
DK Infrastructure Bidco ApS

Industriparken 35, DK-2750 Ballerup

Annual Report for 2024

CVR No. 39 95 20 09

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 25/6 2025

Jesper Slot
Chairman of the
general meeting



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Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of DK Infrastructure Bidco ApS for the financial year 1 January - 31 December 2024.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Parent Company Financial Statements and the Consolidated Financial Statements give a true and fair view of the financial position at 31 December 2024 of the Company and the Group and of the results of the Company and Group operations for 2024.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Ballerup, 25 June 2025

Executive Board

Mette Slesvig
CEO

Board of Directors

Rasmus Forup Helmich
Chairman

Jesper Slot

Mette Slesvig

Independent Auditor's report

To the shareholder of DK Infrastructure Bidco ApS

Opinion

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 2024 and of the results of the Group's and the Parent Company's operations for the financial year 1 January - 31 December 2024 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of DK Infrastructure Bidco ApS for the financial year 1 January - 31 December 2024, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company ("the Financial Statements").

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 Financial Statements" section of our 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.

Statement on Management's Review

Management is responsible for Management's Review.

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

Based on the work we have performed, in our view, Management's Review is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

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.

Independent Auditor's report

Auditor's responsibilities for the audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the Consolidated Financial Statements and the Parent Company Financial Statements. We are responsible for the direction, supervision and review of the audit work performed for purposes 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.

Independent Auditor's report

Hellerup, 25 June 2025

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Bo Schou-Jacobsen

State Authorised Public Accountant

mne28703

Henrik Aslund Pedersen

State Authorised Public Accountant

mne17120

Company information

The Company	DK Infrastructure Bidco ApS Industriparken 35 DK-2750 Ballerup CVR No: 39 95 20 09 Financial period: 1 January - 31 December Incorporated: 17 October 2018 Financial year: 7th financial year Municipality of reg. office: Ballerup
Board of Directors	Rasmus Forup Helmich, chairman Jesper Slot Mette Slesvig
Executive Board	Mette Slesvig
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup

Financial Highlights

Seen over a 5-year period, the development of the Group is described by the following financial highlights:

	Group				
	2024	2023	2022	2021	2020
	TDKK	TDKK	TDKK	TDKK	TDKK
Key figures					
Profit/loss					
Revenue	438,994	471,037	512,124	350,549	392,463
Gross profit	221,875	236,919	225,642	216,912	224,553
EBITDA before non-recurring items	120,340	139,343	146,189	135,847	140,846
Profit before financial income and expense	16,557	49,519	56,331	59,322	65,207
Profit/loss of financial income and expenses	-55,528	-42,442	-43,111	-38,218	-37,451
Net profit/loss for the year	-35,568	-1,252	11,419	31,227	24,903
Balance sheet					
Balance sheet total	1,104,527	1,125,682	1,082,677	932,373	912,365
Investment in property, plant and equipment	55,695	128,765	50,997	74,450	54,142
Equity	132,212	167,539	176,735	157,395	126,168
Number of employees	152	150	146	140	138
Ratios					
Return on assets	1.5%	4.4%	5.2%	6.4%	7.1%
Solvency ratio	12.0%	14.9%	16.3%	16.9%	13.8%
Return on equity	-23.7%	-0.7%	6.8%	22.0%	21.9%

Management's review

Key activities

The Parent Company's purpose is to own shares in other companies.

The principal activities of the Group are:

- Operation of radio and TV broadcasting networks and mission critical communication systems
- Design, installation and maintenance services related to the radio and TV broadcasting networks as well as other critical communication systems
- Rental of positions for antenna systems and communication platform at Cibicom A/S' towers
- Design, implementation and operation of network infrastructure, MPLS and Internet access
- Datacenter and co-location activities
- We have our own mast-design for own deployment and re-sell where we offer the complete turn-key solution incl installation and service
- Mobile- and other device 'swap', installation and maintenance in own and 3rd party masts throughout the Nordics and related geographies
- Complete indoor communication solutions including passive and active DAS offerings, critical communication solution based on 450Mhz technology etc.
- IOT / interdevice communication solutions
- IOT Solutionsdesign and implementation

The Cibicom Group operates under the brands "Cibicom", "Cibicom Services", "Telpartner Denmark", Telpartner Sweden" and "Sense Solutions".

Operation

The Cibicom Group operates a communication and infrastructure platform e.g., for national radio and TV broadcasting companies in Denmark performing preventative and corrective maintenance and further development of the communication infrastructure. The activities change and/or expands as new networks are established or existing are modified.

The external environment with respect to broadcast of Radio and TV is in a better position than anticipated few years back. This is driven by the continuous relevance of real-time information, especially within news and sports. There is a recognition of the benefits of having both entertainment and information broadcasted with a low latency (delay) which streaming will not be able to provide. Also, coverage and robustness which this technology provides has only become even more relevant with the current geopolitical situation and as a reminder to the capabilities of the infrastructure a country needs. Cibicom Group has secured the TV broadcast operations (DTT) with the major operators up until 30th June 2030 and Cibicom Group is planning to work for a further extension of the TV broadcast operations (DTT) in the coming years, due to the coverage and robustness of this technology.

