

# DKT A/S

Fanøvej 6, 4060 Kirke Såby

CVR no. 82 15 14 19

## Annual report 2021

Approved at the Company's annual general meeting on 22 June 2022

Chair of the meeting:

.....  
Joachim Döring

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## Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of DKT A/S for the financial year 1 January - 31 December 2021.

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

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Company at 31 December 2021 and of the results of the Group's and the Company's operations and of the consolidated cash flows for the financial year 1 January - 31 December 2021.

Further, in our opinion, the Management's review gives a fair review of the development in the Group's and the Company's operations and financial matters and the results of the Group's and the Company's operations and financial position.

We recommend that the annual report be approved at the annual general meeting.

Kirke Saaby, 22 June 2022  
Executive Board:

.....  
Joachim Döring  
CEO

Board of Directors:

.....  
Christian Hermann Günther  
Thomas Steer  
Chair

.....  
Ludwig Michael Modra

.....  
Joachim Döring

## Independent auditor's report

To the shareholders of DKT A/S

### Opinion

We have audited the consolidated financial statements and the parent company financial statements of DKT A/S for the financial year 1 January - 31 December 2021, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for the Group and the Parent Company, and a consolidated cash flow statement. The consolidated financial statements and the parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2021, and of the results of the Group's and Parent Company's operations as well as the consolidated cash flows for the financial year 1 January - 31 December 2021 in accordance with the Danish Financial Statements Act.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements and the parent Company financial statements" (hereinafter collectively referred to as "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 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.

### Management's responsibilities for the financial statements

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

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

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance 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 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 the 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:

## Independent auditor's report

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Company's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- ▶ Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Parent 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.
- ▶ 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'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, 22 June 2022  
EY Godkendt Revisionspartnerselskab  
CVR no. 30 70 02 28

Peter Jensen  
State Authorised Public Accountant  
mne33246

## Management's review

### Company details

|                            |  |
|----------------------------|--|
| Name                       | DKT A/S  |
| Address, Postal code, City | Fanøvej 6, 4060 Kirke Såby   |
| CVR no.                    | 82 15 14 19  |
| Established                | 4 December 1980  |
| Registered office          | Lejre  |
| Financial year             | 1 January - 31 December  |
| Website                    | <a href="http://www.dktcomega.dk">www.dktcomega.dk</a>   |
| E-mail                     | <a href="mailto:info@dktcomega.com">info@dktcomega.com</a>   |
| Board of Directors         | Christian Hermann Günther Thomas Steer, Chair<br>Ludwig Michael Modra<br>Joachim Döring                    |
| Executive Board            | Joachim Döring, CEO  |
| Auditors                   | EY Godkendt Revisionspartnerselskab<br>Dirch Passers Allé 36, P.O. Box 250, 2000 Frederiksberg,<br>Denmark |

## Management's review

### Financial highlights for the Group

| DKK   | 2021<br>12 months | 2020<br>12 months | 2018/19<br>15 mdr.(months) | 2017/18<br>12 mdr.(months) | 2016/17<br>12 mdr.(months) |
|---|-------------------|-------------------|----------------------------|----------------------------|----------------------------|
| <b>Key figures</b>  |                   |                   |                            |                            |                            |
| Gross profit  | 24,621,293        | 27,269,062        | 28,355,346                 | 30,178,534                 | 34,034,302                 |
| Operating profit/loss   | 7,551,692         | 8,314,542         | 4,689,839                  | 13,639,529                 | 19,963,754                 |
| Net financials  | -297,083          | -538,539          | -418,047                   | -567,040                   | -473,541                   |
| <b>Profit for the year</b>                                      | <b>5,336,522</b>  | <b>8,220,872</b>  | <b>4,314,350</b>           | <b>10,220,576</b>          | <b>15,260,745</b>          |
| <b>Total assets</b>   |                   |                   |                            |                            |                            |
| <b>Equity</b>   | <b>60,474,546</b> | <b>55,217,798</b> | <b>46,953,625</b>          | <b>42,637,448</b>          | <b>42,131,613</b>          |
| <b>Cash flows from operating activities</b>                     |                   |                   |                            |                            |                            |
| Net cash flows from investing activities                        | -3,234,361        | -1,748,602        | -3,572,591                 | 1,106,904                  | -612,916                   |
| Amount relating to investments in property, plant and equipment | -65,476           | -141,082          | 0                          | -324,284                   | -211,671                   |
| Cash flows from financing activities                            | 0                 | 0                 | -5,641,814                 | -20,350,645                | -5,649,142                 |
| <b>Total cash flows</b>   | <b>-7,039,859</b> | <b>11,150,729</b> | <b>2,888,565</b>           | <b>3,232,175</b>           | <b>931,748</b>             |
| <b>Financial ratios</b>   |                   |                   |                            |                            |                            |
| Return on assets  | 9.5%              | 10.8%             | 6.4%                       | 17.2%                      | 24.4%                      |
| Current ratio   | 397.5%            | 317.2%            | 258.5%                     | 255.6%                     | 194.5%                     |
| Equity ratio  | 76.8%             | 68.7%             | 63.2%                      | 59.9%                      | 48.0%                      |
| Return on equity  | 9.2%              | 16.1%             | 9.6%                       | 24.1%                      | 41.6%                      |
| <b>Average number of full-time employees</b>                    |                   |                   |                            |                            |                            |
|   | 22                | 23                | 27                         | 19                         | 22                         |

For terms and definitions, please see the accounting policies.

## Management's review

### Business review

#### *Principal activity*

The DKT Group provides a series of products for broadband networks within three main groups: FTTH/FTTB (Fibre To The Home/Fibre To The Building) networks, Coaxial distribution (with focus on DOCSIS 3.1 upgrades and solutions) and Home Networks (with focus on the distribution of broadband services to households, including Wi-Fi/wireless network). The products are primarily developed by DKT and sold through its own companies or via partners, mainly in Europe.

