <b>2,553</b>                  | <b>1,337</b>                  |
| Trade payables                                   |              | 1,767                         | 1,179                         |
| Payables to group enterprises                    |              | 144,676                       | 211,821                       |
| Other payables                                   | 14           | 3,985                         | 4,465                         |
| <b>Current liabilities other than provisions</b> |              | <b>150,428</b>                | <b>217,465</b>                |
| <b>Liabilities other than provisions</b>         |              | <b>150,428</b>                | <b>217,465</b>                |
| <b>Equity and liabilities</b>                    |              | <b>312,614</b>                | <b>364,989</b>                |
| Going concern                                    | 1            |                               |                               |
| Events after the balance sheet date              | 2            |                               |                               |
| Unrecognised rental and lease commitments        | 15           |                               |                               |
| Contingent liabilities                           | 16           |                               |                               |
| Transactions with related parties                | 17           |                               |                               |

# Parent statement of changes in equity for 2023

|                           | Contributed<br>capital<br>DKK'000 | Translation<br>reserve<br>DKK'000 | Retained<br>earnings<br>DKK'000 | Total<br>DKK'000 |
|---------------------------|-----------------------------------|-----------------------------------|---------------------------------|------------------|
| Equity beginning of year  | 1,000                             | 0                                 | 145,187                         | 146,187          |
| Value adjustments         | 0                                 | (89)                              | 0                               | (89)             |
| Profit/loss for the year  | 0                                 | 0                                 | 13,535                          | 13,535           |
| <b>Equity end of year</b> | <b>1,000</b>                      | <b>(89)</b>                       | <b>158,722</b>                  | <b>159,633</b>   |

# Notes to parent financial statements

## 1 Going concern

The Company has received a declaration of withdrawal from e-Boks Nordic A/S, that e-Boks Nordic A/S will not seek its receivables in excess of what the operation allows as a going concern.

## 2 Events after the balance sheet date

No events have occurred after the balance sheet date that influences the financial statements.

## 3 Staff costs

|                                       | <b>2023</b>    | <b>2022</b>    |
|---------------------------------------|----------------|----------------|
|                                       | <b>DKK'000</b> | <b>DKK'000</b> |
| Wages and salaries                    | 15,915         | 19,459         |
| Pension costs                         | 1,757          | 1,757          |
| Other social security costs           | 85             | 133            |
|                                       | <b>17,757</b>  | <b>21,349</b>  |
| Average number of full-time employees | <b>15</b>      | <b>19</b>      |

|  | <b>Remuneration<br/>of Manage-<br/>ment<br/>2023</b> | <b>Remuneration<br/>of Manage-<br/>ment<br/>2022</b> |
|--|--|--|
|  | <b>DKK'000</b>                                       | <b>DKK'000</b>                                       |
| Total amount for management categories | 1,159  | 1,009  |
|  | <b>1,159</b>   | <b>1,009</b>   |

Management remuneration depends on annually bonus. Under the terms of Article 98B (§ 3), remuneration granted to the management and the board of directors has been disclosed in total.

## 4 Depreciation, amortisation and impairment losses

|   | <b>2023</b>    | <b>2022</b>    |
|---|----------------|----------------|
|   | <b>DKK'000</b> | <b>DKK'000</b> |
| Amortisation of intangible assets             | 9,192          | 9,192          |
| Depreciation on property, plant and equipment | 309            | 280            |
|   | <b>9,501</b>   | <b>9,472</b>   |

**5 Other financial income**

|   | <b>2023</b>    | <b>2022</b>    |
|---|----------------|----------------|
|   | <b>DKK'000</b> | <b>DKK'000</b> |
| Financial income from group enterprises | 1,556          | 602            |
| Other interest income                   | 279            | 25             |
| Exchange rate adjustments               | 1              | 0              |
|   | <b>1,836</b>   | <b>627</b>     |

**6 Other financial expenses**

|   | <b>2023</b>    | <b>2022</b>    |
|---|----------------|----------------|
|   | <b>DKK'000</b> | <b>DKK'000</b> |
| Financial expenses from group enterprises | 7,399          | 2,186          |
| Other interest expenses                   | 0              | 493            |
| Other financial expenses                  | 114            | 60             |
|   | <b>7,513</b>   | <b>2,739</b>   |

