Annual report for 2025

Hi3G Denmark ApS
Fadet 4, 1799 København V
CVR no. 26 12 34 45

Adopted at the annual general meeting on 29 May 2026

Kin Ning Canning Fok
Chairman

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Statement by management on the annual report

The Board of Directors and Executive Board have today discussed and approved the annual report of Hi3G Denmark ApS (the "Company" or "3 Denmark") for the financial year 1 January - 31 December 2025.

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 2025 and of the results of the Company's operations and cash flows for the financial year 1 January - 31 December 2025.

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.

Copenhagen, 29 May 2026

Executive Board

Morten Christiansen

Board of Directors

Kin Ning Canning Fok Chairman	Frank John Sixt	Christian Nicolas Roger Salbaing
Jean Christoffer Yance Johannes Marin	Carl Peder Ramel	

Independent auditor's report

To the shareholder of Hi3G Denmark ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2025, and of the results of the Company's operations for the financial year 1 January - 31 December 2025 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Hi3G Denmark ApS for the financial year 1 January - 31 December 2025, which comprise significant accounting policies, income statement, balance sheet, statement of changes in equity and notes ("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 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, 29 May 2026

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR no. 33 77 12 31

Mads Blichfeldt Fjord
State Authorised Public Accountant
MNE no. mne46065

Company details

The Company	Hi3G Denmark ApS Fadet 4 1799 København V	
	Website:	www.3.dk
	CVR no.:	26 12 34 45
	Reporting period:	1 January - 31 December 2025
	Domicile:	Copenhagen
Board of Directors	Kin Ning Canning Fok, Chairman Frank John Sixt Christian Nicolas Roger Salbaing Jean Christoffer Yance Johannes Marin Carl Peder Ramel	
Executive Board	Morten Christiansen	
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 2900 Hellerup	

Financial highlights

Seen over a 5-year period, the development of the Company may be described by means of the following financial highlights:

	2025	2024	2023	2022	2021
	TDKK	TDKK	TDKK	TDKK	TDKK
Key figures					
Revenue	2,986,429	2,790,036	2,898,875	2,904,822	2,787,366
Gross profit	1,175,108	1,119,449	911,573	974,297	983,157
Profit before amortisation/depreciation and impairment losses	738,727	704,689	527,738	626,185	645,006
Profit/(loss) before net financials	277,241	210,100	(6,645)	(867,957)	(104,319)
Net financials	134,617	86,201	(53,247)	(35,579)	(31,875)
Profit/(loss) for the year	303,629	217,449	(44,929)	(706,835)	(124,452)
Balance sheet					
Assets total	7,035,312	7,129,233	3,618,689	3,721,042	4,252,053
Investments in tangible assets	(186,079)	(252,624)	(373,130)	(768,444)	(684,974)
Equity	5,957,918	5,754,289	1,992,620	2,037,550	2,744,385
Number of employees	665	670	656	623	630
Financial ratios					
Gross margin	39 %	40 %	31 %	34 %	35 %
Return on assets	4 %	4 %	0 %	(22)%	(3)%
Solvency ratio	85 %	81 %	55 %	55 %	65 %

The financial ratios are calculated in accordance with the Danish Finance Society's recommendations and guidelines. For definitions, see the summary of significant accounting policies.

Gross profit include capitalised staff costs. Comparative figures have been adjusted accordingly.

Strategic & Commercial Highlights

2025 marked a strong year with sustained commercial momentum, disciplined cost management, and significant customer base expansion. 3 Denmark grew its customer base by 131,000 customers, supported by consistently high net adds across all quarters. The Company further strengthened its competitive position by overtaking Telenor to become the second largest mobile operator in Denmark.

Customer Base & Market Position

Customer base growth was broad-based across all brands, with record porting inflows and strong traction across both eastern and western Denmark. Market performance outpaced competitors, supported by competitive offers, strong channel execution, and enhanced customer retention.

Customer Experience & NPS

Customer satisfaction reached new highs, with 3Consumer achieving its strongest NPS score to date. OiSTER ranked #1 in the NPS Mobile Benchmark 2025, and dissatisfaction levels across 3 and OiSTER remained among the lowest in the industry, driven by service quality, network performance, and digitalisation initiatives.

Commercial Execution & Channel Performance

3Consumer delivered its strongest growth in 15 years, supported by strong sales execution across channels. 3Business achieved its strongest growth in more than a decade, driven by major customer wins including Deloitte and Sweco, alongside record IoT performance. OiSTER and Flexii continued to grow through new propositions, loyalty initiatives, and increased digitalisation.

Product Ecosystem Expansion

The company expanded its product ecosystem through initiatives such as the extension of 3LikeHome to more than 100 destinations, the introduction of cybersecurity services for Business customers, and the launch of the My Flexii app. The company also strengthened its differentiated handset financing model, further improving approval rates and enhancing customer affordability.

