

Destiny Denmark Service Center ApS

Skodsborgvej 305D, st., 2850 Nærum

CVR no. 42 63 01 79

**Annual report for the period
1 January to 31 December 2023**

Adopted at the annual general meeting on 25 July 2024

Joris Van Rymenant
Chairman

Table of contents

	Page
Statements	
Statement by management on the annual report	1
Independent auditor's report	2
Management's review	
Company details	5
Management's review	6
Financial statements	
Income statement 1 January - 31 December	7
Balance sheet 31 December	8
Statement of changes in equity	10
Notes	11
Accounting policies	15

Statement by management on the annual report

The board of directors and executive board have today discussed and approved the annual report of Destiny Denmark Service Center ApS for the financial year 1 January - 31 December 2023.

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

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

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Nærum, 25 July 2024

Executive board

Joris Van Rymenant

Board of Directors

Daan De Wever
chairman

Joris Van Rymenant

Independent auditor's report

To the shareholder of Destiny Denmark Service Center ApS

Opinion

We have audited the financial statements of Destiny Denmark Service Center ApS for the financial year 1 January - 31 December 2023, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared under the Danish Financial Statements Act.

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

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the 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.

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 the 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.

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 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.

Independent auditor's report

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, we conclude that management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of management's review.

Copenhagen, 25 July 2024

EY

Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Allan Nørgaard
state authorised public accountant
mne35501

Jesper Dalsgaard
state authorised public accountant
mne50618

Company details

The company	Destiny Denmark Service Center ApS Skodsborgvej 305D, st. 2850 Nærum CVR no.: 42 63 01 79 Reporting period: 1 January - 31 December 2023 Incorporated: 25 August 2021 Domicile: Nærum
Supervisory board	Daan De Wever, chairman Joris Van Rymenant
Executive board	Joris Van Rymenant
Auditors	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36 2000 Frederiksberg

Management's review

Business review

The main activity of the company is to hold shares in other Danish entities and to provide VAT-liable services to group entities, as well as any business that, in the opinion of the board of directors, is connected with this.

Recognition and measurement uncertainties

The carrying amounts of investment in group companies is tested at triggering events, including if the dividends received exceed the profit realized by the equity investment entity in the period. See note 4 for assumptions underlying this assessment.

Financial review

The company's income statement for the year ended 31 December 2023 shows a loss of DKK 29.078.599, and the balance sheet at 31 December 2023 shows equity of DKK 204.021.092.

In the financial year 2023, the company received a group contribution from the parent company, Dstny DE Service Center, which has also become the new owner of the company and its two group entities, DSTNY A/S and Flexfone A/S, as part of an intragroup transaction.

The company has acquired 100% of the shares of Flexfone A/S, a cloud communication challenger in Denmark on May 23rd, 2023, that provides Cloud PBX and VoIP telephony to B2B customers. It is substantially similar or complementary to the business of the Group.

The company is dependent on positive results in its group entities to achieve positive results due to high interest expenses. The company received dividends of DKK 7.1 million during the year, but this was not sufficient to achieve a positive result. Consequently, management considers the year's result to be unsatisfactory.

Events after the balance sheet date

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Income statement 1 January - 31 December

	Note	2023	2022
		DKK	16 months DKK
Gross profit		3.570.618	-150.554
Staff costs	1	-7.469.308	0
Profit/loss before net financials		-3.898.690	-150.554
Income from investments in group entities		7.100.000	0
Financial income		27.712	0
Impairment losses on financial assets		0	-124.383.000
Financial costs	2	-33.421.918	-13.131.166
Profit/loss before tax		-30.192.896	-137.664.720
Tax on profit/loss for the year	3	1.114.297	0
Profit/loss for the year		-29.078.599	-137.664.720
Distribution of profit			
Recommended appropriation of profit/loss			
Retained earnings		-29.078.599	-137.664.720
		-29.078.599	-137.664.720

Balance sheet 31 December

	Note	2023 DKK	2022 DKK
Assets			
Investments in group entities	4	432.837.295	145.940.308
Fixed asset investments		432.837.295	145.940.308
Total non-current assets		432.837.295	145.940.308
Receivables from group entities		4.644.648	0
Other receivables		0	374.026
Joint taxation contributions receivable		1.465.722	0
Prepayments		2.433	0
Receivables		6.112.803	374.026
Cash at bank and in hand		474.907	39.712
Total current assets		6.587.710	413.738
Total assets		439.425.005	146.354.046

Balance sheet 31 December

	Note	2023 DKK	2022 DKK
Equity and liabilities			
Share capital		40.000	40.000
Retained earnings		203.981.092	-28.355.542
Equity		204.021.092	-28.315.542
Payables to group entities		233.221.938	163.592.000
Total non-current liabilities	5	233.221.938	163.592.000
Trade payables		189.665	0
Joint taxation contributions payable		351.425	0
Other payables		1.640.885	11.077.588
Total current liabilities		2.181.975	11.077.588
Total liabilities		235.403.913	174.669.588
Total equity and liabilities		439.425.005	146.354.046
Contingent liabilities	6		
Related parties and ownership structure	7		

Statement of changes in equity

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 January	40.000	-28.355.542	-28.315.542
Net profit/loss for the year	0	-29.078.599	-29.078.599
Contribution from group	0	261.415.233	261.415.233
Equity at 31 December	40.000	203.981.092	204.021.092

The company has received a letter of comfort from its parent company Destilink BV in Belgium valid until the end of 2024.

