

Arm Denmark ApS

Ragnagade 7, 2100 København Ø

Company reg. no. 41 56 34 51

Annual report

1 April 2022 - 31 March 2023

The annual report was submitted and approved by the general meeting on the

Christoffer Dall
Chairman of the meeting

Contents

	<u>Page</u>
Reports	
Management's statement	1
Practitioner's compilation report	2
Management's review	
Company information	3
Management's review	4
Financial statements 1 April 2022 - 31 March 2023	
Accounting policies	5
Income statement	8
Balance sheet	9
Statement of changes in equity	11
Notes	12

Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's statement

Today, the Executive Board has approved the annual report of Arm Denmark ApS for the financial year 1 April 2022 - 31 March 2023.

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

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 March 2023 and of the results of the Company's operations for the financial year 1 April 2022 – 31 March 2023.

The Executive Board consider the conditions for audit exemption of the 2022/23 financial statements to be met.

Further, in our opinion, the Management's review gives a true and fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the Annual General Meeting.

Copenhagen, 27 July 2023

Executive board

Kirsty Judith Gill

Christoffer Dall

Practitioner's compilation report

To the Shareholders of Arm Denmark ApS

We have compiled the financial statements of Arm Denmark ApS for the financial year 1 April 2022 - 31 March 2023 based on the company's bookkeeping and on information you have provided.

These financial statements comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist Management in the preparation and presentation of these financial statements in accordance with the Danish Financial Statements Act. We have complied with relevant requirements under the Danish Act on Approved Auditors and Audit Firms and International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) including principles of integrity, objectivity, professional competence and due care.

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with the Danish Financial Statements Act.

København Ø, 27 July 2023

One Revision

Statsautoriseret Revisionspartnerselskab
Company reg. no. 39 09 02 79

Jan Lundqvist

State Authorised Public Accountant
mne19740

Company information

The company	Arm Denmark ApS Ragnagade 7 2100 København Ø
	Company reg. no. 41 56 34 51
	Established: 5 August 2020
	Domicile: Copenhagen
	Financial year: 1 April 2022 - 31 March 2023 3rd financial year
Executive board	Kirsty Judith Gill Christoffer Dall
Auditors	One Revision Statsautoriseret Revisionspartnerselskab Ragnagade 7, 2. 2100 København Ø
Parent company	Arm Ltd

Management's review

The principal activities of the company

Like previous years, the activities are regarding information technology and related services.

Development in activities and financial matters

The gross profit for the year totals DKK 8.344.116 against DKK 6.637.449 last year. Income or loss from ordinary activities after tax totals DKK 356.793 against DKK 284.284 last year. Management considers the net profit or loss for the year satisfactory.

Events subsequent to the financial year

There are no events other than the above that are expected to have a significant impact on the company's financial position.

Accounting policies

The annual report for Arm Denmark ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

Certain fixed asset investments and liabilities are measured at amortised cost, by which method a fixed, effective interest is recognised during the useful life of the asset or the liability. Amortised cost is recognised as the original cost with deduction of any payments and additions/deductions of the accrued amortisation of the difference between cost and nominal amount. In this way capital losses and capital profits are spread over the useful life.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concern matters existing on the balance sheet date.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Accounting policies

Fixed assets acquired and paid for in foreign currency are measured at the exchange rate prevailing at the date of the transaction.

Income statement

Gross profit

Gross profit comprises the revenue and external costs.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Revenue is measured at the fair value of the consideration promised exclusive of VAT and taxes and less any discounts relating directly to sales.

Other operating income comprises items of a secondary nature as regards the principal activities of the enterprise.

Other external costs comprise costs for administration.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members.

Financial expenses

Financial expenses are recognised in the income statement with the amounts concerning the financial year. Financial expenses comprise interest expenses, surcharges and reimbursements under the advance tax scheme, etc.

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The balance sheet

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

Accrued income and deferred expenses

Accrued income and deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

Accounting policies

Available funds

Available funds comprise cash at bank.

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Liabilities other than provisions

Other liabilities concerning payables to suppliers and other payables are measured at amortised cost which usually corresponds to the nominal value.

Income statement 1 April - 31 March

All amounts in DKK.

<u>Note</u>	<u>2022/23</u>	<u>2021/22</u>
Gross profit	8.344.116	6.637.449
1 Staff costs	-7.871.864	-6.254.478
Operating profit	472.252	382.971
Other financial expenses	-13.314	-18.414
Pre-tax net profit or loss	458.938	364.557
2 Tax on net profit or loss for the year	-102.145	-80.273
Net profit or loss for the year	356.793	284.284
Proposed distribution of net profit:		
Transferred to retained earnings	356.793	284.284
Total allocations and transfers	356.793	284.284

Balance sheet at 31 March

All amounts in DKK.

Assets		
<u>Note</u>	<u>2023</u>	<u>2022</u>
Current assets		
Receivables from subsidiaries	1.454.514	2.657.618
Deferred tax assets	568.790	60.677
Other receivables	17.248	14.612
Prepayments	12.852	4.902
Total receivables	<u>2.053.404</u>	<u>2.737.809</u>
Cash and cash equivalents	<u>1.144.738</u>	<u>768.445</u>
Total current assets	<u>3.198.142</u>	<u>3.506.254</u>
Total assets	<u>3.198.142</u>	<u>3.506.254</u>

Balance sheet at 31 March

All amounts in DKK.

Equity and liabilities		
<u>Note</u>	<u>2023</u>	<u>2022</u>
Equity		
Contributed capital	40.000	40.000
Results brought forward	791.104	434.312
Total equity	831.104	474.312
Long term liabilities other than provisions		
Bank debts	11.690	0
Trade creditors	5.329	29.526
Income tax payable	514.280	54.788
Other payables	1.835.739	2.947.628
Total short term liabilities other than provisions	2.367.038	3.031.942
Total liabilities other than provisions	2.367.038	3.031.942
Total equity and liabilities	3.198.142	3.506.254

3 Contingencies

Statement of changes in equity

All amounts in DKK.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 April 2022	40.000	434.311	474.311
Profit or loss for the year brought forward	<u>0</u>	<u>356.793</u>	<u>356.793</u>
	<u>40.000</u>	<u>791.104</u>	<u>831.104</u>

Notes

All amounts in DKK.

	<u>2022/23</u>	<u>2021/22</u>
1. Staff costs		
Salaries and wages	7.632.345	6.045.693
Pension costs	216.165	197.293
Other costs for social security	<u>23.354</u>	<u>11.492</u>
	<u>7.871.864</u>	<u>6.254.478</u>
 Average number of employees	 <u>4</u>	 <u>4</u>
2. Tax on net profit or loss for the year		
Tax of the results for the year, parent company	610.280	95.788
Adjustment for the year of deferred tax	-508.113	-15.515
Adjustment of tax for previous years	<u>-22</u>	<u>0</u>
	<u>102.145</u>	<u>80.273</u>
3. Contingencies		
Contingent liabilities		
Lease liabilities		
The company has entered into a sublease contract which can be terminated with-in 1 month notice. The annual rent is DKK 57.628.		