In 2024 we signed a large 5-year contract in our business focusing on mission critical communication systems and we have started to see an increasing interest for our 450 Mhz network.

Antenna space rental associated with our broadcast activities and telco infrastructure business showed a stable trend during the year. The Cibicom Group provides services in this area to broadcasters, telecom operators and tele infrastructure providers.

Management's review

The Cibicom Group has through 2024 continued its solid expansion into the fiber interconnect area (b2B) where we offer connectivity through our substantial backbone infrastructure. We are satisfied with the development in this area and expect this part of our business to grow substantially in the coming period.

Datacenter and co-location are another growth area where we are seeing a successful uptake as we are further expanding our customer-base through our 02.22 SKI Public Purchase Agreement in order to further make colocation offer available to municipalities and public authorities with mission critical and colocation needs. In 2024 we expanded into the corporate market where we signed some larger customers at the end of the year. We continue to expand capacity and in 2025 we bought an existing Datacenter in Taulov.

It was a challenging year for our indoor communications solutions (DAS) as many large projects were delayed but orders do start to pick up in 2025.

The Cibicom Group has for several years been running our own 24/7/365 Operations Center (NOC), with onsite staff monitoring all networks, infrastructure and other communication services continuously and provide services related to handling incidents and dispatching fields service personal.

Monitoring covers all geographic locations where the Cibicom Group has placed its equipment, which is more than 375 locations all over Denmark, including a number of islands without bridge connections. All operations are run with a high focus on security and compliance and the Cibicom Group continue to invest in improving this area to be market leading.

Development in the year

The income statement of the Group for 2024 shows a loss of TDKK 35,568, and at 31 December 2024 the balance sheet of the Group shows equity of TDKK 132,212. EBITDA for the year is below last year and expectations mainly due to delays in signing new contracts in the DAS business.

Targets and expectations for the year ahead

We expect to improve EBITDA & net profit/loss for the year due to increased activity.

Data ethics policy

The Cibicom Group does not use advanced technologies such as artificial intelligence or machine learning. The Cibicom Group handles general data in the form of customer data and employee data. Data is processed in accordance with the GDPR and our privacy and information security policies. With the limited processing of data, it is the Cibicom Group's assessment that there is no need for a policy on data ethics. The Cibicom Group will continuously assess whether a policy is necessary.

Management's review

Statutory statement on Corporate Social Responsibility in accordance with section 99a of the Danish financial statement act

Business model

Please, refer to the paragraph Operation above for a description of the Cibicom Group's business model.

Environment and climate change, risks and policies

The Cibicom Group's only material risk related to the environment and climate change relates to emissions of carbon arising from producing the electricity we consume when providing our services. Here we source only 100% certified "green" electricity, nordic hydro power.

We have mapped our impacts on society with respect to the environment and climate change, indicating that special focus should be given to the consumption of energy. Cibicom Group has continued the work to overlook and ensure compliance with environmental regulations as well as discussing opportunities to further reduce the footprint of the Cibicom Group, also due to the coming implications on ESG-reporting in Corporate Social Reporting Directive and the double materiality assessment. The Cibicom Group will continue the work in 2025

2024 efforts and results

Cibicom Group being annually independently ESG audited, has continued the work in relation to minimizing future risks and expanding the Cibicom Group's focus on management and control of the Cibicom Group's suppliers in relation to compliance with the Cibicom Group's Supplier Code of Conduct, which also constitutes preparation for the future reporting measures, in accordance with the Corporate Social Reporting Directive and the upcoming NIS2 directive on IT security, etc.

In 2024 Cibicom Group has committed itself further and publicly in accordance with the Global Compact and the 10 principles on human and labour rights, ecofriendliness measures and the fight against all forms of corruption and bribery:

- Respect for and no violation of human rights (Principles 1-2)
- Support freedom of association and collective bargaining and prevent all forms of forced and child labour and discrimination (Principles 3-6)
- Focus on environmental challenges, environmental responsibility and the development and dissemination of environmentally-friendly technologies (Principles 7-9)
- Combating corruption, extortion and bribery (Principle 10), under which the Cibicom Group must also submit a COP, (Communication and Progress) with work on this in the coming years.

In 2024, the Cibicom Group's third Sustainability Report for 2023, containing a Climate Account for our CO₂ emissions, was published and, among other things, forwarded to a number of major international customers, as documentation for our ESG activities, including a number of ESG goals for the Cibicom Group materialized, and the following have thus been selected as decisive for the Cibicom Group in 2024:

Target 1 – Climate footprint:

The Cibicom Group will reduce CO₂ emissions (climate footprint) by 50% by 2030 with 2019 as the baseline, and this is in line with the subsidiary, Cibicom Services A/S's commitment to the Ericsson Supplier Climate Action.

Target 2 – Diversity:

The Cibicom Group will, on average, focus on diversity (on all fronts, such as education, age etc.) and gender diversity towards 2030 and thus have an overall target for Diversity of 25/75 in general in the Cibicom Group companies.

