

# Interim Report

Q3 2022

 **NORTH MEDIA**<sub>A/S</sub>

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## Interim Report

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The Interim Report Q3-2022 has been prepared in Danish and English. The Danish text shall be the governing text for all purposes and in case of any discrepancy the Danish wording shall be applicable.





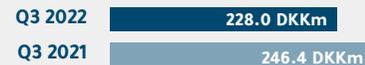
## Group developments Q3 2022

# Financial results impacted by market developments

### Revenue

Consolidated revenue for Q3 2022 was down by 7.5% year on year. The decline in September was bigger than expected. Revenue was down by 9.8% in Last Mile (FK Distribution), but up by 6% in Digital Services.

# 228 DKKm



### EBIT

Consolidated EBIT fell by DKK 26.5m compared to the same period of last year. The drop in consolidated EBIT was mainly due to higher distribution wage costs in Last Mile and the cost of growth initiatives in Digital Services, which included the acquisition of Boligmanager.

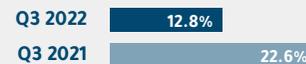
# 29 DKKm



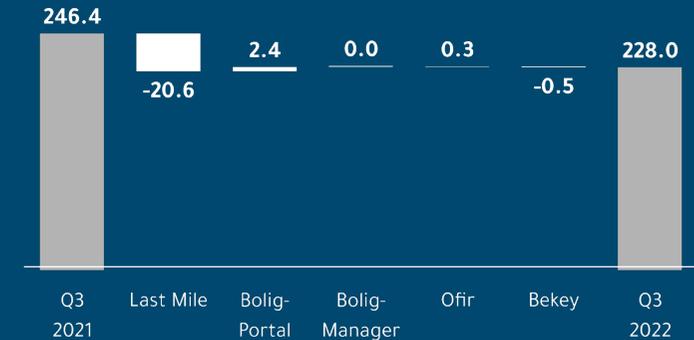
### EBIT margin

The consolidated EBIT margin was 12.8% in Q3 2022, down from 22.6% in the year-earlier period. EBIT margins were 15.7% in Last Mile and 7.9% in Digital Services.

# 13%



## Development in consolidated revenue



## Development in consolidated EBIT





# Last Mile Q3 2022 results

Comparative figures for Q3 2021 in brackets (DKKm)

## FK Distribution

- FK Distribution's revenue fell by 9.8%. Revenue de-clined in the Danish packing and distribution business but improved in the minetilbud business.

## Packing and distribution in Denmark

- A structural and market-driven volume decline had a negative impact on revenue.
- The volume of printed matter fell by 9% y/y in Q3 2022, bringing the decline for the year to date to 5.4%. FK Distribution now expects a drop in volumes of around 5-6% for the full year instead of the previous estimate of 4%.
- The volume decline has come about because persistently high prices of paper have led a growing number of customers to reduce - especially in September - page counts, campaigns and print runs or select thinner and less expensive paper for their printed matter.
- With consumer and energy prices continuing to rise, consumers have taken a greater interest in offers in leaflets and price comparison sites.
- The volume of local newspapers was stable but with page counts tending to be lower due to the high prices of paper.

- Activities within selected mail items grew from a modest level, with volumes increasing due to new customers.

## Other activities

- The 'minetilbud' digital platform delivered 22% revenue growth, driven in particular by a growing number of users and catalogues and more product feeds from both existing and new customers.
- The platform is expected to continue generating double-digit growth in the fourth quarter, driven by innovation and new product offers that will include Boostkoncept and minefordele.
- The volume of bundled printed matter for Deutsche Post to 475,000 households remains lower than originally anticipated.

## Earnings

- EBIT and the EBIT margin are generally lower in the third quarter than in the other quarters of the year due to lower volumes.
- EBIT was lower than in Q3 2021 due to an increase in variable costs across the value chain, the effect of reduced

volumes and changes in customer and product mixes.

- Distribution costs increased due to higher salaries for our more than 10,000 deliverers and increased recruitment costs.
- Furthermore, the cost of paper wrappers went up, while the cost of external hauliers increased due to higher fuel costs.
- FK Distribution launched a number of measures to cut costs in order to maintain a satisfactory EBIT margin.

## Other matters

- The solar panel plant at the packing terminal in Taastrup was inaugurated on 31 May and a battery solution is expected to begin operations in the fourth quarter of 2022. When fully operational, the plant is expected to deliver about 40% of the terminal's power consumption.
- Work to install a similar solar panel plant at the terminal in Tilst has begun, and the plant is expected to be operational from the spring of 2023.
- Both the solar panel plant and the battery solution are manufactured and supplied by European suppliers.

Revenue

189.0

(209.6)

EBIT

29.6

(51.3)

EBIT margin

15.7%

(24.5%)



# Digital Services Q3 2022 results

Comparative figures for Q3 2021 in brackets (DKKm)

## BoligPortal

- BoligPortal delivered 11% revenue growth. The increase was driven by new products, revenue from landlords and income from ads for rental units.
- The sale of new products and services was up by more than 200%, combining for more than 10% (<5%) of BoligPortal's total revenue for the quarter.
- The supply of rental units and revenue from related ads and from partner sales were again at record highs, and the same applies to the number of move-in/out inspection reports.
- The number of new subscribers slowed in September, possibly due to the increased uncertainty in society.
- The acquisition of Boligmanager had a negative effect on EBIT in the amount of DKK 1.6m for amortisation, the residual purchase price and costs. When adjusted for the effects of Boligmanager, core business earnings were up by DKK 1.0m year on year.

## Ofir

- Revenue was up 3.4%. The market for job ads suffered a sudden slowdown in September, as the number of jobs posted fell by 17% relative to the same month of 2021.
- The public sector continued to contribute double-digit growth in advertising revenue, but growth rates were considerably lower within several job categories.
- Advertising revenue from private sector employers fell slightly.
- The number of job campaigns on social media grew, which was fully consistent with the objective of strengthening Ofir's position as a social media market leader.
- The reduced revenue growth, higher business development costs and the development of a new data platform all had a negative impact on EBIT.

## Bekey

- Revenue was down 8.3%, mainly due to a drop in the sale of hardware implemented for customers in the municipal segment.
- The 'Homecare DK' segment accounted for the lion's share of revenue and was profitable thanks to economies of scale.
- Income from the 'Licences and Services' segment was up by 8% and accounted for 74% of revenue (63%).
- The 'Distributors' segment also contributed to growth but continues to make up a very small part of the business.
- EBIT was lower due to the decision to recognise SmartRelay development and installation costs, whereas they were capitalised in 2021. Apart from this factor, the EBIT loss was unchanged.
- Bekey's CEO Jannik Bray Christensen resigned on 31 October 2022 and will be replaced by Christian Hesselaa, who will take up the position on 15 November 2022.

Revenue **24.3**  
(21.9)

EBIT **6.1**  
(6.7)

Revenue **9.2**  
(8.9)

EBIT **0.2**  
(1.2)

Revenue **5.5**  
(6.0)

EBIT **-3.2**  
(-2.4)

Revenue

**39.0**  
(36.8)

EBIT

**3.1**  
(5.5)

EBIT margin

**7.9%**  
(14.9%)



## Developments at group level YTD (Q3 YTD) 2022

# Operating results impacted by developments in third quarter

### Revenue

Consolidated revenue for Q3 YTD 2022 declined by 1.6% year on year. Revenue was down by 4.0% in Last Mile, but up by 12.8% in Digital Services.

## 736 DKKm

|             |            |
|-------------|------------|
| Q3 ÅTD 2022 | 736.2 DKKm |
| Q3 ÅTD 2021 | 748.0 DKKm |

### EBIT

Consolidated EBIT declined due in particular to higher distribution wage costs in Last Mile, the cost of growth initiatives in Digital Services, which included the acquisition of Boligmanager, and the recognition of development costs in Bekey.

## 129 DKKm

|             |            |
|-------------|------------|
| Q3 ÅTD 2022 | 129.2 DKKm |
| Q3 ÅTD 2021 | 187.4 DKKm |

### EBIT margin

Due to the decline in EBIT, the EBIT margin fell by 7.6 percentage points. EBIT margins were 20.6% in Last Mile and 8.2% in Digital Services.

## 18%

|             |       |
|-------------|-------|
| Q3 ÅTD 2022 | 17.5% |
| Q3 ÅTD 2021 | 25.1% |

## Status of strategic priorities in 2022



### Better than expected

- FK Distribution continued to deliver double-digit growth in digital distribution of offers and selected mail items, two business activities intended to help make up for the structural loss of volume in printed matter.
- BoligPortal reporting higher-than-expected income from landlord advertising and partnerships.



### As expected

- Ofir arranged more paid job ads and continued to grow its business in new job segments. Growing uncertainty due to sharp drop in job ads market.
- BoligPortal process to integrate Boligmanager progressed according to plan. BoligPortal and Boligmanager merged their product and development teams aiming to accelerate the pace of development.
- Bekey increased its revenue from licensing and service agreements in its homeware business and is focused on winning new contracts and re-winning existing ones.



### Not as expected

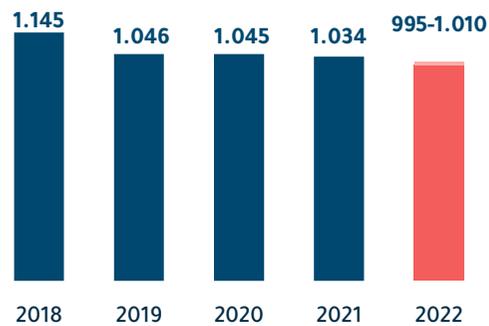
- FK Distribution reported a negative trend in volumes in the third quarter. Increased prices of paper make customers reduce page counts, frequencies and print runs or to choose thinner and less expensive paper for their printed matter.
- FK Distribution's contract with Deutsche Post did not meet the parties' joint targets. A possible expansion of the collaboration to additional cities is not expected until in 2023 at the earliest.
- With two customers in operation and one customer with a pilot project, momentum in Bekey's 'Properties' segment was not satisfactory.