**7 Tax on profit/loss for the year**

|                                      | <b>2023</b>    | <b>2022</b>    |
|--------------------------------------|----------------|----------------|
|                                      | <b>DKK'000</b> | <b>DKK'000</b> |
| Change in deferred tax               | 1,216          | 80             |
| Refund in joint taxation arrangement | (3,417)        | (1,062)        |
|                                      | <b>(2,201)</b> | <b>(982)</b>   |

**8 Proposed distribution of profit and loss**

|                   | <b>2023</b>    | <b>2022</b>    |
|-------------------|----------------|----------------|
|                   | <b>DKK'000</b> | <b>DKK'000</b> |
| Retained earnings | 13,535         | 11,229         |
|                   | <b>13,535</b>  | <b>11,229</b>  |

**9 Intangible assets**

|   | <b>Acquired<br/>intangible<br/>assets<br/>DKK'000</b> |
|---|---|
| Cost beginning of year                                | 91,920  |
| <b>Cost end of year</b>                               | <b>91,920</b>   |
| Amortisation and impairment losses beginning of year  | (14,554)  |
| Amortisation for the year                             | (9,192)   |
| <b>Amortisation and impairment losses end of year</b> | <b>(23,746)</b>                                       |
| <b>Carrying amount end of year</b>                    | <b>68,174</b>   |

## 10 Property, plant and equipment

|   | <b>Leasehold<br/>improvements<br/>DKK'000</b> |
|---|---|
| Cost beginning of year                                | 1,105   |
| Additions   | 198   |
| <b>Cost end of year</b>                               | <b>1,303</b>                                  |
| Depreciation and impairment losses beginning of year  | (443)   |
| Depreciation for the year                             | (309)   |
| <b>Depreciation and impairment losses end of year</b> | <b>(752)</b>                                  |
| <b>Carrying amount end of year</b>                    | <b>551</b>                                    |

## 11 Financial assets

|                                      | <b>Investments<br/>in group<br/>enterprises<br/>DKK'000</b> |
|--------------------------------------|---|
| Cost beginning of year               | 253,116   |
| Additions                            | 37,000  |
| <b>Cost end of year</b>              | <b>290,116</b>  |
| Impairment losses beginning of year  | (27,702)  |
| Exchange rate adjustments            | (89)  |
| Share of profit/loss for the year    | 12,393  |
| Adjustment of intra-group profits    | 9,008   |
| Dividend                             | (100,000)   |
| <b>Impairment losses end of year</b> | <b>(106,390)</b>  |
| <b>Carrying amount end of year</b>   | <b>183,726</b>  |

A specification of investments in subsidiaries is evident from the notes to the consolidated financial statements.

As mentioned in management commentary there is a risk connected with the valuation of the intangible assets booked in e-Boks Development A/S. Refer to note 2 in the consolidated financial statement.

## 12 Prepayments

Prepayments consist of prepaid rent, insurance premiums, subscriptions and interest.

## 13 Deferred tax

|                               | <b>2023<br/>DKK'000</b> | <b>2022<br/>DKK'000</b> |
|-------------------------------|-------------------------|-------------------------|
| Intangible assets             | 3,442                   | 2,576                   |
| Property, plant and equipment | (79)                    | (44)                    |
| Tax losses carried forward    | (810)                   | (1,195)                 |
| <b>Deferred tax</b>           | <b>2,553</b>            | <b>1,337</b>            |

|                                    | <b>2023</b>    | <b>2022</b>    |
|------------------------------------|----------------|----------------|
|                                    | <b>DKK'000</b> | <b>DKK'000</b> |
| <b>Changes during the year</b>     |                |                |
| Beginning of year                  | 1,337          | 1,257          |
| Recognised in the income statement | 1,216          | 80             |
| <b>End of year</b>                 | <b>2,553</b>   | <b>1,337</b>   |

#### 14 Other payables

|  | <b>2023</b>    | <b>2022</b>    |
|--|----------------|----------------|
|  | <b>DKK'000</b> | <b>DKK'000</b> |
| VAT and duties   | 877            | 654            |
| Wages and salaries, personal income taxes, social security costs, etc. payable | 2,641          | 3,329          |
| Holiday pay obligation   | 467            | 482            |
|  | <b>3,985</b>   | <b>4,465</b>   |

#### 15 Unrecognised rental and lease commitments

|   | <b>2023</b>    | <b>2022</b>    |
|---|----------------|----------------|
|   | <b>DKK'000</b> | <b>DKK'000</b> |
| Total liabilities under rental or lease agreements until maturity | <b>1,723</b>   | <b>1,202</b>   |

The entity is liable to pay a penalty of 1,257 DKK'000 in case of early property lease termination before 31th of December 2025.