Target 3 – Employee satisfaction:

Towards 2030, the Cibicom Group will seek to achieve an average employee satisfaction of 80%, as good employee well-being is the foundation for a strengthened Cibicom Group, including creating good and open employee well-being, happy employees who both internally and externally protect, look after the company, which thus has a better foundation for being able to act properly and honestly in all business relationships.

Management's review

The Cibicom Group quality-certifications is continued and upheld in 2024:

- ISO/IEC 27001:2013 – Information Security Management system
- DS/EN ISO 9001:2015 – Quality Management system
- ISAE3402 Type 2 – Assurance Reports on Controls at a Service Organisation for datacentres
- KLS-EL – Electrical quality management system
- DS/EN ISO 9001:2015 – Quality Management System
- DS/ISO 45001:2018 – Health and Safety management system
- DS/EN ISO 14001:2015 – Environmental Management system.

Regarding the Cibicom Group's data centers, focus was also in 2024 to constantly identify opportunities for buying more efficient equipment for cooling purposes.

Human rights, social and employee conditions, risks and policies

The Cibicom Group's growth is based on a sustainable and responsible approach to our surroundings, and our employees are crucial for our success in this respect. Therefore, we focus on the health, safety and wellbeing of our employees and work.

There are severe health and safety risks related to maintenance of masts since employees need to work at high altitude when performing technical work. Apart from this, no other material risks have been identified with respect to health and safety.

As a regional Group doing business in Denmark, the Cibicom Group have not identified any risks with respect to human rights, which in our market is regulated and secured by the authorities. In particular, this includes the protection of personal data (GDPR), however, the Cibicom Group have a GDPR policy and have worked the requirements into a Code of Conduct, which along with requirements regarding climate change, environmental issues, social conditions and anti-corruption is part of contracts with suppliers. The Cibicom Group will continue the work in 2025 on the specific topic.

Anti-corruption, risks and policies

The Cibicom Group tolerates no form of corruption. Measures have been introduced to ensure that no employees accept any kind of bribery and do not give nor accept especially advantageous offers from persons, agents, intermediaries or other third parties. This also includes offers, hospitality, contributions or sponsorships, which if accepted will be announced transparently.

No other severe risks have been identified with respect to corruption in the Cibicom Group's line of business, among its customers or in the marketplace in general. However, with the zero-tolerance policy, the Cibicom Group continue to train and update key individuals in the organization, especially within management, procurement and sales.

Cibicom Group has a whistleblower system allowing for both internal and external stakeholders to report incidents and issues they may have experienced. The Cibicom Group will continue the work in 2025 on the specific topic.

2024 efforts and results

Both the anti-corruption policy and the whistleblower system continues in force. No whistleblower cases were reported in 2024.

Research and development

The Cibicom Group continues to priorities resources to ensure a broad knowledge base and competencies inhouse to support business development within all of our several business segments.

Management's review

Special risks - operating risks and financial risks

Operating risks are in general evaluated as being low. No short-term financial risks have been identified.

Statutory statement on gender diversity in management in accordance with section 99b of the Danish financial statement act

Target for the supreme management body, the Board of Directors including the CEO of Cibicom Group
The Board of Directors of the Cibicom Group, including the CEO of Cibicom Group consists of three male Board Members and a female CEO (the CEO of Cibicom Group). This means that Cibicom Group achieved the statutory gender equality target regarding members of the Board.

Board of directors:	2024
Total number of members	4
Underrepresented gender %	25%
Target figure %	25%

Group Management in Cibicom Group consists of Cibicom's C-level positions.

Group Management:	2024
Total number of members	4
Underrepresented gender %	25%
Target figure %	25%

Policy to increase the underrepresented gender on all management levels
The Cibicom Group's growth is based on a sustainable and responsible approach to our surroundings, and the employees are crucial for our success. In addition, it is the Cibicom Group's policy to increase the representation of the underrepresented gender on all management levels in our organization.

The line of business, Cibicom Group is part of, is generally challenged by an uneven gender split among the employees. The very specific technical qualifications the Cibicom Group needs are primarily held by male applicants. Even so, Cibicom Group has a strong focus on gender equality when recruiting new employees, and the company always request having a shortlist of both female and male candidates.

In the year 2024 Cibicom Group has continued intensifying the actions to secure more applicants and new hires of the underrepresented gender and we believe that having a female CEO in Cibicom Group will attract mores hirings from the underrepresented gender. The Cibicom Group will continue the work in 2025 on the specific topic.

Uncertainty relating to recognition and measurement

Recognition and measurement in the Annual Report have not been subject to any uncertainty.

Management's review

Unusual events

The financial position at 31 December 2024 of the Cibicom Group and the results of the activities of the Cibicom Group for the financial year for 2024 have not been affected by any unusual events.

Subsequent events

Reference is made to note 23 in the Financial Statements.