DKT has more than 40 years of experience with broadband networks. The original basis was to specialize in Coaxial networks, which around year 2000 was expanded to include fibre-optic networks. The Company will continue to use this historical basis as a springboard for the future, where DKT will develop its position as a partner to operators, installers and solution providers. The vision is to improve the standard of living in Europe via improved broadband performance in networks and in the home with focus on quality and innovation.

DKT A/S is part of BTV Multimedia GmbH, which is an international group of companies based in Germany. All companies in the Group have the same purpose, which is development and consultancy regarding products and solutions for broadband networks. In this cooperative structure, DKT is the international leg in the Group and will thereby act leveraging the Group's collective strength. This is a clear strengthening of the possibilities to achieve the vision, and in continuation thereof, DKT has established a subsidiary in Great Britain, which is a significant market for the Company.

#### Financial review

The income statement for 2021 shows a profit of DKK 5,336,522 against a profit of DKK 8,220,872 last year, and the group's balance sheet at 31 December 2021 shows equity of DKK 60,474,546. The general sourcing situation of chips sets has impacted the year negative. In that perspective, the management consider the group's financial performance in the year satisfactory.

#### Research and development activities

Due to the situation of sourcing of raw material components, the main development projects have been around optimizing this. In addition, resources have been used to upgrade our 10gb platform.

#### Events after the balance sheet date

No events materially affecting the Group's and the Company's financial position have occurred subsequent to the financial year-end.

#### Outlook

Until the situation about sourcing raw material are normalized, the Management expect earnings in 2022 to be unchanged from 2021 level.



## Consolidated financial statements and parent company financial statements 1 January - 31 December

### Income statement

| Note | DKK   | Group       |             | Parent company |             |
|------|---|-------------|-------------|----------------|-------------|
|      |   | 2021        | 2020        | 2021           | 2020        |
|      | <b>Gross profit</b>   | 24,621,293  | 27,269,062  | 17,367,976     | 21,877,642  |
| 2    | Staff costs   | -14,931,522 | -14,596,653 | -10,798,145    | -11,498,583 |
|      | Amortisation/depreciation and impairment of intangible assets and property, plant and equipment | -2,086,541  | -1,707,867  | -1,832,209     | -1,424,843  |
|      | <b>Profit before net financials</b>   | 7,603,230   | 10,964,542  | 4,737,622      | 8,954,216   |
|      | Income from investments in group enterprises  | 0           | 0           | 1,524,732      | 1,456,758   |
| 3    | Financial income  | 563,558     | 30,483      | 653,361        | 64,036      |
| 4    | Financial expenses  | -860,641    | -569,022    | -495,393       | -533,617    |
|      | <b>Profit before tax</b>  | 7,306,147   | 10,426,003  | 6,420,322      | 9,941,393   |
| 5    | Tax for the year  | -1,969,625  | -2,205,131  | -1,083,800     | -1,720,521  |
|      | <b>Profit for the year</b>  | 5,336,522   | 8,220,872   | 5,336,522      | 8,220,872   |

## Consolidated financial statements and parent company financial statements 1 January - 31 December

### Balance sheet

| Note | DKK  | Group                    |                          | Parent company           |                          |
|------|--|--------------------------|--------------------------|--------------------------|--------------------------|
|      |  | 2021                     | 2020                     | 2021                     | 2020                     |
|      |  | <b>ASSETS</b>            |                          |                          |                          |
|      |  | <b>Fixed assets</b>      |                          |                          |                          |
| 6    | <b>Intangible assets</b>   |                          |                          |                          |                          |
|      | Completed development projects   | 3,253,668                | 999,543                  | 3,253,668                | 999,543                  |
|      | Acquired intangible assets   | 26,529                   | 43,284                   | 0                        | 0                        |
|      | Goodwill   | 1,131,013                | 1,357,215                | 0                        | 0                        |
|      | Development projects in progress and prepayments for intangible assets | 3,723,785                | 4,695,262                | 3,723,785                | 4,695,262                |
|      |  | <u>8,134,995</u>         | <u>7,095,304</u>         | <u>6,977,453</u>         | <u>5,694,805</u>         |
| 7    | <b>Property, plant and equipment</b>                                   |                          |                          |                          |                          |
|      | Plant and machinery  | 54,448                   | 83,956                   | 54,448                   | 83,956                   |
|      | Fixtures and fittings, other plant and equipment                       | 173,536                  | 215,899                  | 151,735                  | 182,723                  |
|      |  | <u>227,984</u>           | <u>299,855</u>           | <u>206,183</u>           | <u>266,679</u>           |
| 8    | <b>Investments</b>   |                          |                          |                          |                          |
|      | Investments in group enterprises                                       | 0                        | 0                        | 8,999,269                | 6,845,574                |
|      | Deposits, investments  | 304,813                  | 124,813                  | 300,000                  | 120,000                  |
|      |  | <u>304,813</u>           | <u>124,813</u>           | <u>9,299,269</u>         | <u>6,965,574</u>         |
|      | <b>Total fixed assets</b>  | <u>8,667,792</u>         | <u>7,519,972</u>         | <u>16,482,905</u>        | <u>12,927,058</u>        |
|      | <b>Non-fixed assets</b>  |                          |                          |                          |                          |
|      | <b>Inventories</b>   |                          |                          |                          |                          |
|      | Finished goods and goods for resale                                    | 29,351,927               | 35,225,334               | 24,359,478               | 31,664,219               |
|      |  | <u>29,351,927</u>        | <u>35,225,334</u>        | <u>24,359,478</u>        | <u>31,664,219</u>        |
| 9    | <b>Receivables</b>   |                          |                          |                          |                          |
|      | Trade receivables  | 25,426,839               | 14,024,053               | 11,970,276               | 9,771,139                |
|      | Receivables from group enterprises                                     | 596,082                  | 927,259                  | 8,296,298                | 4,193,498                |
| 11   | Deferred tax assets  | 71,529                   | 0                        | 0                        | 0                        |
|      | Corporation tax receivable   | 0                        | 0                        | 0                        | 291,174                  |
|      | Other receivables  | 140,284                  | 951,597                  | 31,352                   | 800,405                  |
|      | Prepayments  | 488,149                  | 583,608                  | 437,484                  | 540,835                  |
|      |  | <u>26,722,883</u>        | <u>16,486,517</u>        | <u>20,735,410</u>        | <u>15,597,051</u>        |
|      | <b>Cash</b>  | <u>13,977,912</u>        | <u>21,097,545</u>        | <u>10,396,231</u>        | <u>16,341,559</u>        |
|      | <b>Total non-fixed assets</b>  | <u>70,052,722</u>        | <u>72,809,396</u>        | <u>55,491,119</u>        | <u>63,602,829</u>        |
|      | <b>TOTAL ASSETS</b>  | <u><u>78,720,514</u></u> | <u><u>80,329,368</u></u> | <u><u>71,974,024</u></u> | <u><u>76,529,887</u></u> |

