Cisco Systems Danmark ApS

Lautrupsgade 7, 7. 2100 Copenhagen

CVR no. 20456078

Annual report for 1 August 2023 - 31 July 2024

Approved at the annual general meeting of shareholders on 18 December 2024.

Chairman:

Lisette Kuys

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Lisette Kuijs

CONTENTS

	Pages
STATEMENT BY THE BOARD OF DIRECTORS AND THE EXECUTIVE BOARD	1
INDEPENDENT AUDITOR'S REPORT	2-4
COMPANY	5-11
Company details	5
Financial highlights for the Group	6-7
Management review	8-11
FINANCIAL STATEMENTS	
Income Statement	12
Balance sheet	13-15
Statement of changes in equity	16
Notes to the consolidated financial statements	17-28

Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today reviewed and approved the annual report of Cisco Systems Danmark ApS for the financial year 1 August 2023 - 31 July 2024.

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

In our opinion, the company financial statements give a true and fair view of the company's financial position at 31 July 2024 and of the results of the company's operations for the financial year 1 August 2023 - 31 July 2024.

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

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

18 December 2024
Executive Board:

T. S

Trine Stroemsnes
General Manager

Board of Directors:

Evan Barry Sloves
Chairman

Jonas Edebäck

Jonas Allan Edebäck
Director

Sajaid Rashid

Sajaid Rashid
Director

Independent Auditor's Report
To the shareholder of Cisco Systems Danmark ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 July 2024, and of the results of the Company's operations for the financial year 1 August 2023 - 31 July 2024 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Cisco Systems Danmark ApS for the financial year 1 August 2023 - 31 July 2024, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("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 Company 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 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 Financial Statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance 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 Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Hellerup, 18 December 2024
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR no. 33771231

Martin Lunden

Martin Lunden

State Authorised Public Accountant

mne32209

Lone Vindbjerg Larsen

Lone Vindbjerg Larsen

State Authorised Public Accountant

mne34548

Company

Company details

Name	Cisco Systems Danmark ApS
Address, Postal code, City	Lautrupsgade 7,7. 2100 Copenhagen
CVR no.	20456078
Established	15 August 1997
Registered office	Copenhagen
Financial year	1 August - 31 July
Website	www.cisco.dk
Board of Directors	Evan Barry Sloves, Chairman Sajaid Rashid Jonas Allan Edebäck
Executive Board	Trine Stroemsnes
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44, 2900 Hellerup
Bankers	SEB Merchant Banking

Company (continued)

Financial highlights for the Group

	2023/24	2022/23	2021/22	2020/21	2019/20
	KDKK	KDKK	KDKK	KDKK	KDKK
Key figures					
Gross margin	264.066	276.514	266.050	267.070	248.585
Profit before net financials	27.445	28.314	27.778	25.368	25.493
Net financials	102	499	(225)	(135)	(100)
Profit/loss for the year	28.878	52.523	21.470	19.627	20.195
Total assets	198.755	182.773	156.449	142.615	155.625
Investment in property, plant and equipment	660	525	282	203	519
Equity	111.497	82.619	47.773	83.865	64.238
Financial ratios					
Operating margin	10,4 %	10,2 %	10,4 %	9,5 %	10,3 %
Return on assets	14,4 %	16,7 %	18,6 %	17,0 %	14,3 %
Solvency ratio	56,1 %	45,2 %	19,2 %	58,8 %	41,3 %
Return on equity	29,8 %	93,2 %	37,7 %	26,5 %	26,3 %
Average number of employees	144	141	152	152	146

Company (continued)

Financial highlights for the Group (continued)

Financial ratios are calculated in accordance with the Danish Finance Society's guidelines on the calculation of financial ratios, "Recommendations and ratios".