Income statement 1 January - 31 December

	Note	Group		Parent company	
		2024	2023	2024	2023
		TDKK	TDKK	TDKK	TDKK
Revenue	1	438,994	471,037	6,847	7,427
Work on own account recognised in assets		1,749	15,255	0	0
Expenses for raw materials and consumables		-105,490	-144,724	0	0
Other external expenses		-113,378	-104,649	-1,233	-1,140
Gross profit		221,875	236,919	5,614	6,287
Staff expenses	2,3	-115,160	-115,137	-6,684	-7,073
Earnings Before Interest Taxes Depreciation and Amortization		106,715	121,782	-1,070	-786
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment	3,4	-90,158	-72,263	0	0
Profit/loss before financial income and expenses		16,557	49,519	-1,070	-786
Income from investments in subsidiaries	5	0	0	-12,932	20,754
Financial income	6	313	215	310	78
Financial expenses	7	-55,841	-42,657	-24,248	-24,546
Profit/loss before tax		-38,971	7,077	-37,940	-4,500
Tax on profit/loss for the year	8	3,403	-8,329	2,497	2,560
Net profit/loss for the year	9	-35,568	-1,252	-35,443	-1,940

Balance sheet 31 December

Assets

	Note	Group		Parent company	
		2024	2023	2024	2023
		TDKK	TDKK	TDKK	TDKK
Acquired licenses		8,797	8,613	0	0
Acquired other similar rights		2,307	9,774	0	0
Goodwill		33,691	38,569	0	0
Development projects in progress		0	2,232	0	0
Intangible assets	10	44,795	59,188	0	0
Land and buildings		335,791	353,186	0	0
Plant and machinery		226,846	213,665	0	0
Other fixtures and fittings, tools and equipment		25,340	22,961	0	0
Property, plant and equipment in progress		0	2,154	0	0
Masts and equipment		235,545	249,213	0	0
Property, plant and equipment	11	823,522	841,179	0	0
Investments in subsidiaries	12	0	0	291,144	485,074
Other receivables	13	2,694	2,617	0	0
Fixed asset investments		2,694	2,617	291,144	485,074
Fixed assets		871,011	902,984	291,144	485,074
Raw materials and consumables		15,289	20,595	0	0
Inventories		15,289	20,595	0	0
Trade receivables		79,341	74,448	0	0
Contract work in progress	14	25,253	18,090	0	0
Receivables from group enterprises		5,401	0	19,903	27,222
Other receivables		7,160	5,153	41	0
Deferred tax asset	15	50,750	47,232	443	0
Corporation tax		1,544	1,027	0	3,898
Corporation tax receivable from group enterprises		0	0	2,570	0
Prepayments	16	36,475	33,102	0	0
Receivables		205,924	179,052	22,957	31,120

Balance sheet 31 December

Assets

	Note	Group		Parent company	
		2024	2023	2024	2023
		TDKK	TDKK	TDKK	TDKK
Cash at bank and in hand		12,303	23,051	84	233
Current assets		233,516	222,698	23,041	31,353
Assets		1,104,527	1,125,682	314,185	516,427

Balance sheet 31 December

Liabilities and equity

	Note	Group		Parent company	
		2024	2023	2024	2023
		TDKK	TDKK	TDKK	TDKK
Share capital		1,000	1,000	1,000	1,000
Reserve for exchange rate conversion		-330	-330	-330	-330
Retained earnings		130,537	165,843	130,538	165,843
Equity attributable to shareholders of the Parent Company		131,207	166,513	131,208	166,513
Minority interests		1,005	1,026	0	0
Equity		132,212	167,539	131,208	166,513
Other provisions	17	0	3,696	0	0
Provisions		0	3,696	0	0
Mortgage loans		380,933	221,841	0	0
Lease obligations		96,975	100,219	0	0
Payables to group enterprises		172,501	334,522	181,789	346,417
Deposits		18,660	18,439	0	0
Other payables		4,444	4,249	0	0
Long-term debt	18	673,513	679,270	181,789	346,417
Mortgage loans	18	49,253	48,946	0	0
Credit institutions		110,854	71,528	0	0
Lease obligations	18	34,141	34,875	0	0
Prepayments received from customers		6,509	1,909	0	0
Trade payables		70,300	86,289	244	233
Contract work in progress	14	5,682	3,853	0	0
Other payables	18	21,677	27,237	944	3,264
Deferred income	19	386	540	0	0
Short-term debt		298,802	275,177	1,188	3,497
Debt		972,315	954,447	182,977	349,914
Liabilities and equity		1,104,527	1,125,682	314,185	516,427

Balance sheet 31 December

Liabilities and equity

	Note	Group		Parent company	
		2024	2023	2024	2023
		TDKK	TDKK	TDKK	TDKK
Contingent assets, liabilities and other financial obligations	20				
Related parties	21				
Fee to auditors appointed at the general meeting	22				
Subsequent events	23				
Accounting Policies	24				

Statement of changes in equity

Group

	Share capital	Reserve for exchange rate conversion	Retained earnings	Equity excl. minority interests	Minority interests	Total
	TDKK	TDKK	TDKK	TDKK	TDKK	TDKK
Equity at 1 January	1,000	-330	165,843	166,513	1,026	167,539
Fair value adjustment of hedging instruments, end of year	0	0	1,185	1,185	0	1,185
Tax on adjustment of hedging instruments for the year	0	0	-261	-261	0	-261
Other equity movements	0	0	-786	-786	104	-682
Net profit/loss for the year	0	0	-35,444	-35,444	-125	-35,569
Equity at 31 December	<u>1,000</u>	<u>-330</u>	<u>130,537</u>	<u>131,207</u>	<u>1,005</u>	<u>132,212</u>