Network & Technology

The network continued to perform strongly throughout 2025, supported by further 5G expansion, improved backhaul capacity, and better-than-expected operating costs. In parallel, the company initiated the largest transformation programme in 3 Denmark's history, aimed at modernising and replacing the legacy Sales and CRM technology stack, establishing a future-proof platform across markets. The programme focuses on increased standardisation, enabling faster time-to-market, improved data quality, increased automation, and enhanced customer experience, while reducing long-term operational risk and total cost of ownership.

Financial Performance
As expected, revenue increased from mDKK 2,790 in 2024 to mDKK 2,986 in 2025, driven by strong customer base growth with higher value subscriptions also making up a greater percentage of revenues.

Gross margin accordingly grew from mDKK 1,935 to mDKK 1,997.

EBITDA also increased from mDKK 681 in 2024 to mDKK 739 in 2025, driven both by continued customer growth and disciplined cost management.

Operating expenses were impacted by significant costs related to Board-mandated strategic projects and management incentive programs. These costs are primarily non-recurring and reflect deliberate investments in long-term value creation.

Profit for the year also increased to mDKK 304 in 2025 (from mDKK 217 in 2024) – in line with the expectation of a positive result in the range mDKK 250-300.

Finally, Capex and Working Capital remained well controlled throughout the year, supporting a strong underlying cash flow result.

Operational Excellence & Headcount Efficiency
Operational efficiency continued to improve, with automation initiatives continuing to deliver savings, specially in customer operations. The Company maintained a lean workforce relative to peers while scaling customer volumes significantly.

Risks & Mitigations
Key risks included competitive pressure, roaming cost volatility, cyber threats, and macroeconomic uncertainty. Mitigating actions included pricing agility, continued cybersecurity investments, diversified supplier relationships, and strong treasury management.

Outlook for 2026
In 2026, the Company will focus on maintaining profitable growth through strengthened digital capabilities, continued network optimisation, and further development of strategic partnerships. The year will involve navigating an increasingly volatile macroeconomic environment, particularly regarding energy prices, global supply chain constraints, and shortages of key technology components. Active cost management and disciplined capital allocation will remain key priorities. As a result, net profit for 2026 is expected to fall within the range of mDKK 300 – 350.

Cash flow from operations is robust, and 3 Denmark expects to have sufficient funding for the coming year.

Statutory Report on Corporate Social Responsibility (CSR), cf. §99b

Business model and approach
3 Denmark provides mobile telecommunications services. CSR is integrated into operations and focuses on environmental impact, employees, human rights, and responsible business conduct.

Environmental and climate matters
3 Denmark's environmental efforts are guided by its *Miljøpolitik*, focusing on CO2 reduction, resource efficiency, and energy optimisation.

While direct environmental impact is limited, network infrastructure contributes to energy consumption. The Company manages impacts through efficiency measures and monitoring of greenhouse gas (GHG) emissions. Compared to the 2020 baseline, emissions were reduced by 59%, and by 8% compared to 2024. Most emissions arise from the value chain (Scope 3). Measures include energy efficiency improvements and procurement of renewable electricity, with 100% renewable electricity coverage maintained in 2025.

3 Denmark targets a 50% reduction in Scope 1 and 2 emissions and a 42% reduction in Scope 3 emissions by 2030 (from 2020).

Key risks relate to energy consumption and value chain emissions and are managed through efficiency measures and supplier engagement.

Social and employee matters
3 Denmark endeavours to ensure that all employees are recognised for their skills and can pursue and develop their careers within our framework and opportunities.

Key risks relate to talent attraction, retention, and diversity.

Through our Politik for *Kønsbalance og Mangfoldighed*, 3 Denmark promotes wellbeing, equal opportunities, and diversity thru efforts focusing on maintaining an inclusive workplace and balanced representation.

Through targeted initiatives in 2025, we have achieved positive outcomes that underscore our commitment to fostering an inclusive work environment and balanced representation. Over the past year, we maintained high employee engagement by conducting regular satisfaction surveys, implementing structured feedback processes, and promoting ongoing internal dialogue. Additionally, we strengthened early-career development, which was acknowledged through a nomination for "Apprenticeship of the Year" in 2025.

Our efforts to promote diversity and inclusion have been enhanced through updated policies, mandatory conduct and bias training, and fair recruitment practices. Female representation within Senior Management and two levels below increased from 27% in 2024 to 29% in 2025. We also invested in leadership development with targeted training for assistant store managers, and broadened sustainability awareness across the organization by launching a mandatory annual ESG training course for all employees.

3 Denmark will continue its focus on maintaining an inclusive workplace and balanced representation in 2026.

Human rights

3 Denmark's *Menneskerettighedspolitik* is based on internationally recognised standards, including the UN Guiding Principles on Business and Human Rights, and applies across operations and value chain.