# FY 2022 group guidance is lowered

With reference to company announcement no. 20-2022 of 2 November 2022, the Group lowers its full-year 2022 guidance. The companies had a good start to the year, but changes in the market occurring in the third quarter with persistently high prices of paper leading to campaigns being cancelled as well as a drop in the number of job postings has put in particular revenue under pressure.

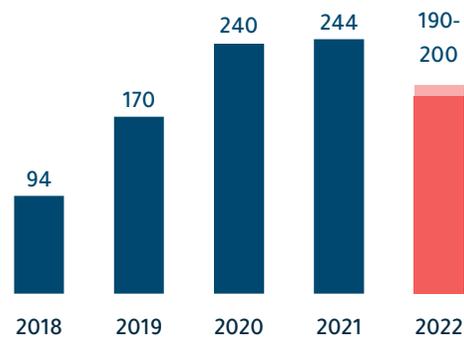
## Group Revenue (DKKm)



Full-year consolidated revenue is now expected to be DKK 995-1,010m. The previous guidance was in the range of DKK 1,015-1,040m.

Accordingly, consolidated revenue is expected to be about 3% lower than in 2021.

## EBIT (DKKm)



The Group now expects FY 2022 EBIT in the DKK 190-200m range. The previous guidance was for DKK 195-220m.

The consolidated EBIT margin for 2021 was 23.6%, while for 2022 the guidance is unchanged at about 19-20%. EBIT is being adversely affected by lower Last Mile earnings and by the acquisition of Bolig-manager (expectedly reducing EBIT by DKK 6-7m).

## 2022 guidance – group financial highlights (DKKm)

### Revenue

# 995 - 1,010

|                                      |             |
|--------------------------------------|-------------|
| Guidance provided on 17 August 2022  | 1,015-1,040 |
| Guidance provided on 4 May 2022      | 1,010-1,045 |
| Guidance provided on 9 February 2022 | 1,010-1,045 |
| Actual 2021:                         | 1,034       |

### EBIT

# 190 - 200

|                                      |         |
|--------------------------------------|---------|
| Guidance provided on 17 August 2022  | 195-220 |
| Guidance provided on 4 May 2022      | 190-220 |
| Guidance provided on 9 February 2022 | 190-220 |
| Actual 2021:                         | 244     |



# Guidance lowered for revenue and EBIT

## Last Mile

### FK Distribution

- Revenue guidance lowered; revenue is now expected to fall by 5% (previously by 3%). The volume of printed matter is expected to drop by about 5-6% relative to 2021 (previously by 4%).
- EBIT guidance revised. The EBIT margin is still expected to be about 23%, implying a drop from 2021 due to substantial increases in distribution and other costs.

### Guidance for 2022 (DKKm)

#### Interim Report Q3 2022

|          |         |
|----------|---------|
| Revenue: | 837-846 |
| EBIT:    | 188-192 |

#### Interim Report Q2 2022

|          |         |
|----------|---------|
| Revenue: | 851-866 |
| EBIT:    | 192-208 |

### Actual 2021 (mio. kr.)

|          |       |
|----------|-------|
| Revenue: | 888.8 |
| EBIT:    | 249.0 |

## Digital Services

### BoligPortal

- Revenue and EBIT guidance revised. Strong growth in revenue from partnerships and advertising products to landlords.
- EBIT for the core business expected to increase relative to 2021, but Bolig-manager's EBIT and the provision for the residual purchase price and amortisation of the purchase price will reduce EBIT by 6-7 DKKm.

### Guidance for 2022 (DKKm)

#### Interim Report Q3 2022

|          |       |
|----------|-------|
| Revenue: | 93-95 |
| EBIT:    | 23-25 |

#### Interim Report Q2 2022

|          |       |
|----------|-------|
| Revenue: | 94-98 |
| EBIT:    | 21-25 |

### Actual 2021 (mio. kr.)

|          |      |
|----------|------|
| Revenue: | 84.8 |
| EBIT:    | 26.8 |

### Ofir

- Revenue and EBIT guidance lowered due to market setback experienced in September.
- Cost of expanding the organisation to secure growth and development opportunities retained.
- EBIT margin of 9%-10%.

### Guidance for 2022 (DKKm)

#### Interim Report Q3 2022

|          |       |
|----------|-------|
| Revenue: | 40-42 |
| EBIT:    | 3-5   |

#### Interim Report Q2 2022

|          |       |
|----------|-------|
| Revenue: | 43-46 |
| EBIT:    | 5-7   |

### Actual 2021 (mio. kr.)

|          |      |
|----------|------|
| Revenue: | 36.0 |
| EBIT:    | 5.6  |

### Bekey

- Guidance lowered for revenue and revised for EBIT.
- The drop in revenue to be offset by cost savings and efficiency gains.
- Constructive dialogue with several customer leads in Distributor segment.
- All SmartRelay development and installation costs to be expensed.

### Guidance for 2022 (DKKm)

#### Interim Report Q3 2022

|          |             |
|----------|-------------|
| Revenue: | 25-27       |
| EBIT:    | -14 til -13 |

#### Interim Report Q2 2022

|          |             |
|----------|-------------|
| Revenue: | 27-30       |
| EBIT:    | -14 til -12 |

### Actual 2021 (mio. kr.)

|          |       |
|----------|-------|
| Revenue: | 24.0  |
| EBIT:    | -29.3 |

| Revenue            | EBIT               | Revenue            | EBIT             |
|--------------------|--------------------|--------------------|------------------|
| <b>837-846</b>     | <b>188-192</b>     | <b>158-164</b>     | <b>12-17</b>     |
| (formerly 851-866) | (formerly 192-208) | (formerly 164-174) | (formerly 12-20) |



# Consolidated financial highlights

| DKKm   | Q3    |       | Q3 YTD  |         | full year |
|--|-------|-------|---------|---------|-----------|
|  | 2022  | 2021  | 2022    | 2021    | 2021      |
| <b>Income statement</b>                                  |       |       |         |         |           |
| Revenue  | 228.0 | 246.4 | 736.2   | 748.0   | 1,033.6   |
| Gross profit   | 123.3 | 143.0 | 412.3   | 448.3   | 620.5     |
| EBITDA   | 35.9  | 62.5  | 150.0   | 208.2   | 292.2     |
| Amortisation, depreciation and impairments losses etc.   | 6.8   | 6.9   | 20.8    | 20.8    | 47.8      |
| EBIT   | 29.1  | 55.6  | 129.2   | 187.4   | 244.4     |
| Return on securities                                     | -18.7 | 14.6  | -229.3  | 76.8    | 103.2     |
| Financials, net  | -0.2  | -1.1  | -1.4    | -3.5    | -4.8      |
| Profit/loss before tax                                   | 12.2  | 71.0  | -95.5   | 263.3   | 347.0     |
| Tax for the period                                       | 2.3   | 15.2  | -22.1   | 56.2    | 73.4      |
| Net profit/loss for the period                           | 9.9   | 55.8  | -73.4   | 207.1   | 273.6     |
| Comprehensive income                                     | 9.9   | 55.8  | -73.4   | 206.9   | 273.3     |
| Net profit for the period excluding return on securities | 24.5  | 44.4  | 105.5   | 147.2   | 193.1     |
| <b>Balance sheet, end period</b>                         |       |       |         |         |           |
| Total assets   | -     | -     | 1,147.0 | 1,297.1 | 1,320.6   |
| Shareholders' equity                                     | -     | -     | 920.8   | 1,014.2 | 1,080.0   |
| Net interest-bearing cash position                       | -     | -     | 556.3   | 664.4   | 758.0     |
| Properties   | -     | -     | 241.4   | 242.5   | 246.4     |
| Mortgage Debt  | -     | -     | -114.6  | -119.3  | -118.1    |
| Capital resources  | -     | -     | 676.5   | 840.3   | 882.8     |
| Net working capital (NWC)                                | -     | -     | -12.5   | -11.5   | -33.7     |
| Invested capital   | -     | -     | 364.5   | 349.8   | 322.0     |
| Investments in property, plant and equipment             | -     | -     | 7.2     | 6.2     | 18.8      |
| Free cash flow   | -     | -     | 119.5   | 132.2   | 224.3     |

| DKKm  | Q3    |       | Q3 YTD |        | full year |
|---|-------|-------|--------|--------|-----------|
|   | 2022  | 2021  | 2022   | 2021   | 2021      |
| <b>Cash flow statement</b>  |       |       |        |        |           |
| Cash flows from operating activities                                    | 30.0  | 59.9  | 123.2  | 126.5  | 156.1     |
| Cash flows from investing activities                                    | -3.1  | -28.5 | -27.2  | -31.7  | -88.2     |
| Cash flows from financing activities                                    | -1.6  | -2.1  | -86.7  | -89.9  | -91.7     |
| Total cash flows  | 25.3  | 29.3  | 9.3    | 4.9    | -23.8     |
| <b>Other information</b>  |       |       |        |        |           |
| Average number of employees   | -     | -     | 420    | 411    | 411       |
| Number of shares of DKK 5 nominal value each, end of period (thousands) | -     | -     | 20,055 | 20,055 | 20,055    |
| Treasury shares (thousands)   | -     | -     | 1,629  | 1,909  | 1,909     |
| Share price end of period, DKK  | -     | -     | 66.6   | 117.0  | 108.0     |
| <b>Ratios</b>   |       |       |        |        |           |
| Gross margin (%)  | 54.1% | 58.0% | 56.0%  | 59.9%  | 60.0%     |
| EBIT margin (%)   | 12.8% | 22.6% | 17.5%  | 25.1%  | 23.6%     |
| Equity ratio (%)  | -     | -     | 80.3%  | 78.2%  | 81.8%     |
| Return on equity (ROE) (%) 1)   | -     | -     | -9.8%  | 29.2%  | 27.9%     |
| Return on capital employed (ROIC) 1)                                    | -     | -     | 50.2%  | 76.9%  | 78.6%     |
| Earnings per share (EPS)  | 0.5   | 3.1   | -4.0   | 11.4   | 15.0      |
| Diluted earnings per share (EPS-D)                                      | 0.5   | 3.0   | -4.0   | 11.1   | 14.7      |
| Earnings per share excluding return on securities (EPS-adj)             | 1.3   | 2.4   | 5.7    | 8.1    | 10.6      |
| Price/Earnings (P/E) 1)   | -     | -     | -      | 7.7    | 7.2       |
| Price/Book Value (P/BV)   | -     | -     | 1.5    | 2.3    | 2.0       |
| Cash flow per share (CFPS)  | 1.6   | 3.3   | 6.7    | 7.0    | 8.6       |

For ratio definitions, see note 3 to Annual Report 2021.