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

Return on assets	$\frac{\text{Profit/loss from operating activities}}{\text{Average assets x 100}}$
Solvency ratio	$\frac{\text{Equity at year end x 100}}{\text{Total equity and liabilities at year end}}$
Return on equity	$\frac{\text{Profit/loss for the year after tax x 100}}{\text{Average equity}}$

Company (continued)

Management review

Business review

The Cisco Systems Group manufactures and sells networking and communications products and provides services associated with the equipment and its use. Our products are installed in companies, public institutions, telecommunication companies, commercial businesses as well as at private individuals. Cisco Systems provides a broad line of products for transporting data, voice, and video in buildings, across campuses, and around the world.

Cisco Systems Danmark ApS provides commercial and technical sales support related to network and communication products on behalf of the parent company's activities with customers in the Danish market. Additionally, the company carries on activities in the field of public relations and marketing in Denmark on behalf of Cisco International Ltd. The Danish company resides in Copenhagen.

Financial review

The result of 2023/24 is consistent with the expected development, referring to the published Financial Statements for 2022/23. The cost plus mark up is consistent with prior year and the underlying transfer pricing agreement in force during the year.

The income statement for 2023/24 shows a profit of KDKK 28.878 against a profit of KDKK 52.523 last year, and the balance sheet at 31 July 2024 shows equity of KDKK 111.497

Foreign branches

The company has no branches to report.

Intellectual capital resources

Cisco fosters an environment where all employees can innovate and thrive, full details can be obtained from corporate social responsibility site:-

https://www.cisco.com/c/en/us/about/csr/leading-conscious-culture.html

Recognition and measurement uncertainties

The company generates income on a cost plus basis from Cisco Systems Inc. The cost plus revenue is based on sales and marketing costs and contract R&D costs plus 10%. Therefore, from the perspective of the company, the principal risks and uncertainties are integrated with the principal risks of the Cisco Systems Inc. group and are not managed separately. The principal risks and uncertainties of the Cisco Systems Inc. group, which include those of the company are disclosed in the group's annual report (10 K filling) which does not form part of this report but which is publicly available. The directors do not believe that there is a significant material exposure to liquidity risks as the company is primarily funded by equity.

Company (continued)

Management review (continued)

Research and development activities

The company undertakes research & development work on behalf of the Cisco group, the expense is recognised as operating expense as incurred. The expense is compensated as part of the cost plus income as outlined above.

External environment

Whilst global events have had a negative impact on the Cisco group sales activities with its customers and supply chain, the impact to Cisco Systems Danmark ApS operation & profitability remains unchanged as the company is compensated on cost plus basis and funded via other group companies and a letter of financial support has been received from the ultimate parent Cisco Systems Inc.

Company (continued)

Management review (continued)

Outlook

Cisco Systems Danmark ApS is well positioned for a transformational year, marked by strategic advancements and a steadfast commitment to excellence. In June 2024, Cisco Denmark became part of a new country cluster with Norway and Iceland, led by Managing Director Trine Strømsnes. This strategic alignment is designed to leverage synergies across the region, enhancing operational efficiency and fostering innovation. By sharing resources and expertise, the cluster can deliver more comprehensive solutions, streamline operations, and enhance customer experiences across the Nordic region.

The integration of Splunk was finalized November 2024 and significantly boosts our capabilities in data analytics and security, providing unparalleled visibility and insights across our customers' digital landscapes. This move solidifies our position as a leader in the IT landscape, underscoring our key differentiators: industry-leading technology innovations in networking, security, and observability.

Our world-class partner ecosystem remains a cornerstone of our success, enabling us to deliver tailored solutions to meet the unique needs of our customers in Denmark. The trust and confidence of our Danish customers across all verticals is a testament to our commitment to delivering high-quality, reliable services, and it empowers us to continue innovating and expanding our offerings, ultimately strengthening our position as a leading provider in the market.

Cisco Denmark was in February 2024 named the #1 Best IT Workplace and the #2 Best Place to Work in Denmark by Great Place to Work Danmark. This recognition is a testament to our unwavering commitment to fostering a supportive and inclusive work environment, with an impressive 97% employee satisfaction rate. We are dedicated to supporting work-life balance and ensuring that every team member feels valued and empowered to thrive, both in the office and remotely.