## Consolidated financial statements and parent company financial statements 1 January - 31 December

### Balance sheet

| Note | DKK  | Group                         |                   | Parent company    |                   |
|------|--|-------------------------------|-------------------|-------------------|-------------------|
|      |  | 2021                          | 2020              | 2021              | 2020              |
|      |  | <b>EQUITY AND LIABILITIES</b> |                   |                   |                   |
|      |  | <b>Equity</b>                 |                   |                   |                   |
| 10   | Share capital  | 1,000,000                     | 1,000,000         | 1,000,000         | 1,000,000         |
|      | Net revaluation reserve according to the equity method | 0                             | 0                 | 4,358,126         | 2,204,416         |
|      | Reserve for development costs                          | 0                             | 0                 | 5,442,413         | 4,441,948         |
|      | Retained earnings                                      | 59,474,546                    | 54,217,798        | 49,674,007        | 47,571,434        |
|      | <b>Total equity</b>                                    | <b>60,474,546</b>             | <b>55,217,798</b> | <b>60,474,546</b> | <b>55,217,798</b> |
|      | <b>Provisions</b>                                      |                               |                   |                   |                   |
| 11   | Deferred tax   | 0                             | 1,114,340         | 9,124             | 1,073,665         |
| 12   | Other provisions                                       | 623,230                       | 0                 | 0                 | 0                 |
| 8    | Provision, investments in group enterprises            | 0                             | 0                 | 115,079           | 0                 |
|      | <b>Total provisions</b>                                | <b>623,230</b>                | <b>1,114,340</b>  | <b>124,203</b>    | <b>1,073,665</b>  |
|      | <b>Liabilities other than provisions</b>               |                               |                   |                   |                   |
|      | <b>Non-current liabilities other than provisions</b>   |                               |                   |                   |                   |
|      | Other payables   | 0                             | 1,046,839         | 0                 | 954,576           |
|      |  | 0                             | 1,046,839         | 0                 | 954,576           |
|      | <b>Current liabilities other than provisions</b>       |                               |                   |                   |                   |
|      | Prepayments received from customers                    | 646,976                       | 0                 | 646,976           | 0                 |
|      | Trade payables   | 10,076,706                    | 17,044,310        | 7,458,110         | 15,683,882        |
|      | Payables to group enterprises                          | 100,858                       | 0                 | 92,001            | 874,323           |
|      | Corporation tax payable                                | 1,951,321                     | 135,575           | 1,008,341         | 0                 |
|      | Other payables   | 3,346,877                     | 5,770,506         | 2,169,847         | 2,725,643         |
|      | Deferred income  | 1,500,000                     | 0                 | 0                 | 0                 |
|      |  | 17,622,738                    | 22,950,391        | 11,375,275        | 19,283,848        |
|      | <b>Total liabilities other than provisions</b>         | <b>17,622,738</b>             | <b>23,997,230</b> | <b>11,375,275</b> | <b>20,238,424</b> |
|      | <b>TOTAL EQUITY AND LIABILITIES</b>                    | <b>78,720,514</b>             | <b>80,329,368</b> | <b>71,974,024</b> | <b>76,529,887</b> |

- 1 Accounting policies
- 13 Contractual obligations and contingencies, etc.
- 14 Collateral
- 15 Related parties
- 16 Appropriation of profit

## Consolidated financial statements and parent company financial statements 1 January - 31 December

### Statement of changes in equity

|      |  | Group            |                   |                   |
|------|--|------------------|-------------------|-------------------|
| Note | DKK  | Share capital    | Retained earnings | Total             |
|      | <b>Equity at 1 January 2021</b>  | 1,000,000        | 54,217,798        | 55,217,798        |
|      | Transfer through appropriation of profit   | 0                | 5,336,522         | 5,336,522         |
|      | Forreign exchange adjustments of investments in subsidiaries in foreign currency | 0                | -79,774           | -79,774           |
|      | <b>Equity at 31 December 2021</b>  | <b>1,000,000</b> | <b>59,474,546</b> | <b>60,474,546</b> |

  

|      |  | Parent company   |  |                               |                   |                   |
|------|--|------------------|--|-------------------------------|-------------------|-------------------|
| Note | DKK  | Share capital    | Net revaluation reserve according to the equity method | Reserve for development costs | Retained earnings | Total             |
|      | <b>Equity at 1 January 2021</b>  | 1,000,000        | 2,204,416  | 4,441,948                     | 47,571,434        | 55,217,798        |
| 16   | Transfer, see "Appropriation of profit"  | 0                | 2,968,284  | 1,000,465                     | 1,367,773         | 5,336,522         |
|      | Forreign exchange adjustments of investments in subsidiaries in foreign currency | 0                | -79,774  | 0                             | 0                 | -79,774           |
|      | Distributed dividend from group enterprises                                      | 0                | -734,800   | 0                             | 734,800           | 0                 |
|      | <b>Equity at 31 December 2021</b>  | <b>1,000,000</b> | <b>4,358,126</b>                                       | <b>5,442,413</b>              | <b>49,674,007</b> | <b>60,474,546</b> |