Parent company

	Share capital	Reserve for exchange rate conversion	Retained earnings	Total
	TDKK	TDKK	TDKK	TDKK
Equity at 1 January	1,000	-330	165,843	166,513
Fair value adjustment of hedging instruments, end of year	0	0	1,185	1,185
Tax on adjustment of hedging instruments for the year	0	0	-261	-261
Other equity movements	0	0	-786	-786
Net profit/loss for the year	0	0	-35,443	-35,443
Equity at 31 December	<u>1,000</u>	<u>-330</u>	<u>130,538</u>	<u>131,208</u>

Notes to the Financial Statements

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK
1. Revenue				
Geographical segments				
Revenue, Denmark	412,865	415,639	6,847	7,427
Revenue, exports	26,129	55,398	0	0
	438,994	471,037	6,847	7,427
Business segments				
Radio and TV Broadcasting	169,551	178,218	0	0
Installation and services on Towers	157,626	163,092	0	0
Other revenues	111,817	129,727	6,847	7,427
	438,994	471,037	6,847	7,427
	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK
2. Staff expenses				
Wages and salaries	97,606	98,093	6,108	7,073
Pensions	11,251	10,779	576	0
Other social security expenses	1,868	2,029	0	0
Other staff expenses	4,435	4,236	0	0
	115,160	115,137	6,684	7,073
Including remuneration to the Executive Board and Board of Directors:				
Executive board	4,945	5,653	4,945	5,653
Board of directors	50	50	50	50
	4,995	5,703	4,995	5,703
Average number of employees	152	150	3	2

Notes to the Financial Statements

3. Special items

Special items include reversal of provisions for pensions that have been recognized as income under salaries.

Reversal of provisions for pensions and similar obligations
Impairment of fixed assets

Group		Parent company	
2024	2023	2024	2023
TDKK	TDKK	TDKK	TDKK
-3,696	0	0	0
4,300	0	0	0
604	0	0	0

4. Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment

Amortisation of intangible assets
Depreciation of property, plant and equipment
Impairment of intangible assets

Group		Parent company	
2024	2023	2024	2023
TDKK	TDKK	TDKK	TDKK
14,022	12,917	0	0
71,836	59,346	0	0
4,300	0	0	0
90,158	72,263	0	0

5. Income from investments in subsidiaries

Share of profits

Parent company	
2024	2023
TDKK	TDKK
-12,932	20,754
-12,932	20,754

Notes to the Financial Statements

6. Financial income

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK
Interest from group enterprises	0	0	308	61
Other financial income	271	137	1	2
Exchange gains	42	78	1	15
	313	215	310	78

7. Financial expenses

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK
Interest to group enterprises	24,153	24,454	24,248	24,546
Other financial expenses	31,482	17,797	0	0
Exchange loss	206	406	0	0
	55,841	42,657	24,248	24,546

8. Income tax expense

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK
Current tax for the year	-1,216	1,533	-2,497	-2,560
Deferred tax for the year	-2,244	6,846	0	0
Adjustment of tax concerning previous years	57	-50	0	0
	-3,403	8,329	-2,497	-2,560

9. Profit allocation

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK
Minority interests' share of net profit/loss of subsidiaries	-125	688	0	0
Retained earnings	-35,443	-1,940	-35,443	-1,940
	-35,568	-1,252	-35,443	-1,940

Notes to the Financial Statements

10. Intangible fixed assets

Group

	Acquired licenses	Acquired other similar rights	Goodwill
	TDKK	TDKK	TDKK
Cost at 1 January	10,250	31,310	46,905
Additions for the year	1,861	0	0
Cost at 31 December	12,111	31,310	46,905
Impairment losses and amortisation at 1 January	1,636	21,537	8,336
Amortisation for the year	1,678	7,466	4,878
Impairment losses and amortisation at 31 December	3,314	29,003	13,214
Carrying amount at 31 December	8,797	2,307	33,691

11. Property, plant and equipment

Group

	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Property, plant and equipment in progress	Masts and equipment
	TDKK	TDKK	TDKK	TDKK	TDKK
Cost at 1 January	457,528	303,947	43,478	2,154	344,369
Additions for the year	3,248	40,290	8,285	0	3,871
Disposals for the year	0	0	-314	-1,464	0
Transfers for the year	6,376	474	-6,160	-690	0
Cost at 31 December	467,152	344,711	45,289	0	348,240
Impairment losses and depreciation at 1 January	104,342	90,280	20,517	0	95,156
Depreciation for the year	20,643	27,575	5,816	0	18,618
Impairment and depreciation of sold assets for the year	0	0	0	0	-1,079
Transfers for the year	6,376	10	-6,384	0	0
Impairment losses and depreciation at 31 December	131,361	117,865	19,949	0	112,695
Carrying amount at 31 December	335,791	226,846	25,340	0	235,545
Including assets under finance leases amounting to	0	130,928	0	0	0