Looking ahead, Cisco Systems Danmark ApS remains focused on supporting our customers' digital journeys. We are committed to securely connecting everything to make anything possible, driving innovation, and powering an inclusive future for all. With the increasing role of AI and IoT, we anticipate further investments in technology to enhance digitization in Denmark, reinforcing our position as a leader in the IT industry. Our strong portfolio, spanning products, geographies, and customer segments, positions us well to support this momentum. We are eager to continue our journey with our customers and partners, driving innovation and creating value together.

Company (continued)

Management review (continued)

Outlook (continued)

Operating risk

Cisco Systems Danmark ApS is a wholly owned subsidiary of Cisco Systems Inc. group and has in place a financial letter of support that guarantees continued financial support for one year from the date of these financial statements.

The company is compensated for its operating expenses by way of cost plus income from Cisco Systems Inc. the ultimate parent and funded each month for its operating cash requirements.

Financial management of Cisco Systems Danmark ApS is managed as part of the wider group and not by individual entity and reference to any forward looking statements should be referred to at our investor relations site at www.cisco.com where the group SEC fillings may be obtained.

Financial outlook

Cisco Systems Danmark ApS expected profit net before financials for the current year 2024/25 is anticipated to be in line with prior year results based on the cost plus margin supported by the underlying transfer pricing agreement in place for the year.

Income statement

	Note	2023/24	2022/23
KDKK			
Gross margin		264.066	276.514
Staff costs	2	(236.292)	(247.948)
Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	3	(329)	(252)
Profit before net financials		27.445	28.314
Income from investments in group entities	4	9.506	38.786
Financial income	5	439	1.065
Finance expenses	6	(337)	(566)
Profit before tax		37.053	67.599
Tax for the year	7	(8.175)	(15.076)
Profit for the year		28.878	52.523

Balance sheet

KDKK	Note	July 2024	July 2023
ASSETS			
Non-current assets			
Property, plant and equipment			
Fixtures and fittings, tools and equipment		460	568
	8	460	568
Investments			
Other securities and investments	9	4.811	4.811
Other receivables	10	2.577	2.511
		7.388	7.322
Total non-current assets		7.848	7.890
Receivables			
Receivables from group entities		141.754	127.309
Deferred tax assets	11	169	200
		141.923	127.509
Cash at bank and in hand		48.984	47.374
Total current assets		190.907	174.883
TOTAL ASSETS		198.755	182.773

Balance sheet (continued)

KDKK	Note	July 2024	July 2023
Equity and liabilities			
Equity			
Share capital		500	500
Retained earnings		110.997	82.119
Equity holders' share of equity		111.497	82.619
Total equity		111.497	82.619
Current liabilities			
Trade payables		1.816	1.300
Payables to group entities		11.121	10.094
Income tax		7.710	8.163
Other payables		66.611	80.597
Total current liabilities		87.258	100.154
Total liabilities		87.258	100.154
Total equity and liabilities		198.755	182.773

Balance sheet (continued)

Note

1 Accounting policies
12 Contractual obligations and contingencies, etc
13 Collateral
14 Related party transactions
15 Events after balance sheet date
16 Appropriation of profit

Statement of changes in equity

2023/24 KDKK	Note	Share capital KDKK	Retained earnings KDKK	Total KDKK
Equity at 1 August 2023		500	82.119	82.619
Profit for the year	16	0	28.878	28.878
Equity at 31 July 2024		500	110.997	111.497

The share capital consists of 500 shares of a nominal value of DKK 1.000. No shares carry any special rights. No changes has occurred on the share capital since the foundation.

Notes to the consolidated financial statements

1. Accounting policies

Cisco Systems Danmark ApS' annual report for 2023/24 has been prepared in accordance with the provisions, which apply to medium-sized reporting class C entities under the Danish Financial Statements Act.