1) Profit for the period annualised



# Results for 2022 YTD and selected balance sheet items

## Return on securities

The securities portfolio yielded a net negative (unrealised) return for the Q3 YTD 2022 period of DKK 229m, as compared with a positive return of DKK 77m in Q3 YTD 2021. This equals a negative return of 27.9% compared to a positive return of 10.7% last year. By comparison, the MSCI World index produced a negative return of 26% in Q3 YTD 2022 compared with a positive return of +12% in Q3 YTD 2021.

## Net result for the period

The net result after tax for the Q3 YTD 2022 period was a DKK 73.4m loss (Q3 YTD 2021: DKK 207.1m profit). This year's EBIT was DKK 58m lower than last year's and the return on securities was DKK 306m lower.

Earnings per share (exclusive of the re-turn on securities) for Q3 YTD 2022 were DKK 5.7 (Q3 YTD 2021: DKK 8.1). Earnings per share (diluted) for Q3 YTD 2022 were negative at DKK 4.0 (Q3 YTD 2021: positive at DKK 11.1).

## Cash flows from operating activities

Cash flows from operations amounted to DKK 123m in Q3 YTD 2022 against DKK 127m in the year-earlier period, when cash flows were adversely affected by deferred payments of employee income taxes, the payment of frozen holiday pay and the payment of increased corporate income tax, amounting to a total of about DKK 58m. The free cash flows

amounted to DKK 120m against DKK 132m in the year-earlier period.

## Securities portfolio

At 30 September 2022, the securities portfolio consisted of 18 highly liquid listed shares and share-based investment associations with a

combined market value of DKK 537.5m (DKK 753.1m at 31 December 2021).

Since the end of 2015, the value of the securities portfolio has appreciated from DKK 196m to DKK 538m. Of this value accretion, DKK 184m was driven by capital value appreciation, while net share purchases have accounted for DKK 158m. In other words, more than

## Quarterly return on securities (DKKm)



## Securities portfolio market value

(mio. kr.)

|                        | 31.10.2022   | 30.09.2022   | 31.12.2021   |
|------------------------|--------------|--------------|--------------|
| Novo Nordisk           | 102.4        | 95.2         | 73.5         |
| Genmab                 | 72.9         | 61.8         | 66.0         |
| DSV                    | 51.0         | 44.8         | 76.4         |
| Microsoft              | 43.6         | 44.4         | 55.2         |
| Teradyne               | 36.6         | 34.4         | 64.4         |
| Ørsted                 | 31.1         | 30.4         | 41.8         |
| NVIDIA Corp            | 30.4         | 27.8         | 57.9         |
| SimCorp                | 27.0         | 25.8         | 42.9         |
| Amazon                 | 30.8         | 34.5         | 43.8         |
| Apple                  | 34.5         | 31.6         | 34.9         |
| MasterCard             | 24.6         | 21.7         | 23.6         |
| Sea                    | 11.2         | 12.8         | 44.0         |
| Facebook               | 8.4          | 12.4         | 26.5         |
| MercadoLibre           | 20.3         | 18.9         | 26.5         |
| Infinion Technology    | 14.7         | 13.5         | 24.2         |
| Fundamental Invest ABC | 10.6         | 9.8          | 14.2         |
| EQT AB                 | 9.6          | 9.7          | 23.3         |
| Fundamental Invest ABD | 8.7          | 8.0          | 14.0         |
| <b>Total</b>           | <b>568.4</b> | <b>537.5</b> | <b>753.1</b> |



half of the gains on the securities portfolio since the end of 2015 were due to appreciating prices even with the substantial price falls recorded in 2022, which have produced unrealised capital losses of DKK 229m. The risk on the portfolio at 30 September 2022 was calculated at 24.8%. The risk (as measured by the same shares) at 31 December 2021 was 19.4%. Risk is calculated as the annualised standard deviation measured over the past 90 days of trading. Value at Risk, which reflects the maximum loss over a three-month period at a 95% probability, amounted to DKK 113.7m.

The value of the securities portfolio at 31 October 2022 was DKK 568.4m, and a return of DKK 30.9m was recorded for the month of October.

### Capital resources

The Group had capital resources of DKK 676m at 30 September 2022, consisting of DKK 139m in cash and DKK 537m in liquid securities. At 31 December 2021, capital resources amounted to DKK 883m.

Capital resources have declined by DKK 206m since the start of the year after the payment of DKK 92m in dividends and an unrealised loss on securities of DKK 229m.

### The Group's properties

The Group owns a number of properties, including mainly the head office properties in Søborg, Taastrup and Tilst. The properties are recognised at a total carrying amount of DKK 241m (DKK 246m at 31 December 2021) and have been mort-gaged against long-term,

fixed-rate loans at a total of DKK 115m (DKK 118m at 31 December 2021).

The Group's business segments pay rent on market terms for the use of the properties. An agreement was concluded at the end of October 2021 for the installation of solar panels and a battery solution at the terminal in Taastrup. The solar panel plant was inaugurated on 31 May 2022, while the battery solution is expected to begin operations in the fourth quarter of 2022.

When installed, the solar panel plant will result in considerable in-house generation of power, enough to cover about 40% of the power consumed at the Taastrup facility once the battery solution is operational. The solar panels installed cover an area of 2,100 m<sup>2</sup> on the roof of the building and 3,300 m<sup>2</sup> on the ground, for a total of 5,400 m<sup>2</sup> with an installed capacity of 1,100 kWp.

Work to install a similar solar power plant at the terminal in Tilst has begun, and the plant is expected to be operational from the spring of 2023.

### Equity and the portfolio of treasury shares

Equity amounted to DKK 920.8m at 30 September 2022, which was DKK 159.2m less than at 31 December 2021.

The equity reduction was mainly due to dividend paid of DKK 92m along with the loss for the period of DKK 73.4m and the sale of treasury shares for DKK 10.1m in relation to the Group's share option programme.

## Money deposit in securities

- Liquid listed shares and investment associations
- Industries offering growth potential, also on a 5Y-10Y horizon
- Focused portfolio of 15 to 25 securities
- Long-term and value-protecting investments

The Group's holding of treasury shares stood at 1,629,000 shares at 30 September 2022, equal to 8.12% of the share capital of North Media A/S.

The holding of treasury shares covers 337,500 share options awarded to senior executives as part of the share option programme introduced in 2018. The holding of treasury shares may also be used for full or partial payment of any future acquisitions of or investments to be made in other companies.

### North Media share

The price of North Media shares declined from DKK 108.0 per share at 31 December 2021 to DKK 66.6 per share at 30 September 2022, corresponding to a drop of 38%. The decline was 34% when adjusted for the dividend of DKK 5 per share paid out.

## Purpose of capital resources

- To maintain sufficient financial strength to exploit market opportunities, meet strategic objectives and to fend off both new and existing competitors
- To have the financial strength to acquire businesses that hold potential for positive synergies and scalability for our existing businesses
- To have the financial strength to pay stable, attractive dividends, and make occasional share buy-backs
- To be financially robust enough to withstand society lockdowns and other significant changes in society during periods of COVID-19 surges or the like
- To have the financial strength to be financially independent of financial funds from shareholders or lenders

By comparison, the OMX Copenhagen Mid Cap index lost 23% during the same period.



# Results in associates – Karman Connect (formerly Lead Supply)

## Revenue and earnings stable

The 50%-owned fintech business Karman Connect A/S (formerly Lead Supply A/S) reported zero revenue growth in Q3 2022 and a marginal increase in earnings despite considerable investments for future growth. EBIT for the Q3 YTD 2022 period was DKK 15.7m, up from DKK 6.8m in the year-earlier period.

The market stalled in the middle of the third quarter, while the number of users and the contribution margin increased because loss-making campaigns can quickly be shut down. The efforts of the past two years to strengthen the infrastructure and the ability to respond to changes in the market in real time proved valuable during this challenging period.

North Media recognises DKK 6.0m profit from Karman Connect under share of profit/loss in associates, which is shown after tax.

## About the company

Karman Connect, which changed its name from Lead Supply A/S in June 2022, operates in several European markets and is reporting fair improvements in most of them. Driving the improvement was the change to the business model implemented in 2020, when the company refocused its business from growth through acquisitions of SEO sites to optimising its core business and concentrating on individual leads in the individual countries.

The change has produced better results for customers and better interaction for users.

The improvements have been achieved through increased data insights, new systems enabling customers to make better use of their resources and the development of additional commercial skills. In addition, the company has optimised existing offers to customers and launched new ones.

## Guidance for 2022

Karman Connect now expects a slight increase in full-year revenue instead of as previously strong growth with a softening trend in the second half of the year. At the same time, the company continues to expect Q4 earnings on a level with last year, for an increase of full-year earnings.