With more than 800 local and international suppliers 3 Denmark's key risks are suppliers not meeting appropriate maturity levels of Human rights in line with what we consider acceptable for labor, civil, political, health and economic rights.

Therefore, we work purposefully with supplier management, which includes screening of suppliers and requirements imposed.

In 2025, 3 Denmark developed and launched a standardised ESG assessment for suppliers to strengthen transparency and governance across the value chain. The assessment applies a riskbased approach, categorising suppliers using a Red, Amber or Green scoring model based on their responses. Results are documented in the company's compliance tool, providing a structured overview of supplier ESG risks and performance. This enables consistent reporting, targeted followup and datadriven analysis to support responsible supplier management over time.

No human rights incidents were identified in 2025.

3 Denmark will continue its screening of suppliers in 2026.

Anti-corruption and bribery

Key risks related to the misuse of one's position or power for one's own or others' gain, which includes bribery, extortion, embezzlement, and fraud.

Corruption also includes employee behaviour that is unjustifiably intended solely to give 3 a gain.

3 Denmark applies a zerotolerance approach to fraud, bribery and corruption. This commitment is grounded in compliance with applicable laws and regulations, sound governance practices and a strong focus on business integrity. To support this approach, 3 Denmark has implemented mandatory training, duediligence processes and a whistleblowing mechanism.

In 2025 3 Denmark strengthened transparency and integrity through a confidential whistleblowing system accessible to employees and external stakeholders.

No incidents were identified in 2025.

3 Denmark will continue its mandatory training, due-diligence processes and whistleblower mechanism in 2026.

Statutory Report on Data ethics, cf. §99d

3 Denmark applies a structured approach to data ethics, privacy, and responsible AI use, supported by policies, governance, and training.

The Data Ethics Policy defines principles such as data minimisation, transparency, security, and respect for human rights. Personal data is processed for defined purposes on valid legal grounds, supported by governance from the GRC function and the Data Protection Officer, and processes including privacy by design, risk assessments, and third party controls.

AI use is governed by a Group policy and overseen by an internal AI Committee, with requirements for human oversight, transparency, and compliance.
Data ethics and privacy are integrated into business processes and supported by ongoing awareness initiatives, including targeted training and mandatory annual AI training.
Key risks relate to data breaches, misuse of data, and non compliant or unethical AI use, managed through governance, controls, and continuous monitoring.

Significant Events After Year-End

No significant events occurred after the balance sheet date that materially affect the assessment of the annual report.

Accounting policies

The annual report of Hi3G Denmark ApS (the "Company") for 2025 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 are consistent with those of last year.

The annual report for 2025 is presented in TDKK.

Pursuant to sections §112 of the Danish Financial Statements Act, no consolidated financial statements have been prepared. The Financial Statements of the Company are included in the consolidated financial statements of CK Hutchison Holdings Limited, a Cayman Island incorporated company registered and listed in Hong Kong.

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.

Income statement

Revenue

Revenue is recognised exclusive of VAT and net of discounts directly relating to sales.

The major sources of income are recognised in the income statement as follows:

- Income from telephony related services is recognised at the time of consumption.
- Subscription income is recognised over the duration of the subscription.
- Income from sale of equipment is recognised at the date of delivery.

Cost of sales

Cost of sales comprises expenses directly related to the revenue, including non-capitalized costs related to the establishment of customer relations.

Other operating income

Other operating income includes items of a secondary nature relative to the Company's activities, including gains on the sale of intangible assets and tangible assets, operating losses, indemnities relating to operating losses and conflicts as well as payroll refunds. Indemnities are recognised when it is more probable than not that the Company is going to be indemnified.

External expenses

External expenses include expenses related 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 pensions, as well as other social security contributions, etc. made to the Company's employees.

Depreciation, amortisation and impairment of intangible assets and tangible assets

Depreciation, amortisation and impairment of intangible assets and tangible assets comprise the year's depreciation, amortisation and impairment of intangible assets and tangible assets.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses, realised and unrealised capital/exchange gains and losses on securities, liabilities and foreign currency transactions, amortisation of financial assets and liabilities and surcharges and allowances under the Danish Tax Prepayment Scheme, etc.

Income from investments in subsidiaries

The proportionate share of the profit/loss for the year of subsidiaries is recognised in the Company's income statement after full elimination of intra-group profits/losses.

Income from investments in joint ventures

Dividends received from investments in joint ventures in the financial year when the dividends are distributed.

Income taxes

The Company is subject to the Danish rules on compulsory joint taxation of the Group's Danish related entities. The Group's Danish related entities participate in the joint taxation arrangement from the time when they are included in the consolidated financial statements and until the time when they withdraw from the consolidation.

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

Intangible assets

Development projects:

Costs of development projects comprise expenses directly or indirectly attributable to the Company's development activities, including the cost of related software licences and work on own account recognised in assets.