Notes

	<u>2023</u>	<u>2022</u>
	DKK	16 months DKK
1 Staff costs		
Wages and salaries	6.126.940	0
Pensions	856.500	0
Other social security costs	66.196	0
Other staff costs	419.672	0
	<u>7.469.308</u>	<u>0</u>
Number of fulltime employees on average	<u>8</u>	<u>0</u>
2 Financial costs		
Financial expenses, group entities	33.415.663	13.131.166
Other financial costs	6.255	0
	<u>33.421.918</u>	<u>13.131.166</u>
3 Tax on profit/loss for the year		
Current tax for the year	<u>-1.114.297</u>	<u>0</u>
	<u>-1.114.297</u>	<u>0</u>

Notes

	2023 DKK	2022 DKK
4 Investments in group entities		
Cost at 1 January	270.323.308	0
Additions for the year	286.896.987	270.323.308
Cost at 31 December	557.220.295	270.323.308
Revaluations at 1 January	-124.383.000	0
Revaluatuon of the year	0	-124.383.000
Revaluations at 31 December	-124.383.000	-124.383.000
Carrying amount at 31 December	432.837.295	145.940.308

Investments in subsidiaries are measured at cost. If the cost exceeds the recoverable amount, it is impaired to this lower amount. The recoverable amount is based on the value in use which is determined by applying the expected cash flows on the basis of management-approved business plans covering a total period of five years. Beyond this period, a constant nominal growth rate applies. Key assumptions applied in the calculation of the recoverable amount are expected growth rates, EBITDA margins, investments and discount rate. The following assumptions have been used for calculating the recoverable amount.

The assumption applied in the impairment is an annual revenue growth by 4,9%, a perpetual growth rate of 0,25% and WACC of 7,4%.

The impairment test shows no need for impairment and management considers the valuation of the company's investment in subsidiaries to be prudent as of December 31, 2023.

Investments in group entities are specified as follows:

Name	Registered office	Ownership interest	Equity	Profit/loss for the year
DSTNY A/S	Nærum	100%	19.974.114	-16.312.663
Flexitone A/S	Nærum	100%	840.585	7.037.254

Notes

5 Long term debt

	Debt at 1 January DKK	Debt at 31 December DKK	Instalment next year DKK	Debt outstanding after 5 years DKK
Payables to group entities	163.592.000	233.221.938	0	208.438.111
	163.592.000	233.221.938	0	208.438.111

6 Contingent liabilities

As management company, the company is jointly taxed with other Danish group entities and jointly and severally liable with other jointly taxed group entities for payment of income taxes as well as for payment of withholding taxes on dividends, interest and royalties.

7 Related parties and ownership structure

Controlling interest

Destilink BV, Excelsiorlaan 89, 1930 Zaventem, Belgium, ultimate owner

DSTNY DE SC GmbH,, Brückenstrasse 5 A, 10179 Berlin, Germany, parent company

Other related parties

DSTNY A/S, Skodsborgvej 305D, 2850 Nærum, Denmark, related company

Flexfone A/S, Danmarksvej 26, 8660 Skanderborg, Denmark, related company

Destilink FINCO BV, Excelsiorlaan 89, 1930 Zaventem, Belgium, related company

Destiny Sweden Service Center AB, Lumaparksvägen 9, 12031 Stockholm, Sweden, related company

Notes

7 Related parties and ownership structure (Fortsat)

Consolidated financial statements

Name and registered office of the Parent preparing consolidated financial statements for the smallest and largest group:

Destilink BV, Excelsiorlaan 89, 1930 Zaventem, Belgium

The group annual report of Destilink BV may be obtained at the address mentioned above.

Accounting policies

The annual report of Destiny Denmark Service Center ApS for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, as well as provisions applying to reporting class C entities.

The accounting policies applied are consistent with those of last year.

Pursuant to sections §112, of the Danish Financial Statements Act, the company has not prepared consolidated financial statements.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits 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 from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency instruments are considered cash flow hedges, any unrealised value adjustments are taken directly to a fair value reserve under 'Equity'.

Accounting policies

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue and other external expenses.

Revenue

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

Income from the sale service is recognised in revenue when transfer of the most significant rewards and risks to the buyer has taken place and provided that the income can be reliably measured and payment is expected to be received.

Revenue is measured at fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. Revenue is net of all types of discounts granted.

Other external expenses

Other external expenses include expenses related to administration 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.

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.

Impairment of financial assets

Impairment and reversals of impairment of investments in group entities are presented net in the income statement.

Accounting policies

Dividend from group entities

Dividend from investments in group entities is recognised as income in the income statement in the financial year in which the dividend is declared. This will typically be at the time of the approval by the Annual General Meeting of the distribution from the company concerned.

Tax

The company acts as management company for all jointly taxed entities and, in its capacity as such, pays all income taxes to the Danish tax authorities.

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

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Investments in group entities

Investment in group entities are measured at cost. If cost exceeds the recoverable amount, a write-down is made to this lower value.

Impairment of fixed assets

Investments are subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation. Impairment tests are conducted in respect of individual assets or groups of assets generating separate cash flows when there are indications of impairment. The assets are written down to the higher of the value in use and net realisable value (recoverable amount) of the asset or group of assets if this is lower than the carrying amount. As for group of assets, impairment losses are first recognised in respect of goodwill and thereafter proportionately in respect of the other assets.

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

Accounting policies

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists.

Receivables

The Company has chosen IAS 39 as interpretation for impairment write-down of financial 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.

Prepayments

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

Cash

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

Income tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Liabilities

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

Other liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.