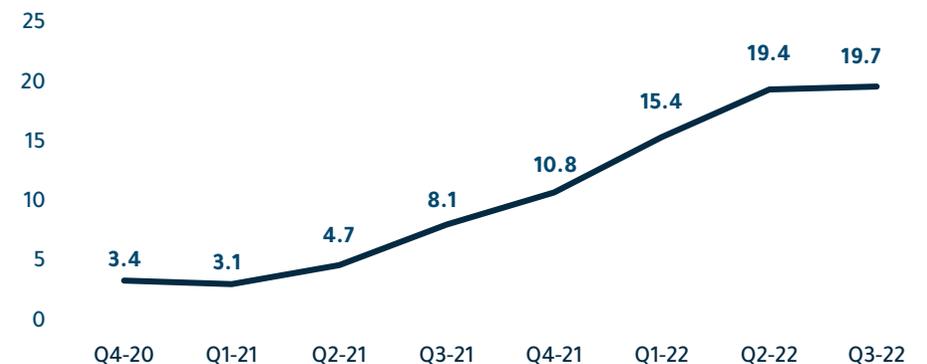
User flow optimisation and the ability to respond in real time to market changes are expected to offset the weakened revenue increase. New hires, which were accelerated in the second quarter, have been put on hold pending market developments.

The guidance for 2022 is subject to increased risk due to the increase in inflation throughout the EU and increased uncertainty in society in general. How this will affect consumer willingness to borrow, and banks' credit policies remains to be seen.

## Highlights, Karman Connect (DKKm)

|                             | Q3-YTD<br>2022 | Q3-YTD<br>2021 | 2021  |
|-----------------------------|----------------|----------------|-------|
| Revenue                     | 61.3           | 44.2           | 63.2  |
| EBITDA                      | 15.7           | 6.8            | 10.8  |
| EBIT                        | 15.7           | 6.8            | 10.8  |
| Result before tax           | 15.4           | 6.7            | 10.7  |
| Result after tax            | 12.0           | 5.2            | 8.4   |
| EBITDA-margin               | 19.6%          | 11.8%          | 17.1% |
| EBIT-margin                 | 19.6%          | 11.8%          | 17.1% |
| Average number of employees | 16             | 12             | 13    |

## EBITDA – rolling 12 month (DKKm)





# Group quarterly financial highlights - revenue

| DKKm                                   | Q3 YTD       |              | Q3           | Q2           | Q1           | Q4           | Q3           | Q2           | Q1           | Q4           | Q3           | Q2           | Q1           |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
|  | 2022         | 2021         |              |              |              |              |              |              |              |              |              |              |              |
| <b>Revenue</b>                         |              |              |              |              |              |              |              |              |              |              |              |              |              |
| <b>Last Mile</b>                       |              |              |              |              |              |              |              |              |              |              |              |              |              |
| Packing and distribution               | 590.7        | 620.0        | 183.4        | 209.4        | 197.9        | 243.3        | 205.0        | 215.8        | 199.2        | 233.6        | 219.8        | 210.4        | 214.5        |
| Online                                 | 24.7         | 20.9         | 5.6          | 9.3          | 9.8          | 4.6          | 4.6          | 6.7          | 9.6          | 5.4          | 8.3          | 11.0         | 10.6         |
| <b>Last Mile, total</b>                | <b>615.4</b> | <b>640.9</b> | <b>189.0</b> | <b>218.7</b> | <b>207.7</b> | <b>247.9</b> | <b>209.6</b> | <b>222.5</b> | <b>208.8</b> | <b>239.0</b> | <b>228.1</b> | <b>221.4</b> | <b>225.1</b> |
| <i>Index cp. same period last year</i> | <i>96.0</i>  | <i>95.0</i>  | <i>90.2</i>  | <i>98.3</i>  | <i>99.5</i>  | <i>103.7</i> | <i>91.9</i>  | <i>100.5</i> | <i>92.8</i>  | <i>91.3</i>  | <i>105.7</i> | <i>92.1</i>  | <i>103.8</i> |
| <b>Digital Services</b>                |              |              |              |              |              |              |              |              |              |              |              |              |              |
| BoligPortal                            | 70.7         | 64.0         | 24.3         | 23.7         | 22.7         | 20.8         | 21.9         | 21.7         | 20.4         | 20.0         | 21.6         | 21.5         | 19.2         |
| <i>Index cp. same period last year</i> | <i>110.5</i> | <i>102.7</i> | <i>111.0</i> | <i>109.2</i> | <i>111.3</i> | <i>104.0</i> | <i>101.4</i> | <i>100.9</i> | <i>106.3</i> | <i>117.6</i> | <i>114.9</i> | <i>124.3</i> | <i>117.8</i> |
| Ofir                                   | 31.3         | 25.6         | 9.2          | 10.9         | 11.2         | 10.4         | 8.9          | 9.1          | 7.6          | 6.6          | 5.2          | 4.5          | 4.6          |
| <i>Index cp. same period last year</i> | <i>122.3</i> | <i>179.0</i> | <i>103.4</i> | <i>119.8</i> | <i>147.4</i> | <i>157.6</i> | <i>171.2</i> | <i>202.2</i> | <i>165.2</i> | <i>157.1</i> | <i>136.8</i> | <i>104.7</i> | <i>102.2</i> |
| Bekey                                  | 18.8         | 17.5         | 5.5          | 6.7          | 6.6          | 6.5          | 6.0          | 5.6          | 5.9          | 8.9          | 5.7          | 6.2          | 7.8          |
| <i>Index cp. same period last year</i> | <i>107.4</i> | <i>88.8</i>  | <i>91.7</i>  | <i>119.6</i> | <i>111.9</i> | <i>73.0</i>  | <i>105.3</i> | <i>90.3</i>  | <i>75.6</i>  | <i>107.2</i> | <i>114.0</i> | <i>134.8</i> | <i>118.2</i> |
| <b>Digital Services, total</b>         | <b>120.8</b> | <b>107.1</b> | <b>39.0</b>  | <b>41.3</b>  | <b>40.5</b>  | <b>37.7</b>  | <b>36.8</b>  | <b>36.4</b>  | <b>33.9</b>  | <b>35.5</b>  | <b>32.5</b>  | <b>32.2</b>  | <b>31.6</b>  |
| <i>Index cp. same period last year</i> | <i>112.8</i> | <i>111.2</i> | <i>106.0</i> | <i>113.5</i> | <i>119.5</i> | <i>106.2</i> | <i>113.2</i> | <i>113.0</i> | <i>107.3</i> | <i>120.3</i> | <i>117.8</i> | <i>122.9</i> | <i>115.3</i> |
| <b>Revenue, total</b>                  | <b>736.2</b> | <b>748.0</b> | <b>228.0</b> | <b>260.0</b> | <b>248.2</b> | <b>285.6</b> | <b>246.4</b> | <b>258.9</b> | <b>242.7</b> | <b>274.5</b> | <b>260.6</b> | <b>253.6</b> | <b>256.7</b> |
| <i>Index cp. same period last year</i> | <i>98.4</i>  | <i>97.0</i>  | <i>92.5</i>  | <i>100.4</i> | <i>102.3</i> | <i>104.0</i> | <i>94.6</i>  | <i>102.1</i> | <i>94.5</i>  | <i>94.2</i>  | <i>107.1</i> | <i>95.1</i>  | <i>105.1</i> |



# Group quarterly financial highlights - EBIT

| DKKm                           | Q3 YTD        |               | Q3            | Q2            | Q1            | Q4             | Q3            | Q2            | Q1            | Q4            | Q3            | Q2            | Q1            |
|--------------------------------|---------------|---------------|---------------|---------------|---------------|----------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
|                                | 2022          | 2021          |               |               |               |                |               |               |               |               |               |               |               |
| <b>EBIT</b>                    |               |               |               |               |               |                |               |               |               |               |               |               |               |
| <b>Last Mile</b>               |               |               |               |               |               |                |               |               |               |               |               |               |               |
| <b>FK Distribution</b>         | <b>126.7</b>  | <b>174.9</b>  | <b>29.6</b>   | <b>49.6</b>   | <b>47.5</b>   | <b>74.1</b>    | <b>51.3</b>   | <b>62.1</b>   | <b>61.5</b>   | <b>56.8</b>   | <b>59.0</b>   | <b>53.9</b>   | <b>64.0</b>   |
| <i>EBIT-margin</i>             | <i>20.6%</i>  | <i>27.3%</i>  | <i>15.7%</i>  | <i>22.7%</i>  | <i>22.9%</i>  | <i>29.9%</i>   | <i>24.5%</i>  | <i>27.9%</i>  | <i>29.5%</i>  | <i>23.8%</i>  | <i>25.9%</i>  | <i>24.3%</i>  | <i>28.4%</i>  |
| <b>Digital Services</b>        |               |               |               |               |               |                |               |               |               |               |               |               |               |
| BoligPortal                    | 17.5          | 20.1          | 6.1           | 6.2           | 5.2           | 6.7            | 6.7           | 7.7           | 5.7           | 6.0           | 7.1           | 8.0           | 6.1           |
| <i>EBIT-margin</i>             | <i>24.8%</i>  | <i>31.4%</i>  | <i>25.1%</i>  | <i>26.2%</i>  | <i>22.9%</i>  | <i>32.2%</i>   | <i>30.6%</i>  | <i>35.5%</i>  | <i>27.9%</i>  | <i>30.0%</i>  | <i>32.9%</i>  | <i>37.2%</i>  | <i>31.8%</i>  |
| Ofir                           | 3.1           | 4.2           | 0.2           | 1.4           | 1.5           | 1.4            | 1.2           | 1.9           | 1.1           | 0.5           | -0.5          | -0.6          | -1.4          |
| <i>EBIT-margin</i>             | <i>9.9%</i>   | <i>16.4%</i>  | <i>2.2%</i>   | <i>12.8%</i>  | <i>13.4%</i>  | <i>13.5%</i>   | <i>13.5%</i>  | <i>20.9%</i>  | <i>14.5%</i>  | <i>7.6%</i>   | <i>-9.6%</i>  | <i>-13.3%</i> | <i>-30.4%</i> |
| Bekey                          | -10.7         | -5.9          | -3.2          | -3.4          | -4.1          | -23.4          | -2.4          | -2.0          | -1.5          | -1.5          | -2.0          | -1.9          | -1.4          |
| <i>EBIT-margin</i>             | <i>-56.9%</i> | <i>-33.7%</i> | <i>-58.2%</i> | <i>-50.7%</i> | <i>-62.1%</i> | <i>-360.0%</i> | <i>-40.0%</i> | <i>-35.7%</i> | <i>-25.4%</i> | <i>-16.9%</i> | <i>-35.1%</i> | <i>-30.6%</i> | <i>-17.9%</i> |
| <b>Digital Services, total</b> | <b>9.9</b>    | <b>18.4</b>   | <b>3.1</b>    | <b>4.2</b>    | <b>2.6</b>    | <b>-15.3</b>   | <b>5.5</b>    | <b>7.6</b>    | <b>5.3</b>    | <b>5.0</b>    | <b>4.6</b>    | <b>5.5</b>    | <b>3.3</b>    |
| <i>EBIT-margin</i>             | <i>8.2%</i>   | <i>17.2%</i>  | <i>7.9%</i>   | <i>10.2%</i>  | <i>6.4%</i>   | <i>-40.6%</i>  | <i>14.9%</i>  | <i>20.9%</i>  | <i>15.6%</i>  | <i>14.1%</i>  | <i>14.2%</i>  | <i>17.1%</i>  | <i>10.4%</i>  |
| Unallocated income/cost        | -7.4          | -5.9          | -3.6          | -1.9          | -1.9          | -1.8           | -1.2          | -2.1          | -2.6          | -3.9          | -3.2          | -3.3          | -1.5          |
| <b>EBIT</b>                    | <b>129.2</b>  | <b>187.4</b>  | <b>29.1</b>   | <b>51.9</b>   | <b>48.2</b>   | <b>57.0</b>    | <b>55.6</b>   | <b>67.6</b>   | <b>64.2</b>   | <b>57.9</b>   | <b>60.4</b>   | <b>56.1</b>   | <b>65.8</b>   |
| <i>EBIT-margin</i>             | <i>17.5%</i>  | <i>25.1%</i>  | <i>12.8%</i>  | <i>20.0%</i>  | <i>19.4%</i>  | <i>20.0%</i>   | <i>22.6%</i>  | <i>26.1%</i>  | <i>26.5%</i>  | <i>21.1%</i>  | <i>23.2%</i>  | <i>22.1%</i>  | <i>25.6%</i>  |