Notes to the Financial Statements

12. Investments in subsidiaries

	Parent company	
	2024	2023
	TDKK	TDKK
Cost at 1 January	734,322	734,254
Additions for the year	7,864	68
Cost at 31 December	742,186	734,322
Value adjustments at 1 January	-249,248	-261,834
Net effect from merger and acquisition	0	-804
Exchange adjustment	0	-330
Net profit/loss for the year	-13,718	21,557
Dividend to the Parent Company	-189,000	0
Fair value adjustment of hedging instruments for the year	924	-7,837
Value adjustments at 31 December	-451,042	-249,248
Carrying amount at 31 December	291,144	485,074

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Owner-ship	Equity	Net profit/loss for the year
Cibicom A/S	Ballerup	38,000	100%	304,024	-12,868
Digital Radio Cibicom A/S	Ballerup	500	100%	963	61
Cibicom Services A/S	Ballerup	2,001	100%	51,565	4,631
Cibicom Property A/S	Ballerup	500	100%	15,066	2,258
Cibicom Mobility ApS	Ballerup	5,000	100%	5,412	-4,081
Cibicom Supply A/S	Ballerup	400	100%	355	-7
Sense Solutions ApS	Ballerup	40	90%	169	-4,215
Telpartner A/S	Ballerup	1,050	100%	40,169	3,866
Telpartner Sverige	Stockholm	50	90%	8,948	2,459

Notes to the Financial Statements

13. Other fixed asset investments

Group

	Other receivables
	TDKK
Cost at 1 January	2,617
Additions for the year	93
Disposals for the year	-16
Cost at 31 December	2,694
Carrying amount at 31 December	2,694

14. Contract work in progress

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK
Selling price of work in progress	62,794	89,401	0	0
Payments received on account	-43,223	-76,281	0	0
	19,571	13,120	0	0
Recognised in the balance sheet as follows:				
Contract work in progress recognised in assets	25,253	18,090	0	0
Prepayments received recognised in debt	-5,682	-3,853	0	0
	19,571	14,237	0	0

Notes to the Financial Statements

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK
15. Deferred tax asset				
Deferred tax asset at 1 January	47,232	53,000	0	0
Amounts recognised in the income statement for the year	3,778	-7,978	0	0
Amounts recognised in equity for the year	-260	2,210	443	0
Deferred tax asset at 31 December	50,750	47,232	443	0

Deferred tax asset amounts to TDKK 50.750. The majority of the deferred tax asset amount is due to temporary differences in tax depreciations concerning fixed assets. The deferred tax assets has been computed based on a tax rate of 22 %. The Group is of the opinion that utilization within 3-5 years is possible. Further there are unrecognized deferred tax assets related to a subsidiary amounting to TDKK 49.090.

16. Prepayments

Prepayments consist of prepaid expenses concerning rent, insurance premiums, subscriptions and interest as well.

Of the total sum of prepaid expenses, DKK 14,4 million falls due after 1 year.

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK
17. Other provisions				
Other provisions	0	3,696	0	0
	0	3,696	0	0

The provisions are expected to mature as follows:

After 5 years	0	3,696	0	0
	0	3,696	0	0

Notes to the Financial Statements

Group		Parent company	
2024	2023	2024	2023
TDKK	TDKK	TDKK	TDKK

18. Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

Mortgage loans

After 5 years	175,960	22,514	0	0
Between 1 and 5 years	204,973	199,327	0	0
Long-term part	380,933	221,841	0	0
Within 1 year	49,253	48,946	0	0
	430,186	270,787	0	0

Lease obligations

After 5 years	1,952	0	0	0
Between 1 and 5 years	95,023	100,219	0	0
Long-term part	96,975	100,219	0	0
Within 1 year	34,141	34,875	0	0
	131,116	135,094	0	0

Payables to group enterprises

After 5 years	0	0	0	0
Between 1 and 5 years	172,501	334,522	181,789	346,417
Long-term part	172,501	334,522	181,789	346,417
Within 1 year	0	0	0	0
	172,501	334,522	181,789	346,417

Deposits

After 5 years	0	0	0	0
Between 1 and 5 years	18,660	18,439	0	0
Long-term part	18,660	18,439	0	0
Within 1 year	0	0	0	0
	18,660	18,439	0	0

Notes to the Financial Statements

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK
18. Long-term debt				
Other payables				
After 5 years	0	0	0	0
Between 1 and 5 years	4,444	4,249	0	0
Long-term part	4,444	4,249	0	0
Other short-term payables	21,677	27,237	944	3,264
	26,121	31,486	944	3,264

19. Deferred income

Deferred income consists of payments received in respect of income in subsequent years.

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK
20. Contingent assets, liabilities and other financial obligations				
Charges and security				
The following assets have been placed as security with mortgage credit institutes:				
Land and buildings with a carrying amount of	356,125	353,186	0	0
The following assets have been placed as security for lease obligations:				
The carrying amount of plant and equipment is	130,928	108,947	0	0

Notes to the Financial Statements

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK
20. Contingent assets, liabilities and other financial obligations				
Rental and lease obligations				
Lease obligations under operating leases. Total future lease payments:				
Within 1 year	3,762	2,722	0	0
Between 1 and 5 years	6,163	2,965	0	0
After 5 years	6	0	0	0
	9,931	5,687	0	0
Lease commitments in the non-cancellable period	59,081	62,653	0	0

Other contingent liabilities

The group companies have provided recourse guarantee commitments to credit institution.