## Consolidated financial statements and parent company financial statements 1 January - 31 December

### Cash flow statement

| Note | DKK   | Group             |                   |
|------|---|-------------------|-------------------|
|      |   | 2021              | 2020              |
|      | Profit for the year                                   | 5,336,522         | 8,220,872         |
| 17   | Adjustments   | 4,353,249         | 4,434,193         |
|      | Cash generated from operations (operating activities) | 9,689,771         | 12,655,065        |
| 18   | Changes in working capital                            | -11,858,438       | 2,043,301         |
|      | Cash generated from operations (operating activities) | -2,168,667        | 14,698,366        |
|      | Interest received, etc.                               | 563,558           | 30,483            |
|      | Interest paid, etc.                                   | -860,641          | -569,022          |
|      | Income taxes paid                                     | -1,339,748        | -1,260,496        |
|      | <b>Cash flows from operating activities</b>           | <b>-3,805,498</b> | <b>12,899,331</b> |
|      | Additions of intangible assets                        | -3,150,810        | -1,876,820        |
|      | Additions of property, plant and equipment            | -65,476           | -141,082          |
|      | Disposals of property, plant and equipment            | 161,925           | 77,144            |
|      | Purchase of financial assets                          | -180,000          | -4,813            |
|      | Sale of financial assets                              | 0                 | 196,969           |
|      | <b>Cash flows to investing activities</b>             | <b>-3,234,361</b> | <b>-1,748,602</b> |
|      | <b>Net cash flow</b>                                  | <b>-7,039,859</b> | <b>11,150,729</b> |
|      | Cash and cash equivalents at 1 January                | 21,097,545        | 9,903,482         |
|      | Foreign exchange adjustments                          | -79,774           | 43,334            |
|      | <b>Cash and cash equivalents at 31 December</b>       | <b>13,977,912</b> | <b>21,097,545</b> |

## Consolidated financial statements and parent company financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies

The annual report of DKT A/S for 2021 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to medium-sized reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

#### Omission of a cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act, no cash flow statement is prepared for the parent company, as its cash flows are reflected in the consolidated cash flow statement.

#### Reporting currency

The financial statements are presented in Danish kroner (DKK).

#### Consolidated financial statements

##### *Control*

The consolidated financial statements comprise the Parent Company and subsidiaries controlled by the Parent Company.

Control means a parent company's power to direct a subsidiary's financial and operating policy decisions. Besides the above power, the parent company should also be able to yield a return from its investment.

In assessing if the parent company controls an entity, de facto control is taken into consideration as well.

The existence of potential voting rights which may currently be exercised or converted into additional voting rights is considered when assessing if an entity can become empowered to direct another entity's financial and operating decisions.

The consolidated financial statements are prepared as a consolidation of the Parent Company's and the individual subsidiaries' financial statements, which are prepared according to the Group's accounting policies. On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends, and realised and unrealised gains on intra-group transactions are eliminated.

In the consolidated financial statements, the accounting items of subsidiaries are recognised in full.

#### Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

#### Derivative financial instruments

On initial recognition, derivative financial instruments are recognised at cost in the balance sheet and are subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are presented as other receivables and other payables respectively.

## Consolidated financial statements and parent company financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Income statement

###### Revenue

The Company has chosen IAS 18 as interpretation for revenue recognition.

Income from the sale of goods for resale and finished goods, is recognised in revenue when the most significant rewards and risks have been transferred to the buyer and provided the income can be measured reliably and payment is expected to be received. The date of the transfer of the most significant rewards and risks is based on standardised terms of delivery based on Incoterms® 2010.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

###### Gross profit

The items revenue, cost of sales, other operating income and external expenses have been aggregated into one item in the income statement called gross profit in accordance with section 32 of the Danish Financial Statements Act.

###### Other operating income

Other operating income comprise items of a secondary nature relative to the Company's core activities, including gains on the sale of fixed assets.

###### Cost of sales

Cost of sales includes the cost of goods used in generating the year's revenue.

###### External expenses

External expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, etc.

###### Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

###### Amortisation/depreciation and impairment

The item comprises amortisation/depreciation and impairment of intangible assets and property, plant and equipment.

The basis of amortisation/depreciation, which is calculated as cost less any residual value, is amortised/depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

|  |            |
|--|------------|
| Completed development projects                   | 5 years    |
| Acquired intangible assets                       | 5 years    |
| Goodwill   | 8 years    |
| Plant and machinery                              | 3-5 years  |
| Fixtures and fittings, other plant and equipment | 4-10 years |

## Consolidated financial statements and parent company financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

Depreciation is based on the residual value of the asset and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the acquisition date and are reassessed annually. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

In the case of changes in the depreciation period or the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

#### Profit/loss from investments in subsidiaries

A proportionate share of the underlying entities' profit/loss after tax is recognised in the income statement according to the equity method. Shares of profit/loss after tax in subsidiaries are presented as separate line items in the income statement in the parent company's financial statements. Full elimination of intra-group gains/losses is made for equity investments in subsidiaries.

#### Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

#### Tax

The parent company is covered by the Danish rules on mandatory joint taxation of the Group's Danish subsidiaries. Subsidiaries are included in the joint taxation arrangement from the date at which they are included in the consolidated financial statements and up to the date when they are no longer consolidated.

The parent company acts as management company for the joint taxation arrangement and consequently settles all corporate income tax payments with the tax authorities.

On payment of joint taxation contributions, the Danish corporate income tax charge is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use the tax losses to reduce their own taxable income.