# Management's statement

The Board of Directors and the Executive Board have today considered and approved the Consolidated Interim Report of North Media A/S for the period 1 January to 30 September 2022.

The Consolidated Interim Report, which has not been audited or reviewed by the auditors of the Company, has been prepared in accordance with IAS 34 'Interim Financial Reporting' as adopted by the EU and Danish disclosure requirements for interim reports of listed companies.

In our opinion, the consolidated interim financial statements give a true and fair view of the Group's assets, liabilities, and financial position at 30 September 2022 and of the results of the group's operations and cash flows for the period 1 January to 30 September 2022.

In our opinion, the management commentary includes a true and fair account of developments in the operations and financial circumstances of the Group, of the results for the period and of the financial position. Other than as described in the management commentary of this Interim Report, there have been no significant changes to the Group's risks and elements of uncertainty compared to the description provided in the 2021 Annual Report.

Søborg, 2 November 2022

## Executive Board

Lasse Ingemann Brodt  
CEO

Kåre Stausø Wigh  
CFO

Lisbeth Britt Larsen  
Group CHRO

## Board of Directors

Ole Elverdam Borch  
Chairman

Richard Gustav Bunck  
Vice-Chairman

Ulrik Holsted-Sandgreen

Ulrik Falkner Thagesen

Ann-Sofie Østberg Bjergby



# Consolidated statement of comprehensive income

| DKKm  | Q3           |              | Q3 YTD       |              | full year      |
|---|--------------|--------------|--------------|--------------|----------------|
|   | 2022         | 2021         | 2022         | 2021         | 2021           |
| <b>Revenue</b>  | <b>228.0</b> | <b>246.4</b> | <b>736.2</b> | <b>748.0</b> | <b>1,033.6</b> |
| Direct costs  | 61.5         | 60.4         | 188.6        | 171.6        | 236.7          |
| Direct staff costs  | 43.2         | 43.0         | 135.3        | 128.1        | 176.4          |
| <b>Gross profit</b>   | <b>123.3</b> | <b>143.0</b> | <b>412.3</b> | <b>448.3</b> | <b>620.5</b>   |
| Staff costs   | 58.7         | 54.1         | 173.1        | 162.1        | 221.0          |
| Other external costs  | 30.1         | 27.7         | 93.3         | 81.9         | 112.2          |
| Amortisation, depreciation and impairments losses etc.      | 6.8          | 6.9          | 20.8         | 20.8         | 47.8           |
| Other operating income                                      | 1.4          | 1.3          | 4.1          | 3.9          | 4.9            |
| <b>Operating profit (EBIT)</b>                              | <b>29.1</b>  | <b>55.6</b>  | <b>129.2</b> | <b>187.4</b> | <b>244.4</b>   |
| Share of profit/loss in associates                          | 2.0          | 1.9          | 6.0          | 2.6          | 4.2            |
| Return on securities  | -18.7        | 14.6         | -229.3       | 76.8         | 103.2          |
| Financial income  | 0.0          | 0.0          | 0.3          | 0.2          | 0.5            |
| Financial costs   | 0.2          | 1.1          | 1.7          | 3.7          | 5.3            |
| <b>Profit/loss before tax</b>                               | <b>12.2</b>  | <b>71.0</b>  | <b>-95.5</b> | <b>263.3</b> | <b>347.0</b>   |
| Tax on profit/loss for the period                           | 2.3          | 15.2         | -22.1        | 56.2         | 73.4           |
| <b>Net profit for the period</b>                            | <b>9.9</b>   | <b>55.8</b>  | <b>-73.4</b> | <b>207.1</b> | <b>273.6</b>   |
| <b>Attributable, net profit/loss</b>                        |              |              |              |              |                |
| Shareholders in North Media A/S                             | 9.9          | 55.8         | -73.4        | 207.1        | 273.6          |
|   | <b>9.9</b>   | <b>55.8</b>  | <b>-73.4</b> | <b>207.1</b> | <b>273.6</b>   |
| <b>Earnings per share, in DKK</b>                           |              |              |              |              |                |
| Earnings per share (EPS) - total                            | 0.5          | 3.1          | -4.0         | 11.4         | 15.0           |
| Diluted earnings per share (EPS-D) - total                  | 0.5          | 3.0          | -4.0         | 11.1         | 14.7           |
| Earnings per share excluding return on securities (EPS-adj) | 1.3          | 2.4          | 5.7          | 8.1          | 10.6           |

| DKKm   | Q3         |             | Q3 YTD       |              | full year    |
|--|------------|-------------|--------------|--------------|--------------|
|  | 2022       | 2021        | 2022         | 2021         | 2021         |
| <b>Net profit for the period</b>   | <b>9.9</b> | <b>55.8</b> | <b>-73.4</b> | <b>207.1</b> | <b>273.6</b> |
| <i>Financial statement items that may later be reclassified to the income statement:</i> |            |             |              |              |              |
| Translation adjustments, foreign companies   | 0.0        | 0.0         | 0.0          | -0.2         | -0.3         |
| <b>Other comprehensive income</b>  | <b>0.0</b> | <b>0.0</b>  | <b>0.0</b>   | <b>-0.2</b>  | <b>-0.3</b>  |
| <b>Comprehensive income</b>  | <b>9.9</b> | <b>55.8</b> | <b>-73.4</b> | <b>206.9</b> | <b>273.3</b> |
| <b>Attributable, comprehensive income</b>  |            |             |              |              |              |
| Shareholders in North Media A/S  | 9.9        | 55.8        | -73.4        | 206.9        | 273.3        |
|  | <b>9.9</b> | <b>55.8</b> | <b>-73.4</b> | <b>206.9</b> | <b>273.3</b> |



# Consolidated balance sheet

## Assets

| DKKm                                       | 30 Sep<br>2022 | 30 Sep<br>2021 | 31 Dec<br>2021 |
|--|----------------|----------------|----------------|
| Goodwill                                   | 40.0           | 39.1           | 39.1           |
| Other intangible assets                    | 8.0            | 9.2            | 8.9            |
| Software                                   | 4.5            | 11.1           | 1.4            |
| <b>Intangible assets</b>                   | <b>52.5</b>    | <b>59.4</b>    | <b>49.4</b>    |
| Land and buildings                         | 227.0          | 229.8          | 233.6          |
| Investment property                        | 17.0           | 17.1           | 16.9           |
| Plant and machinery                        | 26.5           | 37.2           | 29.1           |
| Operating equipment, fixtures and fittings | 9.4            | 8.4            | 10.0           |
| <b>Property, plant and equipment</b>       | <b>279.9</b>   | <b>292.5</b>   | <b>289.6</b>   |
| Investments in associates                  | 13.1           | 8.7            | 8.1            |
| Other securities and investments           | 3.4            | 2.3            | 2.2            |
| Deferred tax asset                         | 0.0            | 0.0            | 0.1            |
| Other receivables                          | 1.3            | 1.5            | 1.2            |
| <b>Other non-current assets</b>            | <b>17.8</b>    | <b>12.5</b>    | <b>11.6</b>    |
| <b>Total non-current assets</b>            | <b>350.2</b>   | <b>364.4</b>   | <b>350.6</b>   |
| Inventories                                | 5.7            | 5.8            | 5.6            |
| Trade receivables                          | 61.5           | 70.4           | 57.5           |
| Income tax receivables                     | 36.0           | 0.0            | 6.3            |
| Other receivables                          | 0.7            | 0.6            | 1.5            |
| Prepayments                                | 16.4           | 15.6           | 16.3           |
| Securities                                 | 537.5          | 681.9          | 753.1          |
| Cash at bank and in hand                   | 139.0          | 158.4          | 129.7          |
| <b>Total current assets</b>                | <b>796.8</b>   | <b>932.7</b>   | <b>970.0</b>   |
| <b>Total assets</b>                        | <b>1,147.0</b> | <b>1,297.1</b> | <b>1,320.6</b> |