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 market or use the project, are recognised as intangible fixed 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 projects are measured at the lower of cost less accumulated amortisation and the recoverable amount.

Capitalised development projects, including the costs of software licences, are amortised on a straight-line basis over the expected useful life, normally 5 years.

Licenses and similar rights:
Licenses and similar rights to software are measured at the lower of cost less accumulated amortisation and value in use.

Interest expenses on loans for financing the acquisition of intangible fixed assets are capitalised at cost until commercial launch. All indirectly attributable loan expenses are recognised in the income statement.

Licences are amortised over the license period up to 20 years from commercial launch. Amortisation commences in connection with the commercial use of the Company's products.

Rental rights:
Rental rights are measured at cost less accumulated amortisation.

Rental rights are amortised on a straight-line basis over the expected useful life, normally 5 years.

Customer contracts:
Contract assets are measured at cost less accumulated amortisation, and includes for example commissions or bonusses to employees, which are directly related to the customer acquisition and prolongation.

Contract assets are amortised on a straight-line basis over the expected lifetime of the contract, not exceeding 5 years.

Tangible assets
Items of tangible assets are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers and wages.

Interest expenses on loans obtained specifically for the purpose of financing the manufacturing of items of tangible assets are included in cost over the manufacturing period. All indirect, attributable borrowing costs are recognised in the income statement.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

	Useful life
Network infrastructure	3/5/10 years
Equipment	3/5 years
Leasehold improvements	3/5 years

The useful life and residual value are re-assessed annually. A change is accounted for as an accounting estimate, and the impact on amortisation/depreciation is recognised going forward.

Gains and losses on the sale of items of tangible assets are calculated as the difference between the selling price, less costs to sell, and the carrying amount at the time of sale. Gains or losses on the sale of items of tangible assets are recognised in the income statement under other operating income or other operating expenses, respectively.

Investments in subsidiaries

Investments in subsidiaries are measured at the proportionate share of the net asset value of the entities, calculated on the basis of the group's accounting policies, plus or less unrealised intra-group gains or losses and plus or less any remaining value of positive or negative goodwill stated according to the purchase method. Negative goodwill is recognised in the income statement on acquisition. Where the negative goodwill relates to contingent liabilities having been taken over, the negative goodwill is not recognised until the contingent liabilities have been settled or no longer exist.

Investments in subsidiaries are measured in the parent company financial statements using the equity method.

Net revaluations of investments in subsidiaries are taken to the net revaluation reserve according to the equity method in so far as that the carrying amount exceeds the cost. Dividends from subsidiaries which are expected to be declared before the annual report of the Company is adopted are not taken to the net revaluation reserve.

Investments in joint ventures

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

Inventories

Inventories are valued at the lower of net realisable value or the weighted average cost. Net realisable value is the estimated selling price less cost to sell.

Impairment of fixed assets

The carrying amount of intangible assets, items of tangible assets and investments in subsidiaries is tested annually for impairment, other than what is reflected through normal amortisation and depreciation.

Where there is evidence of impairment, an impairment test is performed for each individual asset or group of assets. Write-down is made to the lower of the recoverable amount and the carrying amount.

The recoverable amount is the higher of the net present value and the value in use less expected costs to sell. The net present value is determined as the present value of the anticipated net cash flows from the use of the asset or group of assets and the anticipated net cash flows from the disposal of the asset or group of assets after the end of their useful life.

Receivables

Receivables are recognised in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts. Provisions for bad debts are determined on the basis of an individual assessment of each receivable.

Prepaid discounts to customers

Prepaid discounts to customers are measured at cost, which are directly related to the customer acquisition and prolongation.

Prepayments

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

Cash and cash equivalents

Cash and cash equivalents comprise cash and deposits at banks.

Equity

Reserve for development expenditure

An amount corresponding to capitalised development expenditure is recognised in the reserve. The reserve is reduced as development expenditure is amortised.

Dividends

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability when declared by the annual general meeting of shareholders.

Income tax and deferred 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.

The Company and all its Danish group entities are taxed on a joint basis. The current income tax charge is allocated between the jointly taxed entities relative to their taxable income. Tax losses are allocated based on the full absorption method. The jointly taxed entities are eligible for the Danish Tax Prepayment Scheme.

Joint taxation contributions payable and receivable are recognised in the balance sheet as 'Joint taxation contributions receivable' or 'Joint taxation contributions payable'.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

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 adjustments resulting from changes in tax rates are recognised in the income statement, with the exception of items taken directly to equity.

Deferred tax assets, including the tax base of tax losses allowed for carry forward, are measured at the value to which the asset is expected to be realised, either as a set-off against tax on future income or as a set-off against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

Liabilities

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

Deferred income

Deferred income recognised under 'Current liabilities' comprises payments received concerning income in subsequent financial years.