Tax for the year, which comprises the current income tax charge, joint taxation contributions and deferred tax adjustments, including adjustments arising from changes in tax rates, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

#### Balance sheet

##### Intangible assets

Goodwill is amortised over the expected economic life of the asset, measured by reference to Management's experience in the individual business segments. Goodwill is amortised on a straight-line basis over the amortisation period, which is set to 10 years, due to the investment being strategic.

Other intangible assets include development projects and other acquired intangible rights, including software licences, distribution rights and development projects.

Other intangible assets are measured at cost less accumulated amortisation and impairment losses.

Development costs comprise expenses, salaries and amortisation directly or indirectly attributable to development activities.



## Consolidated financial statements and parent company financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

Development projects that are clearly defined and identifiable, where the technical feasibility, sufficient resources and a potential future market or development opportunities are identifiable and where the Company intends to produce, market or use the project, are recognised as intangible assets provided that the cost can be measured reliably and that there is sufficient assurance that future earnings can cover production costs, selling costs and administrative expenses and development costs. Other development costs are recognised in the income statement as incurred.

Development costs that are recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

On completion of a development project, development costs are amortised on a straight-line basis over the estimated useful life.

#### Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Gains and losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses.

#### Leases

The Company has chosen IAS 17 as interpretation for classification and recognition of leases.

Leases that do not transfer substantially all the risks and rewards incident to the ownership to the Company are classified as operating leases. Payments relating to operating leases and any other rent agreements are recognised in the income statement over the term of the lease. The Company's aggregate liabilities relating to operating leases and other rent agreements are disclosed under "Contingent liabilities".

#### Investments in subsidiaries

On initial recognition, investments in subsidiaries are measured at cost and subsequently at the proportionate share of the entities' net asset values calculated in accordance with the parent company's accounting policies minus or plus any residual value of positive or negative goodwill calculated in accordance with the purchase method of accounting. Investments in subsidiaries with a negative net asset value are measured at DKK 0 (nil). Receivables from these entities are written down to the extent that they are deemed irrecoverable. A provision is recognised to the extent that the parent company has a legal or constructive obligation to cover the subsidiary's liabilities. Net revaluations of investments in subsidiaries are transferred to the net revaluation reserve according to the equity method where the carrying amount exceeds the acquisition cost.

Equity investments in subsidiaries measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

#### Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments in subsidiaries and associates is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

## Consolidated financial statements and parent company financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

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. Impairment losses on goodwill are not reversed.

#### Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value. The net realisable value of inventories is calculated as the sales amount less costs of completion and expenses required to effect the sale and is determined taking into account marketability, obsolescence and development in the expected selling price.

The inventory's cost price comprises the cost of acquisition plus delivery costs as well as other expenses directly attributable to the acquisition.

#### Receivables

Receivables are measured at amortised cost.

The Company has chosen IAS 39 as interpretation for impairment of financial receivables.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

#### Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

#### Cash

Cash comprise cash balances and bank balances.

#### Equity

##### *Reserve for net revaluation according to the equity method*

The net revaluation reserve according to the equity method includes net revaluations of investments in subsidiaries and associates relative to cost. The reserve can be eliminated in case of losses, realisation of investments or a change in accounting estimates. The reserve cannot be recognised at a negative amount.

##### *Reserve for development costs*

The reserve for development costs comprises recognised development costs. The reserve cannot be used to distribute dividend or cover losses. The reserve will be reduced or dissolved if the recognised development costs are amortised or are no longer part of the Company's operations by a transfer directly to the distributable reserves under equity.

## Consolidated financial statements and parent company financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Provisions

Provisions comprise anticipated expenses relating to warranty commitments, onerous contracts, restructurings, etc. Provisions are recognised when the Company has a legal or constructive obligation at the balance sheet date as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Provisions are measured at net realisable value or at fair value if the obligation is expected to be settled far into the future.

##### Income taxes

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

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base 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 Management's intended use of the asset or settlement of the liability, respectively.

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

As management company for all the entities in the joint taxation arrangement, the parent company is liable for payment of the subsidiaries' income taxes vis à vis the tax authorities as the subsidiaries pay their joint taxation contributions. Joint taxation contributions payable or receivable are recognised in the balance sheet as income tax receivables or payables.

##### Liabilities

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

Other liabilities are measured at net realisable value.

##### Prepayments received from customers

Prepayments received from customers include payments for goods, which have not been delivered at the balance sheet date.

##### Deferred income

Deferred income recognised as a liability comprises payments received concerning income in subsequent financial reporting years.

## Consolidated financial statements and parent company financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Cash flow statement

The cash flow statement shows the Company's net cash flows broken down according to operating, investing and financing activities, the year's changes in cash and cash equivalents as well as the cash and cash equivalents at the beginning and the end of the year.

Cash flows from operating activities are calculated as the profit/loss for the year adjusted for non cash operating items, changes in working capital and paid corporate income tax.

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of entities and activities and of intangible assets, property, plant and equipment and investments.

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

Cash and cash equivalents comprise cash, short term bank loans and short term securities which are readily convertible into cash and which are subject only to insignificant risks of changes in value.