## Equity and liabilities

| DKKm                                 | 30 Sep<br>2022 | 30 Sep<br>2021 | 31 Dec<br>2021 |
|--------------------------------------|----------------|----------------|----------------|
| Share capital                        | 100.3          | 100.3          | 100.3          |
| Reserve, translation adjustments     | 0.0            | -2.8           | -2.9           |
| Retained earnings                    | 820.5          | 916.7          | 982.6          |
| <b>Total equity</b>                  | <b>920.8</b>   | <b>1,014.2</b> | <b>1,080.0</b> |
| Deferred tax                         | 7.9            | 1.6            | 0.0            |
| Financial institutions               | 109.9          | 114.6          | 113.3          |
| Lease debt                           | 2.2            | 3.9            | 3.3            |
| <b>Total non-current liabilities</b> | <b>120.0</b>   | <b>120.1</b>   | <b>116.6</b>   |
| Financial institutions               | 4.7            | 4.7            | 4.8            |
| Lease debt                           | 3.4            | 3.5            | 3.4            |
| Trade payables                       | 26.3           | 27.9           | 44.7           |
| Income tax payable                   | 0.0            | 49.2           | 0.0            |
| Contract liabilities                 | 7.6            | 8.3            | 5.4            |
| Other payables                       | 64.2           | 69.2           | 65.7           |
| <b>Total current liabilities</b>     | <b>106.2</b>   | <b>162.8</b>   | <b>124.0</b>   |
| <b>Total liabilities</b>             | <b>226.2</b>   | <b>282.9</b>   | <b>240.6</b>   |
| <b>Total equity and liabilities</b>  | <b>1,147.0</b> | <b>1,297.1</b> | <b>1,320.6</b> |



# Consolidated statement of changes in equity

| DKKm   | Share capital | Reserve, translation adjustments | Retained earnings | Total equity   |
|--|---------------|----------------------------------|-------------------|----------------|
| <b>Equity 1 January 2021</b>                                       | <b>100.3</b>  | <b>-2.6</b>                      | <b>781.3</b>      | <b>879.0</b>   |
| <b>Changes in equity for the period</b>                            |               |                                  |                   |                |
| Net profit for the period  | 0.0           | 0.0                              | 207.1             | 207.1          |
| Translation adjustments, foreign companies                         | 0.0           | -0.2                             | 0.0               | -0.2           |
| <b>Other comprehensive income after tax</b>                        | <b>0.0</b>    | <b>-0.2</b>                      | <b>0.0</b>        | <b>-0.2</b>    |
| <b>Total comprehensive income</b>                                  | <b>0.0</b>    | <b>-0.2</b>                      | <b>207.1</b>      | <b>206.9</b>   |
| Tax on options   | 0.0           | 0.0                              | 10.9              | 10.9           |
| Sale of treasury shares  | 0.0           | 0.0                              | 7.0               | 7.0            |
| Share-based payment  | 0.0           | 0.0                              | 1.2               | 1.2            |
| Dividend paid  | 0.0           | 0.0                              | -100.3            | -100.3         |
| Dividend on treasury shares  | 0.0           | 0.0                              | 9.5               | 9.5            |
| <b>Changes in equity for the period</b>                            | <b>0.0</b>    | <b>-0.2</b>                      | <b>135.4</b>      | <b>135.2</b>   |
| <b>Equity at 30 Sep 2021</b>                                       | <b>100.3</b>  | <b>-2.8</b>                      | <b>916.7</b>      | <b>1,014.2</b> |
| <b>Equity 1 January 2022</b>                                       | <b>100.3</b>  | <b>-2.9</b>                      | <b>982.6</b>      | <b>1,080.0</b> |
| <b>Changes in equity for the period</b>                            |               |                                  |                   |                |
| Net profit for the period  | 0.0           | 0.0                              | -73.4             | -73.4          |
| Reserve dissolved in connection with closure of foreign activities | 0.0           | 2.9                              | -2.9              | 0.0            |
| <b>Other comprehensive income after tax</b>                        | <b>0.0</b>    | <b>2.9</b>                       | <b>-2.9</b>       | <b>0.0</b>     |
| <b>Total comprehensive income</b>                                  | <b>0.0</b>    | <b>2.9</b>                       | <b>-76.3</b>      | <b>-73.4</b>   |
| Tax on options   | 0.0           | 0.0                              | -4.2              | -4.2           |
| Sale of treasury shares  | 0.0           | 0.0                              | 10.1              | 10.1           |
| Share-based payment  | 0.0           | 0.0                              | 0.4               | 0.4            |
| Dividend paid  | 0.0           | 0.0                              | -100.3            | -100.3         |
| Dividend on treasury shares  | 0.0           | 0.0                              | 8.2               | 8.2            |
| <b>Changes in equity for the period</b>                            | <b>0.0</b>    | <b>2.9</b>                       | <b>-162.1</b>     | <b>-159.2</b>  |
| <b>Equity at 30 Sep 2022</b>                                       | <b>100.3</b>  | <b>0.0</b>                       | <b>820.5</b>      | <b>920.8</b>   |



# Consolidated statement of cash flows

| DKKm   | Q3           |              | Q3 YTD       |              | full year    |
|--|--------------|--------------|--------------|--------------|--------------|
|  | 2022         | 2021         | 2022         | 2021         | 2021         |
| <b>Net profit for the period</b>                                 | <b>9.9</b>   | <b>55.8</b>  | <b>-73.4</b> | <b>207.1</b> | <b>273.6</b> |
| Adjustments for non-cash items                                   | 26.0         | 7.1          | 223.8        | 2.3          | 19.7         |
| Changes in working capital                                       | -5.6         | -1.9         | -21.0        | -64.6        | -42.8        |
| <b>Cash flow from operating activities before net financials</b> | <b>30.3</b>  | <b>61.0</b>  | <b>129.4</b> | <b>144.8</b> | <b>250.5</b> |
| Interest received  | 0.0          | 0.0          | 0.1          | 0.2          | 0.5          |
| Interest paid  | -0.2         | -1.0         | -1.7         | -3.5         | -4.9         |
| <b>Cash flow from ordinary activities before tax</b>             | <b>30.1</b>  | <b>60.0</b>  | <b>127.8</b> | <b>141.5</b> | <b>246.1</b> |
| Income tax paid  | -0.1         | -0.1         | -4.6         | -15.0        | -90.0        |
| <b>Cash flow from operating activities, total</b>                | <b>30.0</b>  | <b>59.9</b>  | <b>123.2</b> | <b>126.5</b> | <b>156.1</b> |
| Investments in intangible and tangible assets                    | -3.9         | -2.5         | -9.4         | -11.4        | -25.5        |
| Sale of property, plant and equipment                            | 0.0          | 0.0          | 0.0          | 0.5          | 0.5          |
| Dividend from associates   | 0.0          | 0.0          | 1.0          | 0.0          | 2.2          |
| Investment in securities   | 0.0          | -25.6        | -19.3        | -54.9        | -185.7       |
| Divestment of securities   | 0.0          | 0.0          | 0.0          | 32.7         | 118.4        |
| Dividend from securities   | 0.8          | 0.4          | 5.6          | 2.6          | 2.9          |
| Purchase of subsidiary   | 0.0          | 0.0          | -4.0         | 0.0          | 0.0          |
| Investments in other non-current assets                          | 0.0          | -0.8         | -1.1         | -1.2         | -0.9         |
| Sale of other non-current assets                                 | 0.0          | 0.0          | 0.0          | 0.0          | -0.1         |
| <b>Cash flow from investing activities, total</b>                | <b>-3.1</b>  | <b>-28.5</b> | <b>-27.2</b> | <b>-31.7</b> | <b>-88.2</b> |
| Repayment of non-current liabilities                             | -1.6         | -2.1         | -4.7         | -6.2         | -8.0         |
| Sale of treasury shares  | 0.0          | 0.0          | 10.1         | 7.0          | 7.0          |
| Dividend paid  | 0.0          | 0.0          | -92.1        | -90.7        | -90.7        |
| <b>Cash flow from financing activities, total</b>                | <b>-1.6</b>  | <b>-2.1</b>  | <b>-86.7</b> | <b>-89.9</b> | <b>-91.7</b> |
| <b>Total cash flow for the period</b>                            | <b>25.3</b>  | <b>29.3</b>  | <b>9.3</b>   | <b>4.9</b>   | <b>-23.8</b> |
| <b>Cash and cash equivalents beginning of period</b>             | <b>113.7</b> | <b>129.1</b> | <b>129.7</b> | <b>153.5</b> | <b>153.5</b> |
| <b>Cash and cash equivalents, end of period</b>                  | <b>139.0</b> | <b>158.4</b> | <b>139.0</b> | <b>158.4</b> | <b>129.7</b> |



## Note 1 Accounting policies

The consolidated interim financial statements include a summary of the consolidated financial statements of North Media A/S for the period 1 January to 30 September 2022. The consolidated interim financial statements are presented in accordance with IAS 34, Interim Financial Reporting, as adopted by the EU and additional Danish disclosure requirements for interim reports of listed companies.

At the date of publication of this interim report, a number of new or amended standards and interpretations have been approved by the IASB, but none of these are expected to have a material influence on North Media A/S.

In the consolidated interim financial statements, income tax on profit or loss before tax is calculated at a rate of 22%, adjusted for major permanent differences. A loss on the Group's security portfolio for the full year would be deductible against the operating profit expected to be realised.

The accounting policies applied in the consolidated interim financial statements are consistent with those applied in the Annual Report for 2021.

## Note 2 Return on securities

| DKKm                               | Q3           |             | Q3 YTD        |             | full year    |
|------------------------------------|--------------|-------------|---------------|-------------|--------------|
|                                    | 2022         | 2021        | 2022          | 2021        | 2021         |
| Dividend                           | 0.8          | 0.4         | 5.6           | 2.6         | 2.9          |
| Net capital gains/losses on shares | -19.5        | 14.2        | -234.9        | 74.2        | 100.3        |
| <b>Total return on securities</b>  | <b>-18.7</b> | <b>14.6</b> | <b>-229.3</b> | <b>76.8</b> | <b>103.2</b> |

All securities are stated at market value at 30 September 2022 (level 1).