Cash flow statement

The cash flow statement shows the Company's cash flows for the year, broken down under cash flows from operating, investing and financing activities, the year's changes in cash and cash equivalents and the Company's cash and cash equivalents at the beginning and at the end of the year.

Cash flows from operating activities

Cash flows from operating activities are stated as the Company's profit or loss for the year, adjusted for non-cash operating items, changes in working capital and paid income taxes. Dividend income from investments is recognised under 'Interest income and dividend received'.

Cash flows used in investing activities

Cash flows from investing activities comprise payments related to the acquisition and sale of entities and activities as well as intangible assets, tangible assets and investments.

Cash flows from financing activities

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

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term securities whose remaining life is less than three months and which are readily convertible into cash and which are subject only to insignificant risks of changes in value.

Accounting policies

Financial Highlights

Definitions of financial ratios.

Gross margin ratio	$\frac{\text{Gross Profit x 100}}{\text{Revenue}}$
Return on assets	$\frac{\text{Profit/loss before financials x 100}}{\text{Total assets}}$
Solvency ratio	$\frac{\text{Equity at year end x 100}}{\text{Total assets}}$

Income statement 1 January - 31 December

	Note	2025	2024
		TDKK	TDKK
Revenue	1	**2,986,429**	**2,790,036**
Work on own account recognised in assets		30,464	33,617
Other operating income		2,776	4,097
Cost of sales		(989,195)	(854,898)
External expenses		(855,366)	(853,403)
Gross profit		**1,175,108**	**1,119,449**
Staff costs	2	(436,381)	(414,760)
Profit before amortisation/depreciation and impairment losses		**738,727**	**704,689**
Depreciation and amortisation	3	(461,486)	(470,964)
Other operating costs		0	(23,625)
Profit before net financials		**277,241**	**210,100**
Income from investments in joint ventures		100	100
Financial income	4	160,352	134,028
Financial costs	5	(25,835)	(47,927)
Profit before tax		**411,858**	**296,301**
Income taxes	6	(108,229)	(78,852)
Profit for the year		**303,629**	**217,449**
Distribution of profit	7		

Balance sheet 31 December

	Note	2025	2024
		TDKK	TDKK
Assets			
Completed development projects		60,737	46,390
Licenses and similar rights		906,541	978,267
Development projects in progress		752	22,424
Customer contracts		106,375	57,336
Intangible assets	8	**1,074,405**	**1,104,417**
Network infrastructure		1,267,822	1,253,045
Equipment		57,879	40,343
Leasehold improvements		11,669	16,153
Assets under construction		86,273	189,016
Tangible assets	9	**1,423,643**	**1,498,557**
Investments in subsidiaries	10	100	100
Investments in joint ventures	11	11,499	11,499
Deposits		27,221	26,304
Receivables from group companies		3,422,349	3,469,265
Financial asset investments		**3,461,169**	**3,507,168**
Total non-current assets		**5,959,217**	**6,110,142**

Balance sheet 31 December (continued)

	Note	2025	2024
		TDKK	TDKK
Assets			
Finished goods and goods for resale		61,101	69,023
Inventory		**61,101**	**69,023**
Trade receivables		172,412	66,378
Prepaid discounts to customers		83,202	72,478
Receivables from group companies		215,736	103,759
Other receivables		66,554	25,641
Deferred tax assets	13	137,491	210,303
Corporation tax		3,994	0
Joint taxation contributions receivable		308	9,982
Prepayments		14,693	46,852
Receivables		**694,390**	**535,393**
Cash at bank and in hand		**320,604**	**414,675**
Total current assets		**1,076,095**	**1,019,091**
Total assets		**7,035,312**	**7,129,233**

Balance sheet 31 December

	Note	2025	2024
		TDKK	TDKK
Equity and liabilities			
Share capital		64,375	64,375
Reserve for development expenditure		47,961	53,675
Proposed dividend for the year		200,000	0
Retained earnings		5,645,582	5,636,239
Equity	12,18	**5,957,918**	**5,754,289**
Other provisions	14	874	874
Provisions		**874**	**874**
Other long-term debt		350,643	451,966
Total non-current liabilities	15	**350,643**	**451,966**
Banks	15	0	300,000
Current part of long-term debt	15	102,576	102,576
Trade payables		411,910	289,292
Payables to group enterprises		121,022	138,659
Other payables		88,073	88,954
Deferred income		2,296	2,623
Total current liabilities		**725,877**	**922,104**
Total liabilities		**1,077,394**	**1,374,944**
Total equity and liabilities		**7,035,312**	**7,129,233**
Rent and lease liabilities	16		
Contingent liabilities	17		
Related parties and ownership structure	18		
Fee to auditors appointed at the general meeting	19		