##### Financial ratios

The financial ratios stated under "Financial highlights" have been calculated as follows:

|                       |   |
|-----------------------|---|
| Operating profit/loss | Profit/loss before financial items adjusted for other operating income and other operating expenses |
| Return on assets      | $\frac{\text{Profit/loss from operating activities} \times 100}{\text{Average assets}}$             |
| Current ratio         | $\frac{\text{Current assets} \times 100}{\text{Current liabilities}}$                               |
| Equity ratio          | $\frac{\text{Equity, year-end} \times 100}{\text{Total equity and liabilities, year-end}}$          |
| Return on equity      | $\frac{\text{Profit/loss after tax} \times 100}{\text{Average equity}}$                             |

## Consolidated financial statements and parent company financial statements 1 January - 31 December

### Notes to the financial statements

| DKK                                   | Group             |                   | Parent company    |                   |
|---------------------------------------|-------------------|-------------------|-------------------|-------------------|
|                                       | 2021              | 2020              | 2021              | 2020              |
| <b>2 Staff costs</b>                  |                   |                   |                   |                   |
| Wages/salaries                        | 12,956,606        | 13,353,144        | 9,561,032         | 10,467,478        |
| Pensions                              | 1,224,835         | 948,900           | 933,552           | 802,649           |
| Other social security costs           | 446,353           | 90,896            | 110,608           | 68,658            |
| Other staff costs                     | 303,728           | 203,713           | 192,953           | 159,798           |
|                                       | <u>14,931,522</u> | <u>14,596,653</u> | <u>10,798,145</u> | <u>11,498,583</u> |
| Average number of full-time employees | <u>22</u>         | <u>23</u>         | <u>17</u>         | <u>18</u>         |

#### Group

Total remuneration to Group Management and Board of Directors amounts to DKK 2,919,402 (2020: DKK 2,092,377).

#### Parent company

By reference to section 98b(3), (ii), of the Danish Financial Statements Act, remuneration to Management is not disclosed.

| DKK                                  | Group            |                  | Parent company   |                  |
|--------------------------------------|------------------|------------------|------------------|------------------|
|                                      | 2021             | 2020             | 2021             | 2020             |
| <b>3 Financial income</b>            |                  |                  |                  |                  |
| Interest receivable, group entities  | 0                | 0                | 117,759          | 63,376           |
| Other financial income               | 563,558          | 30,483           | 535,602          | 660              |
|                                      | <u>563,558</u>   | <u>30,483</u>    | <u>653,361</u>   | <u>64,036</u>    |
| <b>4 Financial expenses</b>          |                  |                  |                  |                  |
| Interest expenses, group entities    | 0                | 213,141          | 945              | 227,678          |
| Other financial expenses             | 860,641          | 355,881          | 494,448          | 305,939          |
|                                      | <u>860,641</u>   | <u>569,022</u>   | <u>495,393</u>   | <u>533,617</u>   |
| <b>5 Tax for the year</b>            |                  |                  |                  |                  |
| Estimated tax charge for the year    | 3,153,867        | 2,086,665        | 2,148,341        | 1,608,826        |
| Deferred tax adjustments in the year | -1,184,242       | 118,466          | -1,064,541       | 111,695          |
|                                      | <u>1,969,625</u> | <u>2,205,131</u> | <u>1,083,800</u> | <u>1,720,521</u> |

## Consolidated financial statements and parent company financial statements 1 January - 31 December

### Notes to the financial statements

#### 6 Intangible assets

| DKK  | Group                          |                            |                         |  |                         |
|--|--------------------------------|----------------------------|-------------------------|--|-------------------------|
|  | Completed development projects | Acquired intangible assets | Goodwill                | Development projects in progress and prepayments for intangible assets | Total                   |
| Cost at 1 January 2021   | 11,460,891                     | 50,265                     | 1,809,619               | 4,695,262  | 18,016,037              |
| Additions  | 87,826                         | 0                          | 0                       | 3,062,984  | 3,150,810               |
| Disposals  | -1,493,677                     | 0                          | 0                       | -150,963   | -1,644,640              |
| Transferred  | 3,883,498                      | 0                          | 0                       | -3,883,498   | 0                       |
| Cost at 31 December 2021   | <u>13,938,538</u>              | <u>50,265</u>              | <u>1,809,619</u>        | <u>3,723,785</u>   | <u>19,522,207</u>       |
| Impairment losses and amortisation at 1 January 2021                   | 10,461,348                     | 6,981                      | 452,404                 | 0  | 10,920,733              |
| Impairment losses for the year   | -142,120                       | 0                          | 0                       | 0  | -142,120                |
| Amortisation for the year  | 1,859,319                      | 16,755                     | 226,202                 | 0  | 2,102,276               |
| Reversal of accumulated amortisation and impairment of assets disposed | -1,493,677                     | 0                          | 0                       | 0  | -1,493,677              |
| Impairment losses and amortisation at 31 December 2021                 | <u>10,684,870</u>              | <u>23,736</u>              | <u>678,606</u>          | <u>0</u>   | <u>11,387,212</u>       |
| <b>Carrying amount at 31 December 2021</b>                             | <u><u>3,253,668</u></u>        | <u><u>26,529</u></u>       | <u><u>1,131,013</u></u> | <u><u>3,723,785</u></u>  | <u><u>8,134,995</u></u> |

#### Development projects

Completed development projects include the Company's webpage, products and other IT equipments with a carrying amount of DKK 3,253,668 which are used for customers to place orders.

Development projects in progress include product development of a new generation of an existent product group, with a carrying amount of DKK 3,723,785.

| DKK  | Parent company                 |  |                         |
|--|--------------------------------|--|-------------------------|
|  | Completed development projects | Development projects in progress and prepayments for intangible assets | Total                   |
| Cost at 1 January 2021   | 11,415,368                     | 4,695,262  | 16,110,630              |
| Additions  | 87,826                         | 3,062,984  | 3,150,810               |
| Disposals  | -1,448,154                     | -150,963   | -1,599,117              |
| Transferred  | 3,883,498                      | -3,883,498   | 0                       |
| Cost at 31 December 2021   | <u>13,938,538</u>              | <u>3,723,785</u>   | <u>17,662,323</u>       |
| Impairment losses and amortisation at 1 January 2021                   | 10,415,825                     | 0  | 10,415,825              |
| Impairment losses for the year   | -142,120                       | 0  | -142,120                |
| Amortisation for the year  | 1,859,319                      | 0  | 1,859,319               |
| Reversal of accumulated amortisation and impairment of assets disposed | -1,448,154                     | 0  | -1,448,154              |
| Impairment losses and amortisation at 31 December 2021                 | <u>10,684,870</u>              | <u>0</u>   | <u>10,684,870</u>       |
| <b>Carrying amount at 31 December 2021</b>                             | <u><u>3,253,668</u></u>        | <u><u>3,723,785</u></u>  | <u><u>6,977,453</u></u> |