## Note 3 Segment information

### Q3

| DKKm  | Last Mile<br>FK Distribution |              | Digital Services<br>Total |             | BoligPortal |          | Ofir     |          | Bekey    |          | Unallocated<br>costs/ elimi.*) |             | Total        |              |
|---|------------------------------|--------------|---------------------------|-------------|-------------|----------|----------|----------|----------|----------|--------------------------------|-------------|--------------|--------------|
|   | 2022                         | 2021         | 2022                      | 2021        | 2022        | 2021     | 2022     | 2021     | 2022     | 2021     | 2022                           | 2021        | 2022         | 2021         |
| Segment revenue   | 189.0                        | 209.6        | 40.5                      | 38.2        | 24.3        | 21.9     | 9.3      | 9.0      | 6.9      | 7.3      | 0.0                            | 0.0         | 229.5        | 247.8        |
| Internal revenue  | 0.0                          | 0.0          | -1.5                      | -1.4        | 0.0         | 0.0      | -0.1     | -0.1     | -1.4     | -1.3     | 0.0                            | 0.0         | -1.5         | -1.4         |
| <b>External revenue</b>                                   | <b>189.0</b>                 | <b>209.6</b> | <b>39.0</b>               | <b>36.8</b> | 24.3        | 21.9     | 9.2      | 8.9      | 5.5      | 6.0      | <b>0.0</b>                     | <b>0.0</b>  | <b>228.0</b> | <b>246.4</b> |
| <b>Revenue recognition</b>                                |                              |              |                           |             |             |          |          |          |          |          |                                |             |              |              |
| Immediately   | 189.0                        | 209.6        | 12.2                      | 12.7        | 0.0         | 0.0      | 9.2      | 8.9      | 3.0      | 3.8      | -                              | -           | 201.2        | 222.3        |
| Over time   | -                            | -            | 26.8                      | 24.1        | 24.3        | 21.9     | 0.0      | 0.0      | 2.5      | 2.2      | -                              | -           | 26.8         | 24.1         |
| <b>External revenue</b>                                   | <b>189.0</b>                 | <b>209.6</b> | <b>39.0</b>               | <b>36.8</b> | 24.3        | 21.9     | 9.2      | 8.9      | 5.5      | 6.0      | <b>0.0</b>                     | <b>0.0</b>  | <b>228.0</b> | <b>246.4</b> |
| Direct costs  | 100.0                        | 99.2         | 2.8                       | 2.8         | 0.1         | 0.2      | 1.6      | 1.5      | 1.1      | 1.1      | 1.9                            | 1.2         | 104.7        | 103.2        |
| <b>Gross profit</b>                                       | <b>89.0</b>                  | <b>110.4</b> | <b>37.7</b>               | <b>35.4</b> | 24.2        | 21.7     | 7.7      | 7.5      | 5.8      | 6.2      | <b>-3.4</b>                    | <b>-2.6</b> | <b>123.3</b> | <b>143.2</b> |
| Other external costs                                      | 59.9                         | 58.7         | 33.6                      | 29.1        | 17.2        | 14.5     | 7.5      | 6.3      | 8.9      | 8.3      | -2.1                           | -3.7        | 91.4         | 84.1         |
| EBITDA  | 32.9                         | 54.9         | 4.3                       | 6.5         | 7.2         | 7.4      | 0.2      | 1.2      | -3.1     | -2.1     | -1.3                           | 1.1         | 35.9         | 62.5         |
| Amortisation, depreciation and<br>impairments losses etc. | 3.3                          | 3.6          | 1.2                       | 1.0         | 1.1         | 0.7      | 0.0      | 0.0      | 0.1      | 0.3      | 2.3                            | 2.3         | 6.8          | 6.9          |
| <b>EBIT</b>   | <b>29.6</b>                  | <b>51.3</b>  | <b>3.1</b>                | <b>5.5</b>  | 6.1         | 6.7      | 0.2      | 1.2      | -3.2     | -2.4     | <b>-3.6</b>                    | <b>-1.2</b> | <b>29.1</b>  | <b>55.6</b>  |
| Share of profit in associates                             | 0.0                          | 0.0          | 2.0                       | 1.9         | 0.0         | 0.0      | 0.0      | 0.0      | 0.0      | 0.0      | 0.0                            | 0.0         | 2.0          | 1.9          |
| Return on securities                                      | -                            | -            | -                         | -           | -           | -        | -        | -        | -        | -        | -                              | -           | -18.7        | 14.6         |
| Net financials  | -                            | -            | -                         | -           | -           | -        | -        | -        | -        | -        | -                              | -           | -0.2         | -1.1         |
| <b>Profit/loss before tax</b>                             | <b>-</b>                     | <b>-</b>     | <b>-</b>                  | <b>-</b>    | <b>-</b>    | <b>-</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>-</b>                       | <b>-</b>    | <b>12.2</b>  | <b>71.0</b>  |
| Gross margin  | 47.1%                        | 52.7%        | 96.7%                     | 96.2%       | 99.6%       | 99.1%    | 83.7%    | 84.3%    | 105.5%   | 103.3%   | -                              | -           | 54.1%        | 58.1%        |
| EBITDA margin   | 17.4%                        | 26.2%        | 11.0%                     | 17.7%       | 29.6%       | 33.8%    | 2.2%     | 13.5%    | -56.4%   | -35.0%   | -                              | -           | 15.7%        | 25.4%        |
| EBIT margin   | 15.7%                        | 24.5%        | 7.9%                      | 14.9%       | 25.1%       | 30.6%    | 2.2%     | 13.5%    | -58.2%   | -40.0%   | -                              | -           | 12.8%        | 22.6%        |

\* Internal revenue is eliminated in other operating expenses. Other items relate to unallocated expenses.



## Note 3 Segment information

### Q3 YTD

| DKKm  | Last Mile<br>FK Distribution |              | Digital Services<br>Total |              | BoligPortal  |              | Ofir         |              | Bekey        |              | Unallocated<br>costs/ elimi.*) |              | Total        |              |
|---|------------------------------|--------------|---------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------------------------|--------------|--------------|--------------|
|   | Q3 YTD<br>22                 | Q3 YTD<br>21 | Q3 YTD<br>22              | Q3 YTD<br>21 | Q3 YTD<br>22 | Q3 YTD<br>21 | Q3 YTD<br>22 | Q3 YTD<br>21 | Q3 YTD<br>22 | Q3 YTD<br>21 | Q3 YTD<br>22                   | Q3 YTD<br>21 | Q3 YTD<br>22 | Q3 YTD<br>21 |
| Segment revenue   | 615.4                        | 640.9        | 125.4                     | 111.4        | 70.7         | 64.0         | 31.8         | 25.8         | 22.9         | 21.6         | 0.0                            | 0.0          | 740.8        | 752.3        |
| Internal revenue  | 0.0                          | 0.0          | -4.6                      | -4.3         | 0.0          | 0.0          | -0.5         | -0.2         | -4.1         | -4.1         | 0.0                            | 0.0          | -4.6         | -4.3         |
| <b>External revenue</b>                                   | <b>615.4</b>                 | <b>640.9</b> | <b>120.8</b>              | <b>107.1</b> | 70.7         | 64.0         | 31.3         | 25.6         | 18.8         | 17.5         | <b>0.0</b>                     | <b>0.0</b>   | <b>736.2</b> | <b>748.0</b> |
| <b>Revenue recognition</b>                                |                              |              |                           |              |              |              |              |              |              |              |                                |              |              |              |
| Immediately   | 615.4                        | 640.9        | 43.0                      | 36.5         | 0.0          | 0.0          | 31.3         | 25.6         | 11.7         | 10.9         | 0.0                            | 0.0          | 658.4        | 677.4        |
| Over time   | -                            | -            | 77.8                      | 70.6         | 70.7         | 64.0         | 0.0          | 0.0          | 7.1          | 6.6          | 0.0                            | 0.0          | 77.8         | 70.6         |
| <b>External revenue</b>                                   | <b>615.4</b>                 | <b>640.9</b> | <b>120.8</b>              | <b>107.1</b> | 70.7         | 64.0         | 31.3         | 25.6         | 18.8         | 17.5         | <b>0.0</b>                     | <b>0.0</b>   | <b>736.2</b> | <b>748.0</b> |
| Direct costs  | 307.4                        | 287.9        | 11.1                      | 8.4          | 0.6          | 0.6          | 5.5          | 4.2          | 5.0          | 3.6          | 5.3                            | 3.3          | 323.8        | 299.6        |
| <b>Gross profit</b>                                       | <b>308.0</b>                 | <b>353.0</b> | <b>114.3</b>              | <b>103.0</b> | 70.1         | 63.4         | 26.3         | 21.6         | 17.9         | 18.0         | <b>-9.9</b>                    | <b>-7.6</b>  | <b>412.4</b> | <b>448.4</b> |
| Other external costs                                      | 182.0                        | 176.2        | 101.7                     | 82.4         | 50.3         | 41.8         | 23.1         | 17.3         | 28.3         | 23.3         | -17.2                          | -14.5        | 266.5        | 244.1        |
| EBITDA  | 137.2                        | 186.1        | 13.3                      | 21.2         | 20.5         | 22.2         | 3.2          | 4.3          | -10.4        | -5.3         | -0.5                           | 0.9          | 150.0        | 208.2        |
| Amortisation, depreciation and<br>impairments losses etc. | 10.5                         | 11.2         | 3.4                       | 2.8          | 3.0          | 2.1          | 0.1          | 0.1          | 0.3          | 0.6          | 6.9                            | 6.8          | 20.8         | 20.8         |
| <b>EBIT</b>   | <b>126.7</b>                 | <b>174.9</b> | <b>9.9</b>                | <b>18.4</b>  | 17.5         | 20.1         | 3.1          | 4.2          | -10.7        | -5.9         | <b>-7.4</b>                    | <b>-5.9</b>  | <b>129.2</b> | <b>187.4</b> |
| Share of profit in associates                             | 0.0                          | 0.0          | 6.0                       | 2.6          | 6.0          | 2.6          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0                            | 0.0          | 6.0          | 2.6          |
| Return on securities                                      | -                            | -            | -                         | -            | -            | -            | -            | -            | -            | -            | -                              | -            | -229.3       | 76.8         |
| Net financials  | -                            | -            | -                         | -            | -            | -            | -            | -            | -            | -            | -                              | -            | -1.4         | -3.5         |
| <b>Profit/loss before tax</b>                             | <b>-</b>                     | <b>-</b>     | <b>-</b>                  | <b>-</b>     | <b>-</b>     | <b>-</b>     | <b>-</b>     | <b>-</b>     | <b>-</b>     | <b>-</b>     | <b>-</b>                       | <b>-</b>     | <b>-95.5</b> | <b>263.3</b> |
| Gross margin  | 50.0%                        | 55.1%        | 94.6%                     | 96.2%        | 99.2%        | 99.1%        | 84.0%        | 84.4%        | 95.2%        | 102.9%       | -                              | -            | 56.0%        | 59.9%        |
| EBITDA margin   | 22.3%                        | 29.0%        | 11.0%                     | 19.8%        | 29.0%        | 34.7%        | 10.2%        | 16.8%        | -55.3%       | -30.3%       | -                              | -            | 20.4%        | 27.8%        |
| EBIT margin   | 20.6%                        | 27.3%        | 8.2%                      | 17.2%        | 24.8%        | 31.4%        | 9.9%         | 16.4%        | -56.9%       | -33.7%       | -                              | -            | 17.5%        | 25.1%        |