Statement of changes in equity

	Share capital	Reserve for development expenditure	Proposed dividend for the year	Retained earnings	Total
	TDKK	TDKK	TDKK	TDKK	TDKK
Equity at 1 January 2025	64,375	53,675	0	5,636,239	5,754,289
Extraordinary dividend paid	0	0	0	(100,000)	(100,000)
Transfers, reserves	0	(5,714)	0	5,714	0
Net profit for the year	0	0	200,000	103,629	303,629
Equity at 31 December 2025	**64,375**	**47,961**	**200,000**	**5,645,582**	**5,957,918**

	Share capital	Reserve for development expenditure	Proposed dividend for the year	Retained earnings	Total
	TDKK	TDKK	TDKK	TDKK	TDKK
Equity at 1 January 2024	64,375	53,273	0	1,874,972	1,992,620
Transfers, reserves	0	402	0	(402)	0
Contribution from group	0	0	0	3,544,220	3,544,220
Net profit for the year	0	0	0	217,449	217,449
Equity at 31 December 2024	**64,375**	**53,675**	**0**	**5,636,239**	**5,754,289**

Cash flow statement 1 January - 31 December

	Note	2025	2024
		TDKK	TDKK
Profit for the year		303,629	217,449
Adjustments for non-cash and other items	20	435,098	487,240
Change in working capital	21	(16,120)	(23,364)
Cash flows from operating activities before financial income and expenses		**722,607**	**681,325**
Interest income and similar income		160,352	134,028
Interest expenses and similar charges		(25,835)	(47,928)
Cash flows from ordinary activities		**857,124**	**767,425**
Corporation tax paid		(39,411)	33,233
Other adjustments		100	100
Cash flows from operating activities		**817,813**	**800,758**
Investments in intangible assets		(170,481)	(93,758)
Investments in tangible assets		(186,079)	(252,624)
Sale of financial assets		(917)	(1,253)
Cash flows used in investing activities		**(357,477)**	**(347,635)**
Repayment of loans		(401,323)	(129,840)
Change in loans to group enterprises		(53,084)	(58,718)
Dividend paid		(100,000)	0
Cash flows used in financing activities		**(554,407)**	**(188,558)**
Change in cash and cash equivalents		**(94,071)**	**264,565**
Cash and cash equivalents at 1 January		414,675	150,110
Cash and cash equivalents at 31 December		**320,604**	**414,675**
Analysis of cash and cash equivalents:			
Cash at bank and in hand		320,604	414,675
Cash and cash equivalents		**320,604**	**414,675**

Notes

		2025	2024
		TDKK	TDKK
1	**Revenue**		
	Income from Telecom operations	**2,986,429**	**2,790,036**

All activities are limited to the Danish market.
The internal reporting does not segregate revenue in underlying segments or geographic areas.

		2025	2024
2	**Staff costs**		
	Wages and salaries	401,440	381,698
	Pensions	30,226	28,725
	Other social security costs	4,715	4,337
		436,381	**414,760**
	Including remuneration to the Executive Board		
	Executive Board	31,550	25,188
		31,550	**25,188**
	Number of fulltime employees on average	665	670

		2025	2024
3	**Depreciation and amortisation**		
	Amortisation intangible assets	200,493	163,764
	Depreciation tangible assets	260,993	305,724
	Loss on disposal	0	1,476
		461,486	**470,964**

		2025	2024
		TDKK	TDKK
4	**Financial income**		
	Financial income from group entities	153,083	125,047
	Other financial income	7,269	8,981
		160,352	**134,028**
5	**Financial costs**		
	Financial expenses to group entities	2,233	1,494
	Other financial costs	22,239	44,768
	Exchange rate adjustments	1,363	1,665
		25,835	**47,927**
6	**Income taxes**		
	Current tax for the year	25,042	0
	Current tax previous years	10,684	326
	Deferred tax for the year	85,614	82,890
	Deferred tax previous years	(12,803)	5,618
	Joint taxation contribution	(308)	(9,982)
		108,229	**78,852**

In December 2021, the Organisation for Economic Co-operation and Development ("OECD") released the Pillar Two model rules (the Global Anti-Base Erosion Proposal, or "GloBE rules") for a new global minimum tax reform applicable to multinational enterprise groups with annual revenues of at least Euro 750 million. The Company is within the scope of the OECD Pillar Two model rules. Pillar Two legislation was enacted in Denmark, the jurisdiction in which the Company is incorporated, and came into effect the 1st of January 2024.

Under the Pillar Two rules, the Company is liable to pay a top-up tax for the difference between its GloBE effective tax rate per jurisdiction and the 15% minimum rate. The Company and wider group have assessed the impact of the Pillar Two income taxes legislation. Based on the information currently available, the impact of these rules on the Company's income tax position is not material.