## Consolidated financial statements and parent company financial statements 1 January - 31 December

### Notes to the financial statements

#### 7 Property, plant and equipment

| DKK  | Group                |  |                       |
|--|----------------------|--|-----------------------|
|  | Plant and machinery  | Fixtures and fittings, other plant and equipment | Total                 |
| Cost at 1 January 2021   | 1,606,127            | 1,875,661  | 3,481,788             |
| Additions  | 0                    | 65,476   | 65,476                |
| Disposals  | 0                    | -518,307   | -518,307              |
| Corrections  | 0                    | 114,568  | 114,568               |
| Cost at 31 December 2021   | <u>1,606,127</u>     | <u>1,537,398</u>                                 | <u>3,143,525</u>      |
| Impairment losses and depreciation at 1 January 2021                   | 1,522,171            | 1,659,762  | 3,181,933             |
| Depreciation   | 29,508               | 96,877   | 126,385               |
| Reversal of accumulated depreciation and impairment of assets disposed | 0                    | -507,345   | -507,345              |
| Corrections  | 0                    | 114,568  | 114,568               |
| Impairment losses and depreciation at 31 December 2021                 | <u>1,551,679</u>     | <u>1,363,862</u>                                 | <u>2,915,541</u>      |
| <b>Carrying amount at 31 December 2021</b>                             | <u><u>54,448</u></u> | <u><u>173,536</u></u>                            | <u><u>227,984</u></u> |

Note 14 provides more details on security for loans, etc. as regards property, plant and equipment.

| DKK  | Parent company       |  |                       |
|--|----------------------|--|-----------------------|
|  | Plant and machinery  | Fixtures and fittings, other plant and equipment | Total                 |
| Cost at 1 January 2021   | 1,606,127            | 1,811,925  | 3,418,052             |
| Additions  | 0                    | 65,476   | 65,476                |
| Disposals  | 0                    | -374,127   | -374,127              |
| Cost at 31 December 2021   | <u>1,606,127</u>     | <u>1,503,274</u>                                 | <u>3,109,401</u>      |
| Impairment losses and depreciation at 1 January 2021                   | 1,522,171            | 1,629,202  | 3,151,373             |
| Depreciation   | 29,508               | 85,502   | 115,010               |
| Reversal of accumulated depreciation and impairment of assets disposed | 0                    | -363,165   | -363,165              |
| Impairment losses and depreciation at 31 December 2021                 | <u>1,551,679</u>     | <u>1,351,539</u>                                 | <u>2,903,218</u>      |
| <b>Carrying amount at 31 December 2021</b>                             | <u><u>54,448</u></u> | <u><u>151,735</u></u>                            | <u><u>206,183</u></u> |

## Consolidated financial statements and parent company financial statements 1 January - 31 December

### Notes to the financial statements

#### 8 Investments

| DKK  | Group                    |  |                |
|--|--------------------------|--|----------------|
|  | Deposits,<br>investments |  |                |
| Cost at 1 January 2021                     |                          |  | 124,813        |
| Additions                                  |                          |  | 180,000        |
| Cost at 31 December 2021                   |                          |  | 304,813        |
| <b>Carrying amount at 31 December 2021</b> |                          |  | <b>304,813</b> |

  

| DKK  | Parent company                         |                          |                  |
|--|--|--------------------------|------------------|
|  | Investments in<br>group<br>enterprises | Deposits,<br>investments | Total            |
| Cost at 1 January 2021                           | 4,641,158                              | 120,000                  | 4,761,158        |
| Additions  | 0                                      | 180,000                  | 180,000          |
| Cost at 31 December 2021                         | 4,641,158                              | 300,000                  | 4,941,158        |
| Value adjustments at 1 January 2021              | 2,204,416                              | 0                        | 2,204,416        |
| Foreign exchange adjustments                     | -79,774                                | 0                        | -79,774          |
| Dividend received                                | -734,800                               | 0                        | -734,800         |
| Profit/loss for the year                         | 1,524,731                              | 0                        | 1,524,731        |
| Negative investments set-off against receivables | 1,443,538                              | 0                        | 1,443,538        |
| Value adjustments at 31 December 2021            | 4,358,111                              | 0                        | 4,358,111        |
| <b>Carrying amount at 31 December 2021</b>       | <b>8,999,269</b>                       | <b>300,000</b>           | <b>9,299,269</b> |

The carrying amount of investments in group entities comprises the share of the net asset value in the group enterprises of DKK 7,868,256 and goodwill at a carrying amount of DKK 1,131,013.

Of the total carrying amount, negative net assets in group entities, DKK 1,335,883 have been set off against receivables and DKK 115,079 have been recognised as a provision due to DKT A/S supporting the subsidiary.

#### Parent company

| Name                       | Domicile      | Interest |
|----------------------------|---------------|----------|
| <b>Subsidiaries</b>        |               |          |
| Dansk Kabel Teknik, DKT AB | Sweden        | 100.00%  |
| DKT Connect A/S            | Denmark       | 100.00%  |
| DKT Ltd.                   | Great Britain | 100.00%  |

#### 9 Receivables

##### Group

Out of the group's total receivables, trade receivables totalling DKK 7,936,000 fall due for payment after more than one year after the balance sheet date.