\* Internal revenue is eliminated in other operating expenses. Other items relate to unallocated expenses.

### Other information

*FK Distributions* revenue is based on packing and distribution services, amounting to DKK 590.7m (2021: DKK 620.0m) and online sales of DKK 24.7m (2021: DKK 20.9m). *BoligPortals* revenue consists of subscription-based income from the platform's marketplace and income from various subscription-based SaaS solutions, amounting to DKK 70.7m (2021: DKK 64.0m). *Ofirs* revenue consists mainly of transaction-based job banner ads, amounting to DKK 31.3m (2021: DKK 25.6m). *Bekeys* revenue consists of sales of software access systems, including the sale of physical products closely associated with user access, amounting to DKK 18.8m (2021: DKK 17.5m).



## Note 4 Adjustment for non-cash operating items

| DKKm  | Q3          |            | Q3 YTD       |            | full year   |
|---|-------------|------------|--------------|------------|-------------|
|   | 2022        | 2021       | 2022         | 2021       | 2021        |
| Share of profit/loss in associates          | -2.0        | -1.9       | -6.0         | -2.6       | -4.2        |
| Tax on profit/loss for the year             | 2.3         | 15.2       | -22.1        | 56.2       | 73.4        |
| Amortisation and depreciation of assets     | 6.8         | 6.9        | 20.8         | 20.9       | 27.7        |
| Gain/loss on disposals of assets            | 0.0         | 0.0        | 0.0          | -0.1       | 0.0         |
| Share-based payment                         | 0.0         | 0.5        | 0.4          | 1.2        | 1.2         |
| Impairments Intangible and tangible assets  | 0.0         | 0.0        | 0.0          | 0.0        | 20.1        |
| Net financials                              | 0.2         | 1.0        | 1.4          | 3.5        | 4.7         |
| Value adjustments, securities               | 18.7        | -14.6      | 229.3        | -76.8      | -103.2      |
| <b>Total adjustments for non-cash items</b> | <b>26.0</b> | <b>7.1</b> | <b>223.8</b> | <b>2.3</b> | <b>19.7</b> |

## Note 5 Change in working capital/other debt

| DKKm  | Q3          |             | Q3 YTD       |              | full year    |
|---|-------------|-------------|--------------|--------------|--------------|
|   | 2022        | 2021        | 2022         | 2021         | 2021         |
| COVID-19 extension of payment deadlines for VAT and employee income taxes | 0.0         | 0.0         | 0.0          | -30.0        | -27.4        |
| Frozen holiday pay  | 0.0         | 0.0         | 0.0          | -18.2        | -18.2        |
| Changes in ordinary working capital                                       | -5.6        | -1.9        | -21.0        | -16.4        | 2.8          |
| <b>Changes in working capital</b>   | <b>-5.6</b> | <b>-1.9</b> | <b>-21.0</b> | <b>-64.6</b> | <b>-42.8</b> |

In 2021, the change in working capital was adversely affected by the payment of VAT and employee income tax due to the COVID-19- induced extended deadlines for paying VAT and employee

income tax, and holiday pay frozen was paid to the Labour Market Holiday Fund in the second quarter of 2021. No particular changes were recorded for 2022.

## Note 6 Acquired business and operations

In connection with BoligPortal acquiring 51% of the voting shares in Boligmanager ApS effective on 1 February 2022 and concluding a put/call option for the remaining 49%, North Media A/S has made a preliminary calculation of identifiable assets, liabilities and contingent liabilities at fair value. There was no significant activity in the company in January 2022.

Boligmanager has developed and launched a digital housing and property management system. The system enables landlords to manage, among other things, contracts, deposits, billings and payments, arrears, utility accounts, VAT, communication with tenants and bookkeeping at tenant/property level. This is a full-scale digital solution, and bookkeeping entries are integrated with e-economic and other online accounting software. The SaaS products are available as monthly subscriptions. The acquisition strengthens BoligPortal's product offering to property owners.

| DKKm                              | Fair value at time of acquisition |
|-----------------------------------|-----------------------------------|
| Software                          | 4.0                               |
| Cash                              | 8.0                               |
| Deferred tax                      | -0.9                              |
| Acquired net assets               | 11.1                              |
| Goodwill                          | 0.9                               |
| Acquisition cost                  | 12.0                              |
| Of which contributed cash         | -8.0                              |
| <b>Net cash acquisition price</b> | <b>4.0</b>                        |

DKK 8m was contributed to equity as part of the transaction. The capital contribution will be used to grow and scale Boligmanager's operations. Accordingly, the cash acquisition price amounted to DKK 4.0m. The identifiable assets (other than the cash contribution) were allocated to software, which was the company's only asset.



Boligmanager is recognised in both the consolidated and the subsidiary financial statements at a 100% ownership interest. Pursuant to the shareholders' agreement including the related contingent residual consideration, Boligmanager's founders are entitled only to the contingent consideration relating to the remaining 49% of the shares. As part of the acquisition, an agreement has been made with Boligmanager's founders on their future employment until the end of 2026. The related contingent consideration is not considered as part of the purchase price, but as remuneration for future employment, and the amount will be recognised as earned. The amount is expected to equal 1.5x Boligmanager's revenue in the 2026 financial year, depending on its revenue and EBIT margin performance. The entire purchase price for Boligmanager (including the cash purchase price of DKK 4.0m for 51% of the shares) will be recognised by the end of the 2026 financial year.

Overall, Boligmanager is expected to reduce BoligPortal's 2022 EBIT by DKK 6 to 7m, about half of which amount will consist of amortisation of the identified software and the ongoing provision for the outstanding consideration for the remaining 49% of the shares, while the remaining amount will consist of the operating loss in Boligmanager. No significant revenue is expected for Boligmanager in 2022.

## Note 7 Special risks and elements of uncertainty for the rest of 2022

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The Group's activities are distinct high-volume enterprises subject to high start-up costs and subsequent low unit costs, for which reason revenue growth will support an EBIT margin increase. Conversely, a decline in revenue would have a negative effect on the profit margin as it is only possible to reduce costs slightly in the short term. Moreover, operations are conducted in markets characterised by massive structural change, which adds to the uncertainty.

## Note 8 Contingent liabilities and assets

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### Contingent liabilities

In a decision announced on 30 June 2020, the Danish Competition Council ruled that ForbrugerKontakt A/S (FK Distribution) had violated the prohibition against abusing a dominant position by applying tying conditions in its contracts with customers during the period from 2018 to October 2019. In a decision of 28 April 2021, the Danish Competition Appeals Board upheld the Competition Council's decision. FK Distribution disagrees with the decision and has appealed the matter

to the courts (the Maritime and Commercial High Court). Given the information currently available, a liability cannot be reliably estimated.

At 30 September 2022, no material changes had occurred in respect of the Group's contingent liabilities and assets.

## Note 9 Solar panels on FK Distribution's buildings and land areas

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An agreement was concluded at the end of October 2021 for the installation of solar panels and a battery solution at the property in Taastrup. The solar panel plant was inaugurated on 31 May 2022, whereas the battery solution was delayed by a couple of months due to component shortages. The solution is expected to be operational in the fourth quarter of 2022. When the solar panels and the battery solution become operational, it is expected that about 40% of power consumption at the Taastrup site will be generated in-house.

The solar panels installed cover an area of 2,100 m<sup>2</sup> on the roof of the building in Taastrup and 3,300 m<sup>2</sup> on the ground, for a total of 5,400 m<sup>2</sup> with an installed capacity of 1,100 kWp. The installation represents an investment of DKK 15m.

A similar solar panel plant is being planned for the property in Tilst, and installation at that site began at the end of August 2022. To date, DKK 7m of the total investment of almost DKK 30m has been capitalised, while the rest of the payment is subject to gradual installation and launch of the system. Both the solar panel plant and the battery solution are manufactured and supplied by European suppliers.

The Group has bought VE certificates from Ørsted ensuring that the entire volume of electricity used by the Group other than what is produced through in-house solar panel plants is sourced from wind turbines in Europe.

## Note 10 Subsequent events

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The Board of Directors and the Executive Board are not aware of any significant events having occurred since 30 September 2022 which would have a material impact on the Group's financial position.





FK Distribution, Taastrup

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