		2025	2024
		TDKK	TDKK
7	**Distribution of profit**		
	Proposed dividend for the year	200,000	0
	Extraordinary dividend for the year	100,000	0
	Retained earnings	3,629	217,449
		303,629	**217,449**

8 Intangible assets

	Completed development projects	Licenses and similar rights	Rental rights	Development projects in progress	Customer contracts	Total
	TDKK	TDKK	TDKK	TDKK	TDKK	TDKK
Cost at 1 January 2025	133,227	2,209,428	302	22,424	113,992	2,479,373
Reclassification to tangible assets	0	(1,408)	0	0	0	(1,408)
Additions for the year	0	0	0	19,351	151,130	170,481
Disposals for the year	0	0	0	0	(72,002)	(72,002)
Transfers for the year	41,023	0	0	(41,023)	0	0
Cost at 31 December 2025	174,250	2,208,020	302	752	193,120	2,576,444
Impairment losses and amortisation at 1 January 2025	86,837	1,231,161	302	0	56,656	1,374,956
Reclassification to tangible assets	0	(1,408)	0	0	0	(1,408)
Amortisation for the year	26,676	71,726	0	0	102,091	200,493
Disposal for the year	0	0	0	0	(72,002)	(72,002)
Impairment losses and amortisation at 31 December 2025	113,513	1,301,479	302	0	86,745	1,502,039
Carrying amount at 31 December 2025	**60,737**	**906,541**	**0**	**752**	**106,375**	**1,074,405**

Special assumptions regarding development projects

The Company capitalises cost relating to development of new software and systems. The projects are in general short term projects running less than 12 months. Projects under construction are running as planned.

9 Tangible assets

	Network infrastructure	Equipment	Leasehold improvements	Assets under construction	Total
	TDKK	TDKK	TDKK	TDKK	TDKK
Cost at 1 January 2025	2,827,981	141,835	31,832	189,016	3,190,664
Reclassification from intangible assets	0	1,408	0	0	1,408
Additions for the year	0	40,174	1,002	144,903	186,079
Disposals for the year	(2,170)	0	0	0	(2,170)
Transfers for the year	247,646	0	0	(247,646)	0
Cost at 31 December 2025	3,073,457	183,417	32,834	86,273	3,375,981
Depreciation at 1 January 2025	1,574,936	101,492	15,679	0	1,692,107
Reclassification from intangible assets	0	1,408	0	0	1,408
Depreciation for the year	232,869	22,638	5,486	0	260,993
Disposal for the year	(2,170)	0	0	0	(2,170)
Depreciation at 31 December 2025	1,805,635	125,538	21,165	0	1,952,338
Carrying amount at 31 December 2025	**1,267,822**	**57,879**	**11,669**	**86,273**	**1,423,643**

		2025	2024
		TDKK	TDKK
10	**Investments in subsidiaries**		
	Cost at 1 January	100	100
	Cost at 31 December	100	100
	Revaluations at 1 January	0	0
	Revaluations at 31 December	0	0
	Carrying amount at 31 December	**100**	**100**

Investments in subsidiaries are specified as follows:

Name	Registered office	Ownership interest	Equity	Profit/(loss) for the year
			TDKK	TDKK
Subco II af 14/12/17 ApS	Copenhagen, Denmark	100%	50	0
Subco III af 14/12/17 ApS	Copenhagen, Denmark	100%	50	0

	2025	2024
	TDKK	TDKK
11 Investments in joint ventures		
Cost at 1 January	18,691	18,691
Cost at 31 December	18,691	18,691
Revaluations at 1 January	(7,192)	(7,192)
Revaluations at 31 December	(7,192)	(7,192)
Carrying amount at 31 December	**11,499**	**11,499**

Investments in joint ventures are specified as follows:

Name	Registered office	Ownership interest	Equity	Profit for the year
			TDKK	TDKK
4T af 1. oktober 2012 ApS	Copenhagen, Denmark	25%	13,642	(3)
OCH A/S	Copenhagen, Denmark	25%	4,032	732

12 Equity

The share capital consists of 64,375 shares of a nominal value of TDKK 1 each. No shares carry any special rights.

There have been no changes in the share capital during the last 5 years.

		2025	2024
		TDKK	TDKK
13	**Deferred tax assets**		
	Deferred tax assets at 1 January	210,303	298,811
	Deferred tax recognised in income statement	(72,812)	(88,508)
	Deferred tax assets at 31 December	**137,491**	**210,303**

The recognised deferred tax assets consists of temporary differences between the accounting and tax values in relation to the Company's fixed assets and taxable losses, which are expected to be utilised within 5 years through income generated from the ordinary business. The tax losses are a result of the significant investment the Company has made to become a significant mobile operator on the Danish market.