#### 16 Contingent liabilities

The Entity serves as the administration company in a Danish joint taxation arrangement. 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 also for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for these entities.

e-Boks Group A/S has issued a statement of support to e-Boks Development A/S, e-Boks International A/S and e-Boks GCC ApS.

#### 17 Non-arm's length related party transactions

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

# Accounting policies

## Reporting class

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

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

Own work capitalised was last year classified as a reduction of staff cost and other external expenses which have been changed in current period to own work capitalised for the consolidated income statement. The change consist only of a classification adjustment, to which no impact have been made on equity. The adjustment results in the following corrections on prior year financial figures in the income statement:

Increase of own work capitalised: 43,039 DKK'000

Reduction of staff costs: 6,660 DKK'000

Reduction of other external expenses: 36,379 DKK'000

## Recognition and measurement

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

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

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

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

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

## Consolidated financial statements

The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence. Enterprises in which the Group, directly or indirectly, holds between 20% and 50% of the voting rights and exercises significant, but not controlling, influence are regarded as associates.

### **Basis of consolidation**

The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the acquisition date, with net assets having been calculated at fair value.

### **Income statement**

#### **Gross profit or loss**

Gross profit or loss comprises revenue and other external expenses.

#### **Revenue**

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

#### **Own work capitalised**

Own work capitalised comprises staff costs and other costs incurred in the financial year and recognised in cost for proprietary intangible assets and property, plant and equipment.

#### **Other operating income**

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

#### **Other external expenses**

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

#### **Staff costs**

Staff costs comprise wages and salaries, and social security contributions, pension contributions, etc. for entity staff.

#### **Depreciation, amortisation and impairment losses**

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of intangible assets and property, plant and equipment.

#### **Income from investments in group enterprises**

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.

**Other financial income**

Other financial income comprises received on other investments, interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, and tax relief under the Danish Tax Prepayment Scheme etc.

**Other financial expenses**

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, and tax surcharge under the Danish Tax Prepayment Scheme etc.

**Tax on profit/loss for the year**

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.

The Parent is jointly taxed with all of its Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

**Balance sheet****Intellectual property rights etc.**

Intellectual property rights etc. comprise development projects completed and in progress with related intellectual property rights and trademarks.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity in the reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Indirect production costs in the form of indirectly attributable staff costs and amortisation of intangible assets and depreciation on property, plant and equipment used in the development process are recognised in cost based on time spent on each project.

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. If the useful life cannot be estimated reliably, it is fixed at 10 years on Trademarks. For development projects protected by intellectual property rights, the maximum period of amortisation is the remaining duration of the relevant rights. The amortisation periods used are 5 years.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Trademarks are amortised on a straight-line basis over their remaining duration.

Intellectual property rights etc. are written down to the lower of recoverable amount and carrying amount.

### **Property, plant and equipment**

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

Cost comprises 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:

|                        | <b>Useful life</b> |
|------------------------|--------------------|
| Leasehold improvements | 5 years            |

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

### **Investments in group enterprises**

Investments in group enterprises are recognised and measured in the parent financial statements according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus unamortised goodwill and plus or minus unrealised intra-group profits or losses.

Group enterprises with negative equity value are measured at DKK 0. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation will involve a loss, a provision is recognised that is measured at present value of the costs necessary to settle the obligations at the balance sheet date.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to the reserve for net revaluation according to the equity method in equity.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

### **Receivables**

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

### **Tax payable or receivable**

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

**Joint taxation contributions payable or receivable**

Current joint taxation contributions payable or receivable are recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

**Prepayments**

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

**Cash**

Cash comprises bank deposits.

**Deferred tax**

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

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

**Other provisions**

Other provisions comprise anticipated costs of non-recourse guarantee commitments, decided and published restructuring, etc.

Other provisions are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date. Provisions that are estimated to mature more than one year after the balance sheet date are measured at their discounted value.

Non-recourse guarantee commitments comprise commitments to remedy defects and deficiencies within the guarantee period.

**Operating leases**

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

**Other financial liabilities**

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

**Prepayments received from customers**

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

### **Cash flow statement**

The cash flow statement shows cash flows from operating, investing and financing activities, and cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes, and financial income, financial expenses and income tax paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments, and purchase, development, improvement and sale, etc. of intangible assets and property, plant and equipment.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs, and the raising of loans, repayments of interest-bearing debt, including lease liabilities, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash and short-term securities with an insignificant price risk less short-term bank loans.