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

The financial statements are presented in Danish Kroner (KDKK).

Omission of a cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act, no cash flow statement is prepared. The entity's cash flows are part of the consolidated cash flow for the parent company, Cisco Systems Inc. USA.

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.

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".

Notes to the consolidated financial statements (continued)

1. Accounting policies (continued)

Income statement

Revenue

Revenue from the sale of service to Cisco Systems Inc. is recognized in the income statement when they are rendered. Revenue is recognized exclusive of VAT and net of discounts relating to sales.

Gross margin

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

Other 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, payments under operating leases, 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.

Depreciation

The item comprises depreciation of property, plant and equipment.

The basis of depreciation, which is calculated as cost less any residual value, which is re-evaluated on an annual basis, is depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Other fixtures and fittings, tools and equipment	1-5 years
Leasehold improvements	1-5 years

Income from investments in group entities

Dividend income from investments in group entities is recognised in the income statements at the amount that concern the financial year.

Notes to the consolidated financial statements (continued)

1. Accounting policies (continued)

Other operating income and expense

Other operating income and expense comprise items of a secondary nature to the main activities of the company, including gains and losses on the sale of intangible assets and property, plant and equipment.

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

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The Company and its Danish group entities are jointly taxed. The Danish income tax charge is allocated between profit making and loss making Danish entities in proportion to their taxable income.

The company is jointly taxed with Cisco Technology Denmark ApS.

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

Balance sheet

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.

Investments in subsidiaries

Investments in subsidiaries and associates are measured at cost. Dividends received that exceed the accumulated earnings in the subsidiary or the associate during the period of ownership are treated as a reduction in the cost of acquisition.

Other securities and investments

Other securities and investments are measured at fair value if the other securities and investments are listed. The fair value is made up at the market value at the balance sheet date. Unlisted other securities and investments are measured at cost.

Notes to the consolidated financial statements (continued)

1. Accounting policies (continued)

Receivables

Receivables are measured at amortised cost.

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.

Receivables in respect of which there is no objective evidence of individual impairment are assessed for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the country of domicile and credit ratings of the debtors in accordance with the Group's credit risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the net 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 and cash equivalents

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

Equity

Dividend

Dividend proposed for the year is recognised as a liability at the date when they are adopted at the annual general meeting (declaration date). Dividend expected to be distributed for the year is disclosed as a separate item under equity.

Notes to the consolidated financial statements (continued)

1. Accounting policies (continued)

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.

Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Notes to the consolidated financial statements (continued)

2. Staff costs

	2023/24	2022/23
KDKK		
Wages and salaries	217.043	230.867
Pensions	18.850	16.540
Other social security costs	399	541
	236.292	247.948
KDKK Remuneration to executive management and board of directors:		
Salary and bonuses	3.793	2.124
Pension	262	163
Other social security costs	4	1
Share-based incentive	6	0
	4.065	2.288
Average number of full-time employees	144	141

Notes to the consolidated financial statements (continued)

2. Staff costs (continued)

Management and other employees are included in Cisco Systems Inc's share based compensation program. Warrants are granted with a vesting period of 3 years. There are performance conditions in connection with the program, all expenses are recognized in the income statement of the ultimate parent, and not in Cisco Systems Denmark ApS.

Average number of full-time employees is calculated as full year average of physical employees at each month end.

As in the prior period the directors received no remuneration in respect of their services to the company as their services as directors to the company were incidental to the other services within the Cisco group of companies (2023: nil).