## Consolidated financial statements and parent company financial statements 1 January - 31 December

### Notes to the financial statements

| DKK   | Parent company   |                  |
|---|------------------|------------------|
|   | 2021             | 2020             |
| <b>10 Share capital</b>                       |                  |                  |
| Analysis of the share capital:                |                  |                  |
| 30 shares of DKK 10,000.00 nominal value each | 300,000          | 300,000          |
| 7 shares of DKK 100,000.00 nominal value each | 700,000          | 700,000          |
|   | <u>1,000,000</u> | <u>1,000,000</u> |

The parent's share capital has remained DKK 1,000,000 over the past 5 years.

| DKK                                  | Group          |                  | Parent company |                  |
|--------------------------------------|----------------|------------------|----------------|------------------|
|                                      | 2021           | 2020             | 2021           | 2020             |
| <b>11 Deferred tax</b>               |                |                  |                |                  |
| Deferred tax at 1 January            | 1,114,340      | 993,000          | 1,073,665      | 961,970          |
| Currency variances                   | -1,627         | 2,874            | 0              | 0                |
| Deferred tax adjustments in the year | -1,184,242     | 118,466          | -1,064,541     | 111,695          |
| <b>Deferred tax at 31 December</b>   | <u>-71,529</u> | <u>1,114,340</u> | <u>9,124</u>   | <u>1,073,665</u> |

### 12 Other provisions

The provisions are expected to be payable in:

|          |                |          |          |          |
|----------|----------------|----------|----------|----------|
| 0-1 year | 243,716        | 0        | 0        | 0        |
| > 1 year | 379,514        | 0        | 0        | 0        |
|          | <u>623,230</u> | <u>0</u> | <u>0</u> | <u>0</u> |

### 13 Contractual obligations and contingencies, etc.

#### Other financial obligations

##### Group

Rent and lease liabilities include a rent obligation and liabilities under operating leases for cars, totalling DKK 3,017 thousand, with remaining contract terms of 0-5 years.

##### Parent company

As management company, the Company is jointly taxed with other Danish group entities. The Company is jointly and severally liable with other jointly taxed group entities for payment of income taxes from the income year 2019 and withholding taxes in the group of jointly taxed entities.

Rent and lease liabilities include a rent obligation totalling DKK 3,003 thousand, with remaining contract terms of 0-5 years.

## Consolidated financial statements and parent company financial statements 1 January - 31 December

### Notes to the financial statements

#### 14 Collateral

##### Group

As security for bank commitment, a business charge at the amount of DKK 42,875 thousand has been issued with security in receivables, inventories, intellectual rights, fixtures and fittings, tools and equipment and goodwill.

##### Parent company

As security for bank commitment, a business charge at the amount of DKK 42,875 thousand has been issued with security in claims, inventories, intellectual rights and fixtures and fittings, tools and equipment.

#### 15 Related parties

##### Group

DKT A/S' related parties comprise the following:

##### Parties exercising control

| <u>Related party</u> | <u>Domicile</u>                                  | <u>Basis for control</u> |
|----------------------|--|--------------------------|
| BTV Multimedia GmbH  | Merkurstraße 3 c,<br>D-30419 Hannover<br>Germany | Participating interest   |

##### Information about consolidated financial statements

| <u>Parent</u>       | <u>Domicile</u>                                  | <u>Requisitioning of the parent company's consolidated financial statements</u> |
|---------------------|--|---|
| BTV Multimedia GmbH | Merkurstraße 3 c,<br>D-30419 Hannover<br>Germany | The consolidated financial statements are available at the Company              |

## Consolidated financial statements and parent company financial statements 1 January - 31 December

### Notes to the financial statements

#### 15 Related parties (continued)

##### Related party transactions

| DKK                                       | 2021       | 2020       |
|---|------------|------------|
| <b>Group</b>                              |            |            |
| Interest expenses to parent company       | 0          | -213,141   |
| Management fee to parent company          | -2,317,736 | -1,682,980 |
| Intra-group revenue                       | 4,310,637  | 4,031,831  |
| Intra-group purchase                      | -9,043,336 | -130,695   |
| Receivables from group enterprises        | 596,082    | 927,259    |
| Payables to group enterprises             | -100,858   | 0          |
| <b>Parent Company</b>                     |            |            |
| Intra-group revenue                       | 13,649,255 | 13,444,694 |
| Interest income                           | 117,759    | 63,376     |
| Interest expense                          | -945       | -227,678   |
| Management fee to parent company          | -2,317,736 | -1,682,980 |
| Management fee received from subsidiaries | 3,000,000  | 2,650,000  |
| Intra-group purchase                      | -627,412   | -375,689   |
| Receivables from group enterprises        | 8,296,298  | 4,193,498  |
| Payables to group enterprises             | -92,001    | -874,323   |

##### Information on the remuneration to management

Information on the remuneration to Management appears from note 2, "Staff costs".

| DKK  | Parent company |            |
|--|----------------|------------|
|  | 2021           | 2020       |
| <b>16 Appropriation of profit</b>                      |                |            |
| <b>Recommended appropriation of profit</b>             |                |            |
| Net revaluation reserve according to the equity method | 2,968,284      | 1,481,320  |
| Reserve for development costs                          | 1,000,465      | 463,833    |
| Retained earnings                                      | 1,367,773      | 6,275,719  |
|  | 5,336,522      | 8,220,872  |
| <b>Group</b>   |                |            |
| DKK  | 2021           | 2020       |
| <b>17 Adjustments</b>                                  |                |            |
| Amortisation/depreciation and impairment losses        | 2,086,541      | 1,707,867  |
| Gain/loss on the sale of non-current assets            | 0              | -17,344    |
| Financial income                                       | -563,558       | -30,483    |
| Financial expenses                                     | 860,641        | 569,022    |
| Tax for the year                                       | 1,969,625      | 2,205,131  |
|  | 4,353,249      | 4,434,193  |
| <b>18 Changes in working capital</b>                   |                |            |
| Change in inventories                                  | 5,873,407      | 2,179,015  |
| Change in receivables                                  | -10,496,013    | 2,795,112  |
| Change in trade and other payables                     | -7,235,832     | -2,930,826 |
|  | -11,858,438    | 2,043,301  |

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