Cibicom A/S has committed a statement of support in favor of Cibicom Mobility ApS's other creditors, valid until 31 March 2026.

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of DK Infrastructure Topco ApS, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

Notes to the Financial Statements

21. Related parties and disclosure of consolidated financial statements

	<u>Basis</u>
Controlling interest	
DK Infrastructure Midco 2 ApS, Industriparken 35, 2750 Ballerup	Owns 100 % of the share capital of the company.
DK Infrastructure Midco ApS, Industriparken 35, 2750 Ballerup	Parent Company for DK Infrastructure Midco 2 ApS
DK Infrastructure Topco ApS, Industriparken 35, 2750 Ballerup	Ultimate parent company

Transactions

All transactions have been carried out on an arm's length basis.

Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company of the largest and smallest group:

<u>Name</u>	<u>Place of registered office</u>
DK Infrastructure Topco ApS	DK-2750 Ballerup

22. Fee to auditors appointed at the general meeting

Reference is made to the Annual Report of DK Infrastructure Topco ApS.

23. Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Notes to the Financial Statements

24. Accounting policies

The Annual Report of DK Infrastructure Bidco ApS for 2024 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

The Consolidated Financial Statements and the Parent Company Financial Statements for 2024 are presented in TDKK.

Cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act and to the cash flow statement included in the consolidated financial statements of DK Infrastructure Topco ApS, the Company has not prepared a cash flow statement.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Basis of consolidation

The Consolidated Financial Statements comprise the Parent Company, DK Infrastructure Bidco ApS, and subsidiaries in which the Parent Company directly or indirectly holds more than 50% of the votes or in which the Parent Company, through share ownership or otherwise, exercises control. Enterprises in which the Group holds between 20% and 50% of the votes and exercises significant influence but not control are classified as associates.

On consolidation, items of a uniform nature are combined. Elimination is made of intercompany income and expenses, shareholdings, dividends and accounts as well as of realised and unrealised profits and losses on transactions between the consolidated enterprises.

The Parent Company's investments in the consolidated subsidiaries are set off against the Parent Company's share of the net asset value of subsidiaries stated at the time of consolidation.

Business combinations

Business acquisitions carried through on or after 1 July 2018

On acquisition of subsidiaries, the difference between cost and net asset value of the enterprise acquired is determined at the date of acquisition after the individual assets and liabilities having been adjusted to fair value (the purchase method). Cost comprises the fair value of the consideration paid. The expenses for consultants ect. directly related to the acquisition are recognised in the income statement. Any remaining positive differences are recognised in intangible assets in the balance sheet as goodwill, which is amortised in the income statement on a straightline basis over its estimated useful life. Any remaining negative differences are recognised as income in the income statement at the date of acquisition.

Notes to the Financial Statements

Positive differences between the cost of the entity acquired and identifiable assets and liabilities are recognised as goodwill in intangible assets in the balance sheet and are amortised in the income statement on a straight-line basis over their estimated useful lives. Where the differences are negative, they are recognised immediately in the income statement.

Where the purchase price allocation is not final, positive and negative differences from acquired subsidiaries due to changes to the recognition and measurement of identifiable net assets may be adjusted for up to 12 months after the time of acquisition. These adjustments are also reflected in the value of goodwill or negative goodwill, including in amortisation already made.

Minority interests

Minority interests form part of the Group's total equity. Upon distribution of net profit, net profit is broken down on the share attributable to minority interests and the share attributable to the shareholders of the Parent Company. Minority interests are recognised on the basis of a remeasurement of acquired assets and liabilities to fair value at the time of acquisition of subsidiaries.

Minority interests are initially measured at their proportionate share of the fair value of the acquired entity's identifiable net assets. In this way, only goodwill related to the Parent Company's share of the entity acquired is recognised.

On subsequent changes to minority interests where the Group retains control of the subsidiary, the consideration is recognised directly in equity.

Leases

Leases in terms of which the Group assumes substantially all the risks and rewards of ownership (finance leases) are recognised in the balance sheet at the lower of the fair value of the leased asset and the net present value of the lease payments computed by applying the interest rate implicit in the lease or an alternative borrowing rate as the discount rate. Assets acquired under finance leases are depreciated and written down for impairment under the same policy as determined for the other fixed assets of the Group.

The remaining lease obligation is capitalised and recognised in the balance sheet under debt, and the interest element on the lease payments is charged over the lease term to the income statement.

All other leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Derivative financial instruments

Derivative financial instruments are initially recognised in the balance sheet at cost and are subsequently remeasured at their fair values. Positive and negative fair values of derivative financial instruments are classified as "Other receivables" and "Other payables", respectively.

Changes in the fair values of derivative financial instruments are recognised in the income statement unless the derivative financial instrument is designated and qualify as hedge accounting.

Notes to the Financial Statements

Hedge accounting

Changes in the fair values of financial instruments that are designated and qualify as fair value hedges of a recognised asset or a recognised liability are recognised in the income statement as are any changes in the fair value of the hedged asset or the hedged liability related to the hedged risk.