3. Depreciation of property, plant and equipment

	2023/24	2022/23
KDKK		
Amortisation, depreciation and impairment losses		
Property, plant and equipment	329	252
	329	252

4. Income from investments in group entities

	July 2024	July 2023
KDKK		
Dividends from group entities	9.506	38.786
	9.506	38.786

Notes to the consolidated financial statements (continued)

5. Financial income

KDKK	July 2024	July 2023
Interest receivable, group entities	0	1.048
Other interest income	439	17
	439	1.065

6. Financial expenses

KDKK	2023/24	2022/23
Interest payable, group entities	(302)	0
Exchange adjustments	(23)	(566)
Other finance expenses	(12)	0
	(337)	(566)

7. Tax for the year

KDKK	2023/24	2022/23
Estimated tax charge for the year	6.066	6.319
Adjustment of the deferred tax charge for the year	31	67
Withholding tax on dividend received (see note 4)	2.078	8.690
	8.175	15.076

Notes to the consolidated financial statements (continued)

8. Property, plant and equipment

KDKK

	Fixtures and fittings, plant and equipment KDKK	Leasehold improvements KDKK	Total KDKK
Cost at 1 August 2023	16.379	19.045	35.424
Additions	660	0	660
Disposals	(610)	0	(610)
Cost at 31 July 2024	16.429	19.045	35.474
Depreciation and impairment losses at 1 August 2023	15.811	19.045	34.856
Depreciation	329	0	329
Disposals	(171)	0	(171)
Depreciation and impairment losses at 31 July 2024	15.969	19.045	35.014
Carrying amount at 31 July 2024	460	0	460

Notes to the consolidated financial statements (continued)

9. Other securities and investments

KDKK	July 2024	July 2023
Cost at 1 August 2023	4.811	4.811
Costs at 31 July 2024	4.811	4.811
Value adjustments at 31 July 2024	0	0
Carrying amount at 2023/24	4.811	4.811

Minority investment of 1,37% in Cisco Systems (India) Private Limited.

10. Other receivables

KDKK	July 2024	July 2023
Cost at 1 August 2023	2.511	2.379
Additions (disposal)	66	132
Cost at 31 July 2024	2.577	2.511

11. Deferred tax

The deferred tax assets are estimated to be utilized in the forthcoming 1-3 years.
Deferred tax assets are specified as follows:

KDKK	July 2024	July 2023
Tangible assets	209	240
Investments in group entities	(40)	(40)
	169	200

Notes to the consolidated financial statements (continued)

12. Contractual obligations and contingencies, etc.

12.1 Other financial obligations

Other rent and lease liabilities:

	July 2024	July 2023
	KDKK	KDKK
Rent and lease liabilities	12.106	11.902

Rent and lease liabilities include the following:

- Interminable rent agreements totalling DKK 7.615 (2022/23: 7.183).
- Operating leases for cars, totalling DKK 4.491 (2022/23: 4.719).

12.2 Other contingent liabilities

The Danish group companies are jointly and severally liable for tax on the Group's jointly taxed income for the income year 2023/24.

13. Collateral

The Company has not provided any security or other collateral in assets at 31 July 2024.

14 Related party transactions

KDKK	July 2024	July 2023
By business area		
Technical sales support & marketing services & R&D	309.171	318.557
Payables to group companies	(11.121)	(10.094)
Accounts receivable	141.754	127.309
Intercompany interest (payable) / receivable	(302)	1.048
Total	439.502	436.820

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

Notes to the consolidated financial statements (continued)

Cisco Systems Inc. is the ultimate parent company controlling interest in the Company.

The address of Cisco Systems Inc. is:
170 West Tasman Drive
San Jose
California
USA
95134-1706

www.cisco.com.

The company is included in the Group Annual Report of the ultimate parent company:

Cisco Systems Inc.

Place of registered office:
170 West Tasman Drive
San Jose
California
USA
95134-1706

www.cisco.com.

The Group Annual Report of Cisco Systems Inc. may be obtained at the following address:
170 West Tasman Drive
San Jose
California
USA
95134-1706

www.cisco.com.

15. Events after the balance sheet date

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

16. Appropriation of profit

	July 2024	July 2023
KDKK		
Proposed profit appropriation		
Retained earnings	28.878	52.523
	28.878	52.523