	2025	2024
The expected due dates of deferred tax:		
Within one year	61,851	50,342
Between 1 and 5 years	75,640	159,961
Deferred tax at 31 December	**137,491**	**210,303**

		2025	2024
14	**Other provisions**		
	Balance at beginning of year at 1 January	874	874
	Balance at 31 December	**874**	**874**

15 Long term debt

	2025	2024
	TDKK	TDKK
Debt to Banks		
Between 1 and 5 years	0	0
Non-current portion	0	0
Within 1 year	0	300,000
Current portion	0	300,000
	0	**300,000**

	2025	2024
Other long-term debt		
After 5 years	37,522	90,434
Between 1 and 5 years	313,121	361,532
Non-current portion	350,643	451,966
Other short-term debt to credit institutions	102,576	102,576
Current portion	102,576	102,576
	453,219	**554,542**

	2025	2024
	TDKK	TDKK
16 Rent and lease liabilities		
Rent and lease liabilities		
Operating lease liabilities.		
Total future lease payments:		
Within 1 year	91,924	90,946
Between 1 and 5 years	127,756	131,181
After 5 years	12,686	33,907
	232,366	**256,034**

17 Contingent liabilities

The Company is jointly taxed with the other Danish companies in the Group. The joint taxation also covers withholding taxes in the form of dividend tax, royalty tax and interest tax. The Danish companies are jointly and individually liable for the joint taxation. Any subsequent adjustments to income taxes and withholding taxes may lead to a larger liability. The tax for the individual companies is allocated in full on the basis of the expected taxable income.

The Company is involved in certain disputes with customers, suppliers and business partners.

Although the final outcome of these matters cannot be predicted, management believes that none of these cases could have a significant negative impact on the Company's results, financial position or cash flow.

18 Related parties and ownership structure

Controlling interest

Controlling shareholder:

Hi3G DK Holdings ApS
Fadet 4
DK-1799 København V

Controlling interest:

Hi3G Access AB
PO Box 7012
121 07 Stockholm - Globen
Sweden

Ultimate parent company:

CK Hutchison Holdings Limited
48th Floor, Cheung Kong Center
2 Queen's Road Central
Hong Kong

18 Related parties and ownership structure (continued)

Transactions

Commercial terms and market prices apply for sale and purchases of goods and services between group companies.

The Company received in 2024 a group contribution from Hi3G DK Holdings ApS at the amount of DKK 3,544m by pushing down a loan from Hi3G DK Holdings ApS with Hi3G Holdings AB. The contribution has resulted in a loan between Hi3G Denmark ApS and Hi3G Holdings AB at the same amount. The loan will be repaid in 11 annual installments, first time in May 2024. As a result of this contribution equity has increased from DKK 1,993m to DKK 5,537m before net profit for the year.

During the year, the Company purchased services from other companies within the CK Hutchison Holdings Group, amounting to DKK 254,464k (2024: DKK 232,706k). These have either been expensed directly or booked as assets.

Other transactions with related parties:

At year-end, the outstanding payable due to purchase of goods and services from the CK Hutchison Holdings Group amounted to DKK 21,368k (2024: DKK 29,615k). The outstanding receivable due to sale of goods and services to the CK Hutchision Holdings Group amounted to DKK 15,736k (2024: DKK 3,759k).

At year-end, the Company has a loan from its parent company, amounting to DKK 79,654k (2024: DKK 109,044k) and a financial receivable amounting to DKK 3,622,349k (2024: DKK 3,569,265k) from Hi3G Holdings AB, of which DKK 200k (2024: DKK 100k) is recognized as receivables from group companies under current assets.

18 Related parties and ownership structure (continued)

Consolidated financial statements

The Company is included in the consolidated financial statements of HI3G Holdings AB, Stockholm, Sweden, which is the smallest group into which the Company is included as a subsidiary. The consolidated financial statements of CK Hutchison Holdings Limited, 48th Floor, Cheung Kong Center, 2 Queen's Road Central, Hong Kong, is the largest group into which the Company is included as a subsidiary.

Hi3G Holdings AB
PO Box 7012
121 07 Stockholm - Globen
Sweden

CK Hutchison Holdings Limited
48th Floor, Cheung Kong Center
2 Queen's Road Central
Hong Kong

		2025	2024
		TDKK	TDKK
19	**Fee to auditors appointed at the general meeting**		
	PricewaterhouseCoopers:		
	Audit fee	1,465	1,112
	Tax advisory services	449	880
	Non-audit services	2,734	57
		4,648	**2,049**
20	**Adjustments for non-cash and other items**		
	Financial income	(160,352)	(134,028)
	Financial costs	25,835	47,927
	Depreciation and amortisation	461,486	470,964
	Loss on disposals	0	23,625
	Income from investments in joint ventures	(100)	(100)
	Income taxes	108,229	78,852
		435,098	**487,240**
21	**Cash flow statement - change in working capital**		
	Change in inventories	7,922	(7,521)
	Change in receivables	(137,489)	73,376
	Change in trade payables, etc.	113,447	(89,219)
		(16,120)	**(23,364)**