Changes in the fair values of derivative financial instruments that are designated and qualify as hedges of expected future transactions are recognised in the fair value reserve under equity as regards the effective portion of the hedge. The ineffective portion is recognised in the income statement. If the hedged transaction results in an asset or a liability, the amount deferred in equity is transferred from equity and recognised in the cost of the asset or the liability, respectively. If the hedged transaction results in an income or an expense, the amount deferred in equity is transferred from equity to the income statement in the period in which the hedged transaction is recognised. The amount is recognised in the same item as the hedged transaction.

Changes in the fair values of financial instruments that are designated and qualify as hedges of net investments in independent foreign subsidiaries or associates are recognised directly in equity as regards the effective portion of the hedge, whereas the ineffective portion is recognised in the income statement.

Segment information on revenue

Information on business segments and geographical segments is based on the Group's risks and returns and its internal financial reporting system. Business segments are regarded as the primary segments.

Income statement

Revenue

Revenue from the sale of services is recognised when the risks and rewards relating to the services have been rendered to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Group.

Contract work in progress (construction contracts) is recognised at the rate of completion, which means that revenue equals the selling price of the work completed for the year (percentage-of-completion method). This method is applied when total revenues and expenses in respect of the contract and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Group. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the contract.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve the consolidated revenue for the year.

Other external expenses

Other external expenses comprise production costs and expenses for premises, sales and distribution as well as office expenses, etc.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Notes to the Financial Statements

Income from investments in subsidiaries

The item “Income from investments in subsidiaries” in the income statement includes the proportionate share of the profit for the year.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and deferred tax for the year. The tax attributable to the profit for year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with Danish group enterprises. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

Balance sheet

Intangible fixed assets

Goodwill

Goodwill is amortised on a straight-line basis over the estimated useful life of 10 years, determined on the basis of Management’s experience with the individual business areas.

Development projects

Costs of development projects comprise salaries, amortisation and other expenses directly or indirectly attributable to the Company’s development activities.

Development projects that are clearly defined and identifiable and in respect of which technical feasibility, sufficient resources and a potential future market or development opportunity in the enterprise can be demonstrated, and where it is the intention to manufacture, market or use the project, are recognised as intangible assets. This applies if sufficient certainty exists that the value in use of future earnings can cover cost of sales, distribution and administrative expenses involved as well as the development costs.

Development projects that do not meet the criteria for recognition in the balance sheet are recognised as expenses in the income statement as incurred.

Capitalised development costs are measured at cost less accumulated amortisation and impairment losses or at a lower recoverable amount. An amount corresponding to the recognised development costs is allocated to the equity item 'Reserve for development costs'. The reserve comprises only development costs recognised in financial years beginning on or after 1 January 2016. The reserve is reduced by amortisation of and impairment losses on the development projects on a continuing basis.

As of the date of completion, capitalised development costs are amortised on a straight-line basis over the period of the expected economic benefit from the development work. The amortisation period is 10 year.

Other intangible fixed assets

Rights are measured at cost less accumulated amortisation and less any accumulated impairment losses or at a lower value in use.

Rights are amortised over the period of the agreements, which is 12 years.

Notes to the Financial Statements

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Interest expenses on loans contracted directly for financing the construction of property, plant and equipment are recognised in cost over the construction period.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Production buildings	10-40 years
Masts and equipment	11-30 years
Plant and machinery	5-20 years
Other fixtures and fittings, tools and equipment	2-15 years

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Investments in subsidiaries

Investments in subsidiaries are recognised and measured under the equity method.

The item "Investments in subsidiaries" in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with addition of the remaining value of any increases in value and goodwill calculated at the time of acquisition of the enterprises.

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to "Reserve for net revaluation under the equity method" under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

Subsidiaries with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

Other fixed asset investments

Other fixed asset investments consist of deposits.

Inventories

Inventories are measured at the lower of cost under the FIFO method and net realisable value.

Notes to the Financial Statements

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses and costs of completion. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

The cost of goods for resale, raw materials and consumables equals landed cost.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Contract work in progress

Contract work in progress is measured at selling price of the work performed calculated on the basis of the stage of completion. The stage of completion is measured by the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. Where it is probable that total contract expenses will exceed total revenues from a contract, the expected loss is recognised as an expense in the income statement.

Payments received on account are set off against the selling price. The individual contracts are classified as receivables when the net selling price is positive and as liabilities when the net selling price is negative.

Expenses relating to sales work and the winning of contracts are recognised in the income statement as incurred.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Provisions

Provisions are recognised when - in consequence of an event occurred before or on the balance sheet date - the Group has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Notes to the Financial Statements

Financial liabilities

Loans, such as mortgage loans and loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Other debts are measured at amortised cost, substantially corresponding to nominal value.

Deferred income

Deferred income comprises payments received in respect of income in subsequent years.

Financial Highlights

Explanation of financial ratios

Return on assets	$\text{Profit/loss of primary operations} \times 100 / \text{Total assets at year end}$
Solvency ratio	$\text{Equity at year end} \times 100 / \text{Total assets at year end}$
Return on equity	$\text{Net profit for the year} \times 100 / \text